

Stock Code: 1308

Asia Polymer Corporation

2024 Annual Report

APC corporate website: <https://www.apc.com.tw>

Market Observation Post System: <https://mops.twse.com.tw>

Date of Publication: March 31, 2025

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CPAs: Chiu, Cheng-Chun and Chuang Pi-Yu

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V. Overseas Securities Listing Exchange and Information: None.

VI. Corporate website: <https://www.apc.com.tw>

Asia Polymer Corporation

Table of Contents

	<u>Pages</u>
Chapter 1 Letter to Shareholders	1
Chapter 2 Corporate Governance Report.....	5
I. Information on the Directors, President, Vice Presidents, Assistant Vice Presidents, and Supervisors of Divisions and Branch Units.....	5
II. Remuneration of Directors, Supervisors, General Manager, and Deputy General Managers	18
III. Implementation of Corporate Governance.....	31
IV. Information on CPA Professional Fees.....	231
V. Information on Replacement of CPA.....	231
VI. Where the Company's directors, general manager, managerial officer in charge of finance or accounting who has served in a CPA's accounting firm or its affiliated companies in the most recent fiscal year, the name, job title, and the accounting firm, or the affiliated company shall be disclosed.....	232
VII. Equity transfer or changes in equity pledged by the Company's directors, supervisors, managerial officers or shareholders with shareholding percentage exceeding ten percent in the most recent fiscal year up to the publication date of this Annual Report	232
VIII. Information Regarding the Top 10 Shareholders in Terms of Number of Shares Held, Who Are Related Parties or Each Other's Spouses and Relatives within the Second Degree of Kinship	233
IX. Total Number of Shares and Total Equity Stake Held in any Single Enterprise by the Company, Its Directors and Supervisors, Managerial Officers, and Any Companies Controlled Either Directly or Indirectly by the Company	236
Chapter 3 Funding Status	237
I. Capital and Shares.....	237
II. Issuance of Corporate Bonds	243
III. Preferred Shares	243
IV. Overseas Depositary Receipt	243
V. Issuance of Employee Stock Options.....	243
VI. New Restricted Employee Shares	243

VII. Status of New Share Issuance in Connection with Mergers and Acquisitions.....	243
VIII. Capital Utilization Plan and Its Implementation.....	243
Chapter 4 Operations Overview.....	244
I Business Activities	244
II Analysis of Market and Production and Marketing Situation	248
III The employee data	255
IV Disbursements for Environmental Protection	255
V Labor Relations	259
VI Information security management:	269
VII Important Contracts.....	276
Chapter 5. Review and Analysis of Financial Position and Financial Performance	278
I. Financial Position.....	278
II. Financial Performance	279
III. Cash Flows	280
IV. Impact of major capital expenditures on financial operations in the most recent year.....	281
V. Investment policy in the most recent year, main reasons for its profit or loss, improvement plans and investment plan for the coming year:	281
VI. Risk Analysis and Evaluation	282
VII. Other Important Matters: the Company's key performance indicators	289
Chapter 6. Special Notes	290
I. Information on Affiliates	290
II. Private placement of securities within the most recent year up to the publication date of this report	298
III. Other necessary supplementary notes to be included. ...	298
IV. Any Event which has a Material Impact on Shareholders' Rights and Interests or the Company's Securities as Prescribed in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act, that Have Occurred in the Most Recent Fiscal Year up to the Publication Date of this Annual Report Shall be Indicated Individually	298

Chapter 1 Letter to Shareholders

Dear Shareholders:

The Company's 2024 consolidated net operating revenue was NT\$ (same hereunder) 6.031 billion, a decrease of \$0.686 billion compared to 2023. The budget achievement rate was 92%. The consolidated loss before income tax amounts to approximately NT\$920 million, representing a decrease of NT\$1.071 billion compared to net profit before income tax for 2023. The net loss after income tax is NT\$751 million.

I. 2024 Business Report:

Sales and Marketing:

In the EVA market, it was also affected by the expansion of production capacity in China. Not only the self-sufficiency rate continued to increase and cut-throat competition, but the severe exclusion impact on imports. On the demand side, due to the US-China trade war, the slowdown of the Chinese economy, the growth of the photovoltaic demand was lower than expected, and the export of footwear was also slow, the supply and demand in the Asian region has gradually changed. The EVA market rebounded from a decline in Q1 but fell again since early Q2. The market not only hit a five-year low, but some prices of the general-purpose grades even went down to below the cost of production. Fortunately, in response to the significant expansion of EVA capacity in China in recent years, the Company has continued to develop differentiated products. Among them, coating grade EVA had a high technological bottleneck in production. So far the Chinese local producers can only supply in small quantities for low-end applications. The Company continued to expand its markets, and the sales volume of coating grade EVA increased by 26% compared to the previous year. In addition, the market development in Southeast Asia was also enhanced to reduce the cut-throat competition in the general-purpose grade market in China,

and we timely grasp the market dynamics. In the case of poor EVA market conditions, the Company flexibly adjusted the production, increased the production of LDPE, and maintained the full production and sales throughout the year. The total annual sales volume of LDPE/EVA reached 136,000 metric tons, with a budget achievement rate of 100%, an increase of 4% compared to 2023. The average selling prices also decreased by 3% and 18% respectively.

Materials and cost:

The oil price rose to the peak in the first quarter and then fell back. However, the price basically remained higher than US\$70/barrel. The price of naphtha increased due to the expanded production capacity of naphtha crackers in China, which pushed up naphtha prices, resulting in an increase in the cost of ethylene procurement by the Company compared to 2023.

Production, research and development:

The improvement of the process of hot melt adhesive product development has reached the quantitative commercial production stage, and the application market is gradually promoted. In doing this, we are able to order to stay aligned with the Group's sales strategy and improve the flexibility of the future production portfolio. The total output of LDP/EVA for the year was approximately 131,000 tons, a 1% decline compared to 2023. The budget achievement rate was 99%.

Social Responsibility:

The Company has been actively promoting ESG strategies based on USI's core philosophy of "Creating Sustainable Value and Sharing a Sustainable Society" to respond to environmental and social challenges. The Company has been recognized by many parties for its efforts in sustainable development. In terms of social responsibility, in 2024, the Company was awarded the three-year "Occupational Safety and Health

Performance Recognition” and "Top 10% of Enterprises in the Voluntary Evaluation of Occupational Health and Safety Indicators", demonstrating the Company's high level of concern for the health and safety of its employees. In terms of corporate governance, the Company ranked in the top 6% - 20% of all listed companies in the 10th Corporate Governance Appraisal, which indicates the Company's sound governance mechanism. In addition, the Company won the "Top 100 Sustainability Exemplary Awards" and the "Sustainable Report Platinum Award" in the 17th Taiwan Corporate Sustainability Awards (TCSA) in 2024. The Company will continue to strengthen its sustainable governance and information transparency to enhance its resilience. In terms of the environment, the Company takes into account the increasing global awareness of net zero and resource recycling. We are committed to finding a solution for a plastic recycling program from production to disposal, aiming to reduce production costs, mitigate environmental impacts, and promote a circular economy. The Company has actively invested in the development and certification of renewable plastic products, and has begun to reduce the shipment of small quantities since the end of 2024. Moreover, the Company passed the SGS international verification in February 2025, successfully obtaining the ISO 14021 ESG material certification and green mark.

Comprehensive Annual Operating Performance:

The comprehensive annual operational results indicate that the decline in product prices and the increase in raw material costs have led to a reduction in product profit margins. The annual consolidated net operating loss was NT\$109 million, a decrease of approximately NT\$1.033 billion compared to net operating profit for 2023. The non-operating expenses were NT\$811 million, mainly due to recognized losses from investments using equity method.

II. 2025 Business Plan outline and future development strategies:

Looking ahead to 2025, Q1 2025, due to previous bearishness in the photovoltaic industry, the overall supply chain inventory remained too low. After the Spring Festival, inventories were replenished, boosting the EVA market to rebound slightly. However, there will be a lot of new EVA capacity in China that will be put into production, and the threat must not be underestimated. Fortunately, the long-term outlook of the photovoltaic industry is still optimistic, as the economic policies in China are expected to increase consumption demand or ease the pressure of petrochemical products oversupply. After assessing market competition and future industrial development, the company has set an annual LDPE/EVA sales target of about 13.8 tons. In response to the future market's volatile conditions, the Company will continue to develop differentiated and high-value products and expand the market outside of China to reduce the dependence on the market in China. In addition, the Company will strengthen the management of inventory, supply chain and maintain the stability of production to achieve company business objectives. The Company will continue to deepen its ESG strategy, promote co-existence and co-prosperity between the enterprise and the environment through innovation, collaboration and strategic adjustments, and create long-term value for society and the environment.

I wish you all good health and good fortune.

Chairman: Wu, Yi-Kuei



General Manager: Wu, Pei-Chi



Chapter 2 Corporate Governance Report

I. Information on the Directors, President, Vice Presidents, Assistant Vice Presidents, and Supervisors of Divisions and Branch Units

(I) Information of the Board of Directors

1. Board Members

March 30, 2025

Title (Note 1)	Nationality/Place of Registration	Name	Gender and age (Note 2)	Date Elected (Appointed)	Term	Date First Appointed (Note 3)	Shares held at the time of appointment		Current Shares Held		Shares currently held by spouse and minor children		Shares Held in the Name of Other Persons		Experience (Education) (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Executive Officers, Directors or Supervisors Who Are Spouses or Relatives within the Second Degree of Kinship			Note (Note 5)
							Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held			Title	Name	Relationship	
Chairman and CEO	R.O.C	Union Polymer Int'l Investment Corp.	—	2022.05.27	3 years	2001.06.18	214,245,822	36.08%	214,245,822	36.08%	—	—	0	0%	Chairman of USI	(Note 7)	None			(Note 5)
	Republic of China	Representative: Wu Yi-Kuei	Male 71 – 75 years old			1997.02.28	—	—	0	0%	—	—	0	0%						
Director	Republic of China	Union Polymer Int'l Investment Corp.	—	2022.05.27	3 years	2001.06.18	214,245,822	36.08%	214,245,822	36.08%	—	—	0	0%	Bachelor's Degree in Chemical Engineering, Chung Yuan Christian University; General Manager, Taiwan VCM Corporation; General Manager, APC Corporation; Deputy General Manager, USI	Director: Taiwan VCM Corporation	None			None
	Republic of China	Representative: Li Kuo-Hung	Male 81–85 years old			2007.06.15	—	—	0	0%	0	0%	0	0%						
Director and General Manager	Republic of China	APC Investment Corporation	—	2022.05.27	3 years	2022.05.27	1,714,180	0.29%	1,714,180	0.29%	—	—	0	0%	General Manager of Thermoset Materials Division in Asia Pacific, and Director of Basic Plastic Sales in Greater China, Dow Chemical; Sales Engineer, Taiwan Branch, ESSO	(Note 8)	None			None
	Republic of China	Representative: Wu, Pei-Chi	Male 56-60 years old			2019.06.24	—	—	0	0%	0	0%	0	0%						
Director	Republic of China	APC Investment Corporation	—	2022.05.27	3 years	2022.05.27	1,714,180	0.29%	1,714,180	0.29%	—	—	0	0%	Fashion Institute of Design and Merchandising; FIDM-Merchandise Marketing; President: Changju Food Co., Ltd., Jinyi Global Operations Co., Ltd., Liancai Co., Ltd., and Jo Wei Distribution and Trading Company Limited.	(Note 9)	None			None
	Republic of China	Representative: Wu Hung-Chu	Male 46-50 years old			2019.06.24	—	—	0	0%	0	0%	0	0%						
Director	Republic of China	Taiwan Union International Investment Co.	—	2022.05.27	3 years	2010.06.15	11,811,014	1.99%	14,311,014	2.41%	—	—	0	0%	Master's Degree in Chemistry, National Tsing Hua University; Master of Business Administration in Management of National Sun Yat-sen University; Spokesperson and Vice President of CPC Corporation, Taiwan	(Note 10)	None			None
	Republic of China	Representative: Pi Shu-Chien (Note 6)	Female 61–65 years old	2024.03.01	1 year and 3 months	2024.03.01	—	—	0	0%	0	0%	0	0%						

Title (Note 1)	Nationality/Place of Registration	Name	Gender and age (Note 2)	Date Elected (Appointed)	Term	Date First Appointed (Note 3)	Shares held at the time of appointment		Current Shares Held		Shares currently held by spouse and minor children		Shares Held in the Name of Other Persons		Experience (Education) (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Executive Officers, Directors or Supervisors Who Are Spouses or Relatives within the Second Degree of Kinship			Note (Note 5)
							Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held			Title	Name	Relationship	
	Republic of China	Representative: Ko I-Shao	Male 71 – 75 years old	2022.05.27	1 year and 9 months	2018.03.13	—	—	—	—	—	—	—	—	Bachelor's Degree in Chemical Engineering, Chung Yuan Christian University; United Nylon Co., Ltd.; China Phosphate Co., Ltd.; and TSRC Corporation	(Note 11)	None			None
Independent Director	Republic of China	Chen Ta-Hsiung	Male 81–85 years old	2022.05.27	3 years	2016.06.08	0	0%	0	0%	—	—	0	0%	Bachelor's Degree in Law, National Taiwan University; Trustee of Mitsubishi Corporation (Taiwan) Ltd.; Chairman, New Northern Knitting Co., Ltd.; Chairman, Shanghai Jianeng Textile Co., Ltd.; Chairman of the Board of Supervisors, National Association of Small & Medium Enterprises R.O.C.; Representative, Chinese Taipei in the APEC Business Advisory Council (ABAC); Executive Director, Importers and Exporters Association of Taipei; Director, Republic of China Trade Education Foundation	Honorary Chairman: Pershing Technology Services Corporation (PTSC) Chairman of the Board: Xiuzi International Co., Ltd. and Xiuzhi Co., Ltd. Director: Yang Tang-Hai Social Welfare and Charity Foundation Independent Director: Hsin Ta Cement Co., Ltd.	None			None
Independent Director	Republic of China	Shen Shang-Hung	Male 66–70 years old	2022.05.27	3 years	2016.06.08	0	0%	0	0%	0	0%	0	0%	MBA, Emory University; Bachelor's Degree in Electrical Engineering, National Taiwan University; AT&T Managers	(Note 12)	None			None
Independent Director	Republic of China	Cheng Tun-Chien	Male 61–65 years old	2022.05.27	3 years	2016.06.08	0	0%	0	0%	0	0%	0	0%	MBA, Columbia University (U.S.A.); General Manager, UMC Capital; Director and General Manager, United Management Consultancy Investment Co., Ltd.; Executive Director and General Manager, Taiwan of Morgan Stanley Asia Limited; Executive Director, Goldman Sachs Asia L.L.C.	(Note 13)	None			None
Independent Director	Republic of China	Chen Chien-Ping	Male 61–65 years old	2022.05.27	3 years	2022.05.27	0	0%	0	0%	0	0%	0	0%	Bachelor's Degree in Financial Management, University of South California; MBA, University of California; Chairman of Public Bank; Independent Director of the Nien Hsing Textile CO., Ltd; Vice President of Chinese Olympic Committee	Chairman: He Hsin Construction Directors: Fengbao Asset Management, Fengbao Development and Construction, Qingtian Investment, and Heliao Investment Independent Director: My Humble House Hospitality Management Consulting Co., Ltd.	None			None

Note 1: For institutional shareholders, their names and representatives shall be stated (if acting as the representatives of institutional shareholders, the names of the institutional shareholders shall be indicated) and filled in Table 1.

Note 2: Please list actual ages and express them in intersectional manner, e.g. 41-50 years or 51-60 years.

Note 3: Any disruption of duty as a director or supervisor after the date he/she is elected shall be included in a separate note.

Note 4: Work experiences of anyone in the table above that are related to their current roles, such as previous employment at CPA firms or employment in affiliated companies, shall be disclosed along with job titles and responsibilities.

Note 5: Where the chairman, general manager, or individual with equivalent roles of the Company are the same individual, spouses, or relatives within the first degree of kinship, the Company shall specify related information regarding the reason, reasonableness, necessity, and response measures (e.g., appointment of additional Independent Directors and requiring the appointment of more than half of the Directors from individuals who are not employees or managers).

(1) The Chairman of the Company also serves as the CEO based on the consideration for the overall operation. With the Chairman's excellent business vision, he participates in the Company's operations in person to implement business decisions and improve the operating efficiency.

(2) More than half of the members of the Company's current Board of Directors do not serve concurrently as employees or managerial officers. The Company also appoints a major CPA firm to perform audits and established the Audit Committee, Remuneration Committee, Sustainable Development Committee and Corporate Governance Team to strengthen corporate governance and continues to implement stringent internal control mechanisms to reduce operational risks.

Note 6: On March 1, 2024, Taiwan Union International Investment Corporation, the institutional shareholder, appointed Bi Shu-Chien as its representative in replace of Ko I-Shao in the position of director. The disclosure of Ko I-Shao's information shall be made up to the date of the change in representation.

Note 7: Chairman: USI, CGPC, TTC, Acme Electronics Corporation, Union Polymer Int'l Investment Corp, USI Optronics Corporation, Swanson Plastics Corporation, Swanson Technologies Corporation, Chong Loong Trading Co., Ltd., USI Investment, CGPCPOL, APC Investment, Taiwan United Venture Capital Corporation, USI Management Consulting, Taiwan United Venture Management Corporation, Acme (Cayman), USI Education Foundation and Fujian Gulei Petrochemical

Director: Taiwan VCM Corporation, USI (Hong Kong), Swanlake, USI International, Acme Components (Malaysia), Forever Young, Curtana, Swanson (Singapore), Swanson (Malaysia), Swanson International, Swanson (India), Swanson Plastics Corporation (Kunshan), Golden Amber Enterprises, Acme Electronics Corporation (Kunshan), Acme Electronics Corporation (Guangzhou), Taita (BVI), APC (BVI), CGPC (BVI), CGPC America, and A.S. Holdings (UK), ASK-Swanson, Acme Ferrite, Swanson Plastics Corporation (Tianjin), Cypress Epoch, Ever Conquest Global, Ever Victory Global, Dynamic Ever Investments and PT. Swanson Plastics Indonesia, Xuanju, USI Zhangzhou, Yutao Investment, Dasheng Ventures, Dasheng Yiyi Ventures, CTCI Group, Acme Advanced Materials, USI Xiamen, and Swanson Technologies Corporation (Kunshan)

General Manager: Union Polymer International Investment Corporation, USI Management Consulting, Dynamic Ever Investments and Ever Victory Global

Chief Executive Officer: USI, APC, CGPC, TTC, Acme Electronics Corporation and USI Optronics Corporation

Executive Director: Chinese National Federation of Industries

Note 8: Chairman: Xuanju, TTC(Zhongshan), TTC (Tianjin), USI Trading (Shanghai) Co., Ltd., Zhangzhou Taita Chemical Co., Ltd., USI Zhangzhou, USI Xiamen and Zhangzhou Dynamic Ever Investments Limited.

Director: Dynamic Ever Investments Ltd., Ever Victory Global Limited, Ever Conquest Global Limited, Taita (BVI) Holding Co., Ltd., APC (BVI) Holding Co., Ltd., USI International Corporation, Golden Amber Enterprises Ltd., Swanlake Traders Ltd., USI, TTC, CGPC, CGTD, APC Investment, Asia Polymer Investment Corporation, Chong Loong Trading Co. Ltd., Swanson Plastics Corporation, Swanson Technologies Corporation, INOMA Corporation, USI Education Foundation, Taiwan United Venture Capital Corporation, Union Polymer International Investment Corporation, USI Management Consulting, Acme Electronics Corporation (Kunshan), Fujian Gulei Petrochemical, USI Optronics Corporation, USI (Hong Kong), Swanson Technologies Corporation (Kunshan)

General Manager: USI, TTC, Asia Polymer Corporation, Chong Loong Trading Co. Ltd. and USI Trading (Shanghai) Co., Ltd.

Note 9: Director: Changhui Construction, Maoxi Construction, Jo Wei Distribution and Trading Company Limited

General Manager: Changju Food Co. Ltd. and Jo Wei Distribution and Trading Company Limited

Note 10: Chairman: Zhenjiang UPC Chemicals, Zhongshan UPC Chemicals, Zhuhai UPC Chemicals, Taizhou UPC Warehousing, Taizhou UPC Plastic, Taiwan Union International Investment Corporation, Jiangsu UPC Logistics, Guangdong UPC Logistics, Panjin UPC Chemicals, Panjin UPC Warehousing, Panjin UPC Materials and Nanchong UPC Chemicals, Wei Chen Investment Corporation

Executive Director: Zhenjiang Lianju

Directors: Taita Chemical Co., Ltd., China General Terminal & Distribution, UPC Technology, Harbinger Capital, Harbinger VII Venture Capital Corp., FHGC, UPC Chemicals (Malaysia) Sdn. Bhd., UPCM Trading (Thailand) Company Limited, UPCM Trading (Vietnam) Company Limited, APC (BVI) Holding Co., Ltd., Taita (BVI) Holding Co., Ltd., Constant Holdings Ltd.,

Natural Holdings Co., Ltd., Star Bright Traders Ltd., Goldendust Co., Ltd., Logical Path Limited, Glory Ace International Inc., Pure Fantasy Ltd., Magic Props Investment Ltd., Union Hong Kong Petrochemicals Company Limited, Charmon International Limited, Modern Vantage Limited.

General Manager: UPC Technology

Note 11: Chief Advisor: UPC Technology

Chairman: Zhenjiang UPC Chemicals, Zhongshan UPC Chemicals, Zhuhai UPC Chemicals, Taizhou UPC Chemicals, Taizhou UPC Warehousing, Taizhou UPC Plastic, Jiangsu UPC Logistics, Guangdong UPC Logistics, Panjin UPC Chemicals, Panjin UPC Warehousing, Panjin UPC Materials and Nanchong UPC Chemicals

Note 12: Chairman: Ta Ya Electric Wire & Cable, Cuprime Material Co., Ltd., Jia Hsi Investment Holding Co. Ltd., Chia Shang Capital, Honeyed Investment Co., Ltd., Taya Innovation Investment Co., Ltd., Ta Ya Green Energy Technology Co., Ltd., Touch Solar Power Co., Ltd., Bosi Solar Energy Co., Ltd., Cugreen Metal Tech Co., Ltd., United Electric Industry Co., Ltd., Po Shuo Power, Union Storage Energy System Ltd., Sin Jhong Solar Power Co., Ltd., Bo Telecom Power, Zhiguang Energy, Daya Venture Capital, Daya Energy Storage Technology, Bo Feng Energy Storage Co., Ltd., Bo Sheng Energy Storage Co., Ltd., Bo-Jin Energy Co., Ltd. and Infinity Energy Storage Technology Co., Ltd., Ta Ya Geothermal Technology Co., Ltd., Da Xu Energy Co., Ltd.

Director: Iridium Medical Technology Co., Ltd., Jung Shing Wire Co., Ltd., Bora Pharmaceutical Co., Ltd., Bigbest Solutions, Inc. and Fangyuan Cell Health Care and Ta Chun Venture Capital Co., Ltd.

Independent Director: Mercuries Data Systems Ltd. and Partner Tech Corporation

Supervisor: Ta Ho Engineering, Co., Ltd.

Note 13: Chairman: TG Vest Capital Inc., TriKnight Capital Corporation,

Director: FuSheng Precision Co., Ltd., Advanced Energy Solution Holding Co., Ltd., and Minson Integration, Inc., Qundeng Technology

Independent Director: EDOM Technology, EMC, and SunWay Biotech Co. Ltd.

Table1: Major shareholders of juristic person shareholders
March 30, 2025

Name of corporate shareholder (Note 1)	Major shareholders of corporate shareholders (Note 2)	
Union Polymer International Investment Corporation	USI Corporation	100%
USIFE Investment Co., Ltd.	USI Corporation	100%
Taiwan Union International Investment Corporation	UPC Technology Corporation	100%

Note 1: For directors and supervisors who are the representatives of juristic person shareholders, the names of the juristic person shareholders shall be disclosed.

Note 2: Fill in the name of the major shareholders of these institutional shareholders (include top 10 major shareholders by shareholding percentage) and their shareholding percentages. If the major shareholder is a juristic person, the shareholder's name shall be filled in Table 2 below.

Note 3: For institutional shareholders that are not corporate entities, the name and shareholding ratio to be disclosed shall refer to the name of the contributor or donor (as available via the Judicial Yuan's public records) and their respective contribution or donation ratio. If the donor is deceased, this should be indicated with "deceased."

Table2: Table 1: Major Shareholders of Institutional Shareholders with Corporations as Their Major Shareholders

March 30, 2025

Name of corporate shareholder (Note 1)	Major shareholders of corporate shareholders (shareholding ratio) (Note 2)	
USI Corporation	Shing Lee Enterprise (Hong Kong) Limited	14.62%
	Wholegainer Company Limited' investment account is under custody of Fubon Securities Co., Ltd.	9.25%
	Asia Polymer Corporation	8.53%
	Fubon Life Insurance Co., Ltd.	4.49%
	Total Success Investment Limited	2.04%
	Lin Hua-Hsin	1.75%
	Yueh Hsing Hua Investment Co., Ltd.	1.73%
	Yu Wen-Hsuan	1.41%
	Yu Wen-Tsung	1.41%
	Yu Wen-Yu	1.41%
UPC Technology Corporation	Lien Hwa Industrial Corp.	31.05%
	Synnex Technology International Corporation	5.04%
	Mei An Investment Co., Ltd.	1.80%
	Yi Yuan Investment Co., Ltd.	1.57%

Name of corporate shareholder (Note 1)	Major shareholders of corporate shareholders (shareholding ratio) (Note 2)	
	Liberty Stationery Corporation	1.51%
	Tsu Feng Investment Co., Ltd.	1.28%
	MiTac International Corp.	1.18%
	Tung Ta Investment Co., Ltd.	1.06%
	Yifeng Investment Co., Ltd.	0.96%
	J.P. Morgan in custody for Vanguard Total International Stock Index Fund,	0.66%

Note 1: If the major shareholder of juristic person shareholders as shown in Table 1 is a juristic person, the name of the juristic person shall be filled.

Note 2: Fill in the name of the major shareholders of these institutions (include top 10 major shareholders by shareholding percentage) and their shareholding percentages.

Note 3: For institutional shareholders that are not corporate entities, the name and shareholding ratio to be disclosed shall refer to the name of the contributor or donor (as available via the Judicial Yuan's public records) and their respective contribution or donation ratio. If the donor is deceased, this should be indicated with "deceased."

2. Disclosure of professional qualifications of directors and independent information of independent directors

March 31, 2025

Criteria Name	Professional Qualification and Work Experience (Note 1)	Independence Criteria (Note 2)	Number of Companies in which the Director or Supervisor also serves concurrently as an Independent Director
Wu, Yi-Kuei	(1) Currently serves as the chairman and chief executive officer of USI and its affiliated companies, and has professional fields of company operation management and work experience in supervising financial manager, accounting manager and other positions. (2) Not subject to Article 30 of the Company Act.	N/A	N/A
Li Kuo-Hung	(1) The former general manager of the Company, with professional fields of chemical industry required by the Company. (2) Not subject to Article 30 of the Company Act.		
Wu, Pei-Chi	(1) Currently serves as the general manager of the Company, USI Corporation and TTC, with experience in direct supervision of financial supervisor and accounting supervisor. (2) Not subject to Article 30 of the Company Act.		
Wu Hung-Chu	(1) Currently serves as the general manager of Changju Food Co., Ltd. and Jo Wei Distribution and Trading Company Limited, with experience in direct supervision of financial supervisor and accounting supervisor. (2) Not subject to Article 30 of the Company Act.		

Criteria Name	Professional Qualification and Work Experience (Note 1)	Independence Criteria (Note 2)	Number of Companies in which the Director or Supervisor also serves concurrently as an Independent Director
Pi Shu-Chien	(1) Currently serves as the general manager of UPC Technology Corporation, previously served as the deputy manager of CPC Corporation, Taiwan, with professional fields of chemical industry. (2) Not subject to Article 30 of the Company Act.		
Chen Ta-Hsiung	(1) The former chairman of several companies such as PTSC, and has profound business work experience. (2) Not subject to Article 30 of the Company Act.	Two years before the appointment and during the tenure,	1
Shen Shang-Hung	(1) Currently serves as the chairman of several companies such as Ta Ya Electric Wire & Cable Co., Ltd. with expertise in corporate operations and management. (2) Not subject to Article 30 of the Company Act.	there is no matter described in Paragraph 1, Article 3 of "Regulations Governing Appointment of Independent Directors and	2
Cheng Tun-Chien	(1) Currently serves as the chairman of TGWest Capital Inc., with expertise of investment and accounting. (2) Not subject to Article 30 of the Company Act.	Independent Directors and Compliance	3
Chen Chien-Ping	(1) The former chairman of Public Bank, with professional fields of corporate operation management and financial management. (2) Not subject to Article 30 of the Company Act.	Matters for Public Companies".	1

Note 1: Professional qualifications and experience: State the professional qualifications and experience of the individual directors and supervisors or, if they are members of the Audit Committee and have expertise in accounting or finance, their accounting or financial background and work experience, and whether or not they are not subject to Article 30 of the Company Act.

Note 2: The independent director shall state the circumstances conforming to the independence, including but not limited to whether he/she, his/her spouse or his/her second degree of kinship are directors, supervisors or employees of the

Company or its related enterprises; the number and proportion of shares held by himself/herself, his/her spouse or his/her second degree of kinship (or in the name of others); whether to serve as a director, supervisor or employee of a company that has a special relationship with the Company (refer to the Subparagraph 5~8, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); The amount of remuneration obtained in the last 2 years for providing business, legal, finance, accounting and other services to the Company or its affiliated enterprises.

Note 3: For disclosure, please refer to the best practice examples on TWSE Corporate Governance Center.

3. The diversity and independence of Board of Directors:

(1) Diversity of the board meetings:

According to Article 20 of the Company's "Corporate Governance Principles", diversity shall be considered in the composition of the Company's Board of Directors, and members of the Board of Directors shall possess the knowledge, skills and qualities required to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:

- 1.1 Ability to make operational judgments.
- 1.2 Ability to perform accounting and financial analysis.
- 1.3 Ability to conduct management administration.
- 1.4 Ability to conduct crisis management.
- 1.5 Industrial Knowledge.
- 1.6 An international market perspective.
- 1.7 Ability to lead.
- 1.8 Ability to make policy decisions.

In addition to the eight competencies above, the Company has added two professional abilities, namely "legal capability" and "environmental protection" for the diversification of the Board members by taking into consideration the growing importance of global issues concerning corporate governance and environmental protection at present. The existing members of the Board of Directors possess the knowledge, skills and qualities

required to perform their duties, and specialize in professional areas including accounting and finance, international markets, law and environmental protection. Currently, the Board of Directors has one female director, which does not meet the one-third requirement of the total number of seats. The primary reason for this is that, due to the characteristics of the industry, there is a scarcity of women with substantial industry experience, making it difficult to achieve the one-third standard for board seats in the short term. In the future, additional female director positions that meet regulatory standards will be established in accordance with the law. Furthermore, when selecting candidates for the Board of Directors, various considerations will be taken into account to identify suitable talents from different fields, thereby achieving the goal of board diversity. Additionally, in response to the growing global emphasis on corporate sustainability, the Company plans to increase the number of board members who are well-versed in relevant fields. This initiative aims to enhance the Company's sustainable competitiveness and further improve the functionality of the Board of Directors.

(2) Independence of Board of Directors:

None of the independent directors has served more than three consecutive terms. The member of the board are all of their own nationality, and the composition of the board is 44% of 4 independent directors, and 22% of 2 directors with employee status. The age distribution of the Board members is as follows: 1 member is aged between 41 and 50 years, 1 between 51 and 60 years, 4 between 61 and 70 years, 1 between 71 and 80 years, and 2 over 80 years. The directors of the Company are not related to each other by spousal relationship or second degree of kinship.

(II) Information Regarding General Manager, Deputy General Managers, Senior Managers, and Heads of Departments

March 30, 2025

Title (Note 1)	Nationality	Name	Gender	Date Elected (Appointed)	Number of shares held		Shares held by spouse and minor children		Shares Held in the Name of Other Persons		Experience(Education) (Note 2)	Concurrent positions at other companies	Managerial officers who are spouses or relatives within the second degree of kinship			Remark
					Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held			Title	Name	Relationship	
Chief Executive Officer	Republic of China	Wu, Yi-Kuei	Male	2009/09/01	0	0%	—	—	0	0%	Chairman of USI	(Note 4)	None	None	None	(Note 3)
General Manager	Republic of China	Wu, Pei-Chi	Male	2019/03/26	0	0%	0	0%	0	0%	General Manager of Thermoset Materials Division in Asia Pacific, and Director of Basic Plastic Sales in Greater China, Dow Chemical; Sales Engineer, Taiwan Branch, ESSO	(Note 5)	None	None	None	(Note 3)
Deputy General Manager of Sales Department	Republic of China	Wu Ming-Tsung	Male	2021/07/01	0	0%	0	0%	0	0%	Master's in Chemical Engineering, National Taiwan University	Directors: USI Trading (Shanghai) Co., Ltd., Chong Loong Trading Co. Ltd., Ever Victory Global, Dynamic Ever Investments, USI Zhangzhou and USI Xiamen General Manager: USI Zhangzhou, USI Xiamen Deputy General Manager: USI	None	None	None	None
Director of Linyuan Plant	Republic of China	Hsieh Wang-Chuan	Male	2023/03/01	0	0%	0	0%	0	0%	School of Mechanical Engineering, Sun Yat-sen University	None	None	None	None	None
Director of Corporate Governance	Republic of China	Chen Yung-Chih	Male	2019/05/09	0	0%	0	0%	0	0%	PhD in Law, Ludwig Maximilian University of Munich, and attorney of WinklerPartners, an arbitrator of Chinese Arbitration Association, Taipei	(Note 6)	None	None	None	None
Accounting Manager	Republic of China	Chen Cheng-Shun (Note 7)	Male	2015/09/01	0	0%	0	0%	0	0%	Graduated from Dept. of Accounting, Fu Jen Catholic University	None	None	None	None	None
Accounting Manager	Republic of China	Chang Sheng-Chuan (Note 7)	Male	2024/03/07	0	0%	0	0%	0	0%	Master of Accounting degree from National Taiwan University, Assistant Manager at Deloitte Taiwan, and Accounting Manager at ACME Electronics Corporation.	Accounting Manager: China General Terminal & Distribution Co.	None	None	None	None
Finance Manager	Republic of China	Shih Ju-Hsuan	Female	2014/09/01	0	0%	—	—	0	0%	Dept. of Accounting, Soochow University	None	None	None	None	None
Sales Director	Republic of China	Tseng Kuo-Lung (Note 8)	Male	2022/06/01	0	0%	0	0%	0	0%	M.S. in Chemical Engineering, Tatung University	Special Assistant to the General Manager, USI Corporation; Deputy General Manager, USI Xiamen; Vice President of Administration, USI Trading (Shanghai)	None	None	None	None

Title (Note 1)	Nationality	Name	Gender	Date Elected (Appointed)	Number of shares held		Shares held by spouse and minor children		Shares Held in the Name of Other Persons		Experience(Education) (Note 2)	Concurrent positions at other companies	Managerial officers who are spouses or relatives within the second degree of kinship			Remark
					Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held			Title	Name	Relationship	
Sales Director	Republic of China	Huang Ko-Ming (Note 8)	Male	2025/02/05	0	0%	0	0%	0	0%	Department of Fiber Engineering, Taiwan Institute of Industrial Technology; Deputy General Manager and Business Supervisor, USI Zhangzhou.	Sales Director: USI	None	None	None	None

Note 1: Information regarding general manager, deputy general manager, senior manager, managerial officers of departments and branches shall be included, whereas information regarding positions equivalent to general manager, deputy general manager or senior managers shall be disclosed regardless of job title.

Note 2: Work experiences of anyone in the table above that are related to their current roles, such as previous employment at CPA firms or employment in affiliated companies, shall be disclosed along with job titles and responsibilities.

Note 3: When the general manager or person holding the equivalent post (top manager) and the chairman of the board are the same person, spouse or one degree of kinship, the reasons, rationality, necessity and corresponding measures (such as increasing the number of independent directors, and the way that more than half of the directors are not serving concurrent employees or managers) shall be disclosed.

- (1) The Chairman of the Company also serves as the CEO based on the consideration for the overall operation. With the Chairman's excellent business vision, he participates in the Company's operations in person to implement business decisions and improve the operating efficiency.
- (2) More than half of the members of the Company's current Board of Directors do not serve concurrently as employees or managerial officers. The Company also appoints a major CPA firm to perform audits and established the Audit Committee, Remuneration Committee, Sustainable Development Committee and Corporate Governance Team to strengthen corporate governance and continues to implement stringent internal control mechanisms to reduce operational risks.

Note 4: Chairman: USI, CGPC, TTC, Acme Electronics Corporation, Union Polymer Int'l Investment Corp, USI Optronics Corporation, Swanson Plastics Corporation, Swanson Technologies Corporation, Chong Loong Trading Co., Ltd., USI Investment, CGPCPOL, APC Investment, Taiwan United Venture Capital Corporation, USI Management Consulting, Taiwan United Venture Management Corporation, Acme (Cayman), USI Education Foundation and Fujian Gulei Petrochemical

Director: Taiwan VCM Corporation, USI (Hong Kong), Swanlake, USI International, Acme Components (Malaysia), Forever Young, Curtana, Swanson (Singapore), Swanson (Malaysia), Swanson International, Swanson (India), Swanson Plastics Corporation (Kunshan), Golden Amber Enterprises, Acme Electronics Corporation (Kunshan), Acme Electronics Corporation (Guangzhou), Taita (BVI), APC (BVI), CGPC (BVI), CGPC America, and A.S. Holdings (UK), ASK-Swanson, Acme Ferrite, Swanson Plastics Corporation (Tianjin), Cypress Epoch, Ever Conquest Global, Ever Victory Global, Dynamic Ever Investments and PT. Swanson Plastics Indonesia, Xuanju, USI Zhangzhou, Yutao Investment, Dasheng Ventures, Dasheng Yiyi Ventures, CTCI Group, Acme Advanced Materials, USI Xiamen, and Swanson Technologies Corporation (Kunshan)

General Manager: Union Polymer International Investment Corporation, USI Management Consulting, Dynamic Ever Investments and Ever Victory Global

Chief Executive Officer: USI, CGPC, TTC, ACME, and USIO

Executive Director: Chinese National Federation of Industries

Note 5: Chairman: Xuanju, TTC(Zhongshan), TTC (Tianjin), USI Trading (Shanghai) Co., Ltd., Zhangzhou Taita Chemical Co., Ltd., USI Zhangzhou, USI Xiamen and Zhangzhou Dynamic Ever Investments Limited.

Director: Dynamic Ever Investments Ltd., Ever Victory Global Limited, Ever Conquest Global Limited, Taita (BVI) Holding Co., Ltd., APC (BVI) Holding Co., Ltd., USI International Corporation, Golden Amber Enterprises Ltd., Swanlake Traders Ltd., USI, TTC, CGPC, CGTD, APC Investment, Asia Polymer Investment Corporation, Chong Loong Trading Co. Ltd., Swanson Plastics Corporation, Swanson Technologies Corporation, INOMA Corporation, USI Education Foundation, Taiwan United Venture Capital Corporation, Union Polymer International Investment Corporation, USI Management Consulting, Acme Electronics Corporation (Kunshan), Fujian Gulei Petrochemical, USI Optronics Corporation, USI (Hong Kong), Swanson Technologies Corporation (Kunshan)

General Manager: USI, TTC, Chong Loong Trading Co. Ltd. and USI Trading (Shanghai) Co., Ltd.

Note 6: Independent Director: Man Zai Industrial Co., Ltd.

Directors: Continental General Plastics (ZhongShan) Co. Ltd., Acme Electronics (Kunshan) Co., Ltd., Acme Electronics Corporation (Guangzhou), TTC (Zhongshan), TTC (Tianjin), Zhangzhou Taita Chemical Co., Ltd. and Zhangzhou Dynamic Ever Property Managment Co., Ltd.

Supervisor: Union Polymer Int'l Investment Corp., USI Zhangzhou Trading Co., Ltd., Chong Loong Trading Co., Ltd., USI Green Energy Corporation, USI Optronics Corporation, Swanson Plastics Corp., Swanson Plastics (Kunshan) Co., Ltd., Swanson Plastics (Tianjin) Co., Ltd., ASK-Swanson (Kunshan) Co., Ltd., USIFE Investment Co., Ltd., APC Investment Corporation,

Taiwan United Venture Capital Corp., Taiwan United Venture Management Corporation, Double Winner Co., Ltd., Global Green Technology Corporation, Taiwan VCM Corporation, INOMA Corporation (in liquidation), Cerebra Technologies Co., Ltd. and FiduciaEdge Technologies Co., Ltd.

Head of Corporate Governance: USI Corporation, CGPC Corporation, Taita Chemical Co., Ltd. and Acme Electronics Corporation

Note 7: On March 7, 2024, Chen Cheng-Shun, the former Accounting Manager, resigned, and Chang Sheng-Chuan has assumed the role.

Note 8: Former Sales Director, Tseng Kuo-Long, was reassigned on February 5, 2025, and succeeded by Mr. Huang Ko-Ming.

(III) Where the chairperson of the Board of Directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto.

The Chairman of the Company also serves as the CEO based on the consideration for the overall operation. With the Chairman's excellent business vision, he participates in the Company's operations in person to implement business decisions and improve the operating efficiency.

More than half of the current members of the Company's Board of Directors do not serve as employees or managerial officers concurrently, which is audited and certified by Deloitte & Touche. The Company has also established an Audit Committee, a Remuneration Committee, a Sustainable Development Committee, and a Corporate Governance Team to strengthen corporate governance, and to reduce operational risks continuously through a rigorous internal control mechanism.

II. Remuneration of Directors, Supervisors, General Manager, and Deputy General Managers

Remuneration paid to Directors, Independent Directors, Supervisors, General Manager, and Deputy General Managers

1. If the Company has any of the following circumstances, it shall disclose its individual Directors' or Supervisors' name and remuneration; it can choose to disclose a range table with name disclosed, or disclose the name and remuneration individually for the rest (where individual disclosure is adopted, please fill in the job title, name, and amount; there is no need to fill in the table of remuneration ranges):
 - (1) Where it was a loss after tax in the parent company only or individual financial statements in the last three years, the name and remuneration of individual "Directors and Supervisors" shall be disclosed; provided that it is net income after tax in the parent company only or individual financial statements in the most recent year, and the said net income is sufficient to make up for the accumulated losses.
 - (2) The Company with Directors whose shareholding percentages have been insufficient for three (3) or more consecutive months during the most recent fiscal year shall disclose the remuneration of individual Directors. A Company with Supervisors whose shareholding percentages have been insufficient for three (3) or more consecutive months during the most recent fiscal year shall disclose the remuneration of individual Supervisors.
 - (3) The Company with an average ratio of shares pledged by Directors or Supervisors that exceeds 50 % in any three months during the most recent fiscal year shall disclose the remuneration paid to each individual Director or Supervisor who owns a ratio of shares pledged that exceeds 50% for each of these three months.
 - (4) If the total amount of remuneration received by all the Directors and Supervisors of a company from all the companies listed in its financial statements exceeds two (2)percent of its net income after tax, and the amount

of remuneration received by any individual Director or Supervisor exceeds NT\$15 million, the Company shall disclose the amount of remuneration paid to individual Directors or Supervisors. (Description: The remuneration of Directors and Supervisors is calculated based on “Remuneration of Directors” plus “Remuneration of Supervisors” as in the Appendix without including the relevant remuneration received as concurrent employees.) .

- (5) Any result of evaluation made on corporate governance in the most recent year is in the last two level, or any trading method changes, any trading or marketing stops, or any evaluation is rejected by the Corporate Governance Evaluation Committee in the most recent year as of the publication date of this Annual Report as a listed company.
 - (6) The average annual salary of a full-time employee of a listed company who does not hold a managerial position in the most recent year has not reached NT\$500,000.
 - (7) A listed company’s net income after tax for the most recent year has increased by 10% or more, but the average annual salary of full-time employees who are not in supervisory positions has not increased from the previous year.
 - (8) If a listed company that has experienced a decline of over ten percent in net income after tax and has exceeded NT\$5 million in the most recent fiscal year, as well as an increase of over ten percent and exceeding NT\$100,000 in average director remuneration (excluding remuneration for concurrent employees).
2. If any of the foregoing events (1) or (5) occurs to a listed company, the remuneration information of the five highest paid individuals (such as general manager, deputy general manager, chief executive officer, or financial manager) shall be disclosed separately.

(I) Remuneration of Directors, Supervisors, General Manager and Deputy General Manager

1. Compensation for General Directors and Independent Directors (individual disclosure of names and remuneration methods)

Unit: NT\$ 1,000

Title	Name	Directors' remuneration								Sum of items A, B, C and D to NIAT Ratio (Note 10)		Relevant remuneration received by directors who also serve as employees								Percentage of the total of 7 items A, B, C, D, E, F and G to net income after taxes (Note 10)		Remuneration from Invested Companies Other than Subsidiaries or the Parent Company (Note 11)
		Base Compensation (A) (Note 2)		Separation Pay and Pension (B)		Directors' Compensation (C) (Note 3)		Costs Incurred from Performance of Duty (D) (Note 4)				Salary, bonuses, and allowances (E) (Note 5)		Separation Pay and Pension (F)		Employee Rewards (G) (Note 6)						
		The Company	All companies in the Financial Report (Note 7)	The Company	All Companies in the Financial Report (Note 7)	The Company	All Companies in the Financial Report (Note 7)	The Company	All companies in the Financial Report (Note 7)	The Company	All companies in the Financial Report	The Company	All companies in the Financial Report (Note 7)	The Company	All Companies in the Financial Report (Note 7)	The Company		All Companies in the Financial Report (Note 7)		The Company	All companies in the Financial Report	
																Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairman	Wu, Yi-Kuei	0	0	0	0	0	0	16	16	16 (0.00%)	16 (0.00%)	4,258	4,258	0	0	0	0	0	0	4,274 (0.57%)	4,274 (0.57%)	23,018
Director	Wu, Pei-Chi	0	0	0	0	0	0	16	16	16 (0.00%)	16 (0.00%)	4,304	4,304	0	0	0	0	0	0	4,320 (0.58%)	4,320 (0.58%)	5,859
Director	Li Kuo-Hung	1,000	1,000	0	0	0	0	136	136	1,136 (0.15%)	1,136 (0.15%)	0	0	0	0	0	0	0	0	1,136 (0.15%)	1,136 (0.15%)	0
Director	Wu Hung-Chu	1,000	1,000	0	0	0	0	136	136	1,136 (0.15%)	1,136 (0.15%)	0	0	0	0	0	0	0	0	1,136 (0.15%)	1,136 (0.15%)	0
Director	Ko I-Shao (Note 12)	0	0	0	0	0	0	20	20	20 (0.00%)	20 (0.00%)	0	0	0	0	0	0	0	0	20 (0.00%)	20 (0.00%)	10
Director	Pi Shu-Chien	0	0	0	0	0	0	116	116	116 (0.02%)	116 (0.02%)	0	0	0	0	0	0	0	0	116 (0.02%)	116 (0.02%)	56
Independent Director	Shen Shang-Hung	1,200	1,200	0	0	0	0	160	160	1,360 (0.18%)	1,360 (0.18%)	0	0	0	0	0	0	0	0	1,360 (0.18%)	1,360 (0.18%)	0
Independent Director	Chen Ta-Hsiung	1,200	1,200	0	0	0	0	160	160	1,360 (0.18%)	1,360 (0.18%)	0	0	0	0	0	0	0	0	1,360 (0.18%)	1,360 (0.18%)	0
Independent Director	Cheng Tun-Chien	1,200	1,200	0	0	0	0	160	160	1,360 (0.18%)	1,360 (0.18%)	0	0	0	0	0	0	0	0	1,360 (0.18%)	1,360 (0.18%)	0
Independent Director	Chen Chien-Ping	1,200	1,200	0	0	0	0	160	160	1,360 (0.18%)	1,360 (0.18%)	0	0	0	0	0	0	0	0	1,360 (0.18%)	1,360 (0.18%)	0
1. Please state the policies, systems, standards, and structure of independent directors' remuneration payment, and describe the relevance to the amount of remuneration according to their responsibilities, risks, and time of investment: The remuneration of Independent Directors is paid based on the Company's Articles of Incorporation and the remuneration policies and measures and depends on the degree of participation and the value of their contribution to the Company's operations, with reference to the median level in the industry, and it shall be distributed after submitted to and approved by the Remuneration Committee and adopted by the Board of Directors. Except for the fixed remuneration, no other consideration is paid each year.																						
2. Unless disclosed above, the Directors of the current year received remuneration for providing services (such as serving as a non-employee consultant) to the companies listed in the consolidated financial statements: None.																						

Range of Remuneration: N/A

Note 1: The name of Directors shall be listed, respectively (for institutional shareholders, the name of institutional shareholders and their representatives shall be listed, respectively), and the name of Directors and Independent Directors shall be listed respectively; the payment amount shall be disclosed in aggregation. This table and table (3-1), or tables (3-2-1) and (3-2-2) below shall be filled out if a Director concurrently serves as the General Manager or Deputy General Manager.

Note 2: Remuneration received by Directors in the most recent year (including salaries, job-related allowances, severance, bonuses, and rewards).

- Note 3: Fill the amount of rewards approved by the Board of Directors and distributed to the directors in the most recent fiscal year.
- Note 4: Business expenses paid to the directors in the most recent fiscal year (including services and goods provided such as transportation allowances, special allowances, various allowances, accommodation and vehicle). If housing, vehicles and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel costs calculated based on the actual amount or fair market value, and other payments shall be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company in a separate note (not included in the remuneration).
- Note 5: Salary, job-related allowances, severance pay, various bonuses, incentives, transportation allowance, special allowance, various allowances, accommodation allowance and driver allowance received by directors who concurrently serve as employees (including general manager, deputy general manager, other managerial officers and employees) in the most recent fiscal year. If housing, vehicles and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel costs calculated based on the actual amount or fair market value, and other payments shall be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company in a separate note (not included in the remuneration). Any compensation listed under IFRS 2 Share-Based Payment, including issuance of employee stock options, new restricted employee shares and cash capital increase by stock subscription shall be included. The Company has assigned automotive vehicles, and the associated fuel expenses totaled NT\$12,000.
- Note 6: For directors concurrently serving as employees (including general manager, deputy general manager, other managerial officers and employees) who receive employee rewards (including shares and cash), the amount of employee rewards that have been approved by the Board of Directors and are distributed to them in the most recent fiscal year shall be disclosed. If the amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be calculated based on the ratio of the amount of rewards distributed in the previous fiscal year, and this amount shall also be filled in Table 1 - 3.
- Note 7: The total amount of all the remuneration paid to the Company's Directors by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed.
- Note 8: The name of each Director shall be disclosed in the range of remuneration corresponding to the amount of all the remuneration paid to each Director by the Company. (N/A)
- Note 9: The total amount of all the remuneration paid to each Director of the Company by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed. The name of each Director shall be disclosed in the range of remuneration corresponding to the amount of all the remuneration paid to each Director by the Company. (N/A)
- Note 10: Net income after tax refers to net income after tax listed in the parent company only or individual financial statements in the most recent year.
- Note 11: a. This field shall clearly indicate the amount of remuneration received by the Company's Directors from investees other than a subsidiary or the parent company (if not, please fill in "none").
b. If a Director of the Company receives remuneration from investees other than subsidiaries or the parent company, the amount of remuneration received by the Director from investees other than subsidiaries shall be combined into Column I of the table for range of remuneration, and this column shall be renamed "Parent Company and All Investees."
c. Remuneration refers to the compensation, rewards (including rewards distributed to employees, Directors, and supervisors) and remuneration related to business expenses that are received by the Company's Directors who serve as Directors, supervisors or managerial officers at investees other than subsidiaries or the parent company.
- Note 12: On March 1, 2024, Taiwan Union International Investment Corporation, the institutional shareholder, appointed Bi Shu-Chien as its representative in replace of Ko I-Shao in the position of director. The disclosure of Ko I-Shao's information shall be made up to the date of the change in representation.

* A different concept is used for the content of remuneration disclosed in this table compared to that in the Income Tax Act. This table is used for information disclosure, but not for taxation.

2. Remuneration paid to supervisors: Not applicable as the Company has an Audit Committee that replaces the functions of Supervisors.
3. Compensation of the General Manager and Deputy General Managers (individual disclosure of names and remuneration methods)

Unit: NT\$ 1,000

Title	Name	Salary (A) (Note 2)		Severance Pay and Pension (B)		Bonuses and special expenses (C) (Note 3)		Employee Compensation (D) (Note 4)				Proportion of the sum of A, B, C, and D (%) to NIAT (Note 8)		Remuneration from Invested Companies Other than Subsidiaries or the Parent Company (Note 9)
		The Company	All companies in the Financial Report (Note 5)	The Company	All companies in the Financial Report (Note 5)	The Company	All companies in the Financial Report (Note 5)	The Company		All Companies in the Financial Report (Note 5)		The Company	All Companies in the Financial Report (Note 5)	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chief Executive Officer	Wu, Yi-Kuei	3,835	3,835	0	0	423	423	0	0	0	0	4,258 (0.57%)	4,258 (0.57%)	23,018
General Manager	Wu, Pei-Chi	1,615	1,615	0	0	2,689	2,689	0	0	0	0	4,304 (0.57%)	4,304 (0.57%)	5,859
Deputy General Manager	Wu Ming- Tsung	1,183	1,183	0	0	854	854	0	0	0	0	2,037 (0.27%)	2,037 (0.27%)	3,506

* Regardless of job titles, positions that are equivalent to general manager, deputy general manager (such as president, chief executive director and director) shall be disclosed.

Range of Remuneration: N/A

Note 1: The names of the General Manager and Deputy General Manager shall be listed separately, and the amount of remuneration paid to them shall be disclosed collectively. If a Director concurrently serves as a General Manager or Deputy General Manager, this table, Table (1-1) or (1-2-1) and (1-2-2) above shall be filled in.

Note 2: Fill the salary, job-related allowances and severance pay received by the General Manager and Deputy General Managers in the most recent fiscal year.

Note 3: Fill the amount of various bonuses, incentives, transportation allowances, special allowance, various allowances, accommodation, and vehicle received by the General Manager and Deputy General Managers in the most recent fiscal year. If housing, vehicles and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel costs calculated based on the actual amount or fair market value, and other payments shall be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company in a separate note (not included in the remuneration). Any compensation listed under IFRS 2 Share-Based Payment, including issuance of employee stock options, new restricted employee shares and cash capital increase by stock subscription shall be included. The Company provides transportation and fuel expenses amounting to NT\$180,000.

Note 4: Fill the amount of employee rewards (including shares and cash) that have been approved by the Board of Directors and are distributed to the general manager

and deputy general manager in the most recent fiscal year. If the amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be calculated based on the ratio of the amount of rewards distributed in the previous fiscal year, and this amount shall also be filled in Table 1 - 3.

Note 5: The total amount of the remuneration of all the companies (including the Company) in the consolidated report to the General Manager and Deputy General Manager and Deputy General Managers of the Company shall be disclosed.

Note 6: The name of each general manager and deputy general manager should be disclosed in the range of remuneration corresponding to the amount of all the remuneration paid to the general manager and deputy general manager by the Company. (N/A)

Note 7: The total amount of all the remuneration paid to each general manager and deputy general manager of the Company by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed. The name of each general manager and deputy general manager shall be disclosed in the range of remuneration corresponding to the total amount mentioned in the preceding sentence. (N/A)

Note 8: Net income after tax refers to net income after tax listed in the parent company only or individual financial statements in the most recent year.

Note 9: a. This field shall clearly indicate the amount of remuneration received by the Company's General Manager or Deputy General Manager from investees other than subsidiaries or the parent company (if not, please fill in "none").

b. If the General Manager or Deputy General Managers of the Company receive remuneration from investees other than subsidiaries or the parent company, the remuneration received by the General Manager or Deputy General Managers of the Company from investees other than subsidiaries or the parent company shall be included in Column E in the Range of Remuneration Table, and the column shall be renamed "Parent Company and All Investees."

c. Remuneration in this case refers to remuneration, bonuses (including employee, Director, or supervisor compensation), and allowances received by the General Manager or Deputy General Managers of the Company as the Directors, supervisors, or managerial officers of investees other than subsidiaries or the parent company.

* A different concept is used for the content of remuneration disclosed in this table compared to that in the Income Tax Act. This table is used for information disclosure, but not for taxation.

4. The remuneration of the top five executives with the highest remuneration at a listed company (name and remuneration shall be disclosed individually):

Unit: NT\$ 1,000

Title	Name	Salary (A) (Note 2)		Severance Pay and Pension (B)		Bonuses and special expenses (C) (Note 3)		Employee Compensation (D) (Note 4)				Proportion of the sum of A, B, C, and D (%) to NIAT (Note 6)		Remuneration from Invested Companies Other than Subsidiaries or the Parent Company (Note 7)
		The Company	All companies in the Financial Report (Note 5)	The Company	All companies in the Financial Report (Note 5)	The Company	All companies in the Financial Report (Note 5)	The Company		All Companies in the Financial Report (Note 5)		The Company	All Companies in the Financial Report (Note 5)	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chief Executive Officer	Wu, Yi-Kuei	3,835	3,835	0	0	423	423	0	0	0	0	4,258 (0.57%)	4,258 (0.57%)	23,018
General Manager	Wu, Pei-Chi	1,615	1,615	0	0	2,689	2,689	0	0	0	0	4,304 (0.57%)	4,304 (0.57%)	5,859
Deputy General Manager	Wu Ming- Tsung	1,183	1,183	0	0	854	854	0	0	0	0	2,037 (0.27%)	2,037 (0.27%)	3,506
Special Assistant to the General Manager	Chen, Chun- Hung	1,724	1,724	147	147	1,076	1,076	0	0	0	0	2,947 (0.39%)	2,947 (0.39%)	0
Director of Linyuan Plant	Hsieh Wang- Chuan	1,708	1,708	102	102	1,125	1,125	0	0	0	0	2,935 (0.39%)	2,935 (0.39%)	0

Note 1: “Top five highest-paid executives” refers to the Company’s managers. The criteria for identifying these managers shall be conducted in accordance with Tai-Cai-Zheng-Zi No. 0920001301 issued by the Securities and Futures Bureau on March 27, 2003, which outlines the applicable scope of “managers.” Regarding the principle for calculating the “top five highest-paid,” it is based on the total amount of salaries, retirement pensions, bonuses, and special allowances received by the Company’s executives from the consolidated financial reports of all companies, as well as the total employee compensation (i.e., the sum of A, B, C, and D). After sorting these amounts, the top five individuals with the highest compensation are identified. If a director concurrently serves as the aforementioned officer, they should be included in both this table and Table 1-1 above.

Note 2: Fill in the salary, job-related allowances, and severance pay received by the top five highest-paid executives in the most recent fiscal year.

Note 3: Fill the amount of various bonuses, incentives, transportation allowances, special allowance, various allowances, accommodation, and vehicle received by the top five highest-paid executives in the most recent fiscal year. If housing, vehicles and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel costs calculated based on the actual amount or fair market value, and other payments shall be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company in a separate note (not included in the remuneration). Any compensation listed under IFRS 2 Share-Based Payment, including issuance of employee stock options, new restricted employee shares and cash capital increase by stock subscription shall be included. The rental fee of NT\$233,000 for the vehicle provided to the director of the Lin Yuan plant has been included in the aforementioned bonuses and special expenses. The Company also provides transportation and fuel expenses amounting to NT\$190,000.

Note 4: Fill in the amount of employee rewards (including shares and cash) that have been approved by the Board of Directors and are distributed to the top five highest-paid executives in the most recent fiscal year. If the amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be

calculated based on the ratio of the amount of rewards distributed in the previous fiscal year, and this amount shall also be filled in Table 1 - 3.

Note 5: The total amount of all the remuneration paid to the Company's top five highest-paid executives by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed.

Note 6: Net income after tax refers to net income after tax listed in the parent company only or individual financial statements in the most recent year.

Note 7: a. This field shall clearly indicate the amount of remuneration received by the Company's top five highest-paid executives from investees other than a subsidiary or the parent company (if not, please fill in "none").

b. Remuneration refers to the compensation, rewards (including rewards distributed to employees, Directors, and supervisors) and remuneration related to business expenses that are received by the Company's top five highest-paid executives who serve as Directors, supervisors or managerial officers at investees other than subsidiaries or the parent company.

* A different concept is used for the content of remuneration disclosed in this table compared to that in the Income Tax Act. This table is used for information disclosure, but not for taxation.

5. Name of managerial officers who distribute employee bonuses and the situation of distribution

Summary Disclosure as of December 31, 2024

Unit: NT\$ 1,000

	Title (Note 1)	Name (Note 1)	Stock Amount	Cash Amount	Total	Percentage of total remuneration on NIAT (%)
Manager	Chief Executive Officer	Wu, Yi-Kuei	0	0	0	0%
	General Manager	Wu, Pei-Chi				
	Deputy General Manager of Sales Department	Wu Ming- Tsung				
	Director of Linyuan Plant	Hsieh Wang- Chuan				
	Director of Corporate Governance	Chen Yung- Chih				
	Accounting Manager	Chen Cheng- Shun (Note 5)				
	Accounting Manager	Chang Sheng- Chuan (Note 5)				
	Finance Manager	Shih Ju-Hsuan				
	Sales Director	Tseng Kuo- Lung (Note 6)				
	Sales Director	Huang Ko- Ming (Note 6)				

Note 1: Names and positions shall be listed individually, and the amount of profit distributed shall be disclosed collectively.

Note 2: Refers to compensations paid to the Managers (including stock and cash) approved by the Board of Directors in the most recent year; If such compensations cannot be estimated, an estimation for this year shall be calculated in proportion of the compensations paid last year. Net income after tax (NIAT) refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after tax refers to net income after tax recorded in the parent company only or standalone financial statements in the most recent fiscal year.

Note 3: The scope of application for the term “managerial officer” shall follow the official document with reference number 0920001301 dated March 27, 2003. Its scope of

application shall be as follows:

- (1) General Manager and its equivalent
- (2) Deputy General Manager and its equivalent
- (3) Senior Manager and its equivalent
- (4) Head of the Finance Department
- (5) Head of the Accounting Department
- (6) Other Personnel Authorized to Manage the Company's Affairs and Sign for Approval

Note 4: Directors, General Manager and Deputy General Managers who receive employee compensation (including shares and cash) shall be listed not only in Table 1 -2, but also in this table.

Note 5: Chen Cheng-Shun, the former Accounting Manager, resigned on March 7, 2024. He was then succeeded by Mr. Chang, Sheng-Chuan.

Note 6: Former Sales Director, Tseng Kuo-Long, was reassigned on February 5, 2025, and succeeded by Mr. Huang Ko-Ming.

(II) Separate comparison and description of total remuneration, as a percentage of net income stated in the parent company-only or individual financial statements, as paid by the Company and all other companies included in the consolidated financial statements during the past 2 fiscal years to Directors, supervisors, General Manager, and Deputy General Managers, with analysis and description of remuneration policies, standards, and packages, procedure for determining remuneration, and the correlation with business performance and future risks.

1. Analysis of total remuneration paid to general Directors, Independent Directors, General Manager, and Deputy General Managers as a percentage of NIAT:

Unit: NT\$ 1,000

Category \ Item	The Company				All companies in the Financial Report			
	2024		2023		2024		2023	
	Total Amount	Proportion of Net Income (Loss) After Tax	Total Amount	Proportion of Net Income (Loss) After Tax	Total Amount	Proportion of Net Income (Loss) After Tax	Total Amount	Proportion of Net Income (Loss) After Tax
Remuneration for General Directors (excluding compensation for concurrent employee roles)	2,440	(0.325%)	2,440	2.098%	2,440	(0.325%)	2,440	2.098%

Category \ Item	The Company				All companies in the Financial Report			
	2024		2023		2024		2023	
	Total Amount	Proportion of Net Income (Loss) After Tax	Total Amount	Proportion of Net Income (Loss) After Tax	Total Amount	Proportion of Net Income (Loss) After Tax	Total Amount	Proportion of Net Income (Loss) After Tax
Remuneration for Independent Directors (excluding compensation for concurrent employee roles)	5,440	(0.725%)	5,440	4.678%	5,440	(0.725%)	5,440	4.678%
Remuneration for General Directors (including compensation for concurrent employee roles)	11,002	(1.466%)	12,070	10.380%	11,002	(1.466%)	12,070	10.380%
Remuneration for Independent Directors (including compensation for concurrent employee roles)	5,440	(0.725%)	5,440	4.678%	5,440	(0.725%)	5,440	4.678%
General Manager and Deputy General Manager's remuneration	10,599	(1.412%)	11,892	10.227%	10,599	(1.412%)	11,892	10.227%
Net income (loss) after taxes	(750,500)	-	116,284	-	(750,500)	-	116,284	-

2. Remuneration Policies, Standards and Packages, Procedures for Determining Remuneration and Correlation of Remuneration with Business Performance and Future Risks:

(1) Remuneration policies, standards and packages

(1-1) The remuneration of Directors shall be in accordance with Article 15-1 of the Articles of Incorporation, which states that “regardless of the Company’s operating profit and loss, it shall be handled in accordance with the value of their participation in and contribution to the operation of the Company and taking into consideration the domestic industry level”; The remuneration shall not exceed 1% of the profit in the current year according to Article 18 of the Articles of Incorporation. The above remuneration is agreed upon by taking into consideration the Company’s

operating performance and the performance evaluation results of the Directors. In addition, the Company shall pay the traffic allowance in accordance with the resolution of the shareholders' meeting, but the manager of the Company who concurrently serves as the director shall not receive the traffic allowance. Among them, the aspects of directors' regular evaluation include the mastery of the Company's objectives and tasks, directors' cognition of their responsibilities, their participation in the Company's operation, internal relationship management and communication, directors' professionalism and continuous learning, and internal control.

(1-2)Managers' remuneration shall be handled in accordance with the relevant personnel regulations and Article 16 of the Articles of Incorporation. It shall be approved by the Board of Directors by considering the operating performance. Among them, business performance is evaluated based on the achievement rate across various aspects, including: financial (operating revenue, operating profit, and profit before tax), customer (customer satisfaction, service quality, key market development, etc.), product (brand management, quality innovation, etc.), talent (talent cultivation, potential development, etc.), safety (zero pollution, zero emissions, zero occupational injuries, zero incidents, zero equipment failures, etc.), and project aspects (digital transformation, energy conservation and carbon reduction, circular economy, net-zero emissions, etc.). Sustainability-related indicators must account for at least 20% of the total weighting, with at least 5% specifically allocated to climate-related indicators.

These indicators are established in accordance with the short-, medium-, and long-term plans outlined in the Company's sustainability vision and goals as disclosed in the ESG report.

(1-3) The Company's remuneration packages are determined by the Remuneration Committee Charter. They include cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. The scope is consistent with the remuneration for Directors and managerial officers specified in the Regulations Governing Information to be Published in Annual Reports of Public Companies.

(2) Procedures for determining the remuneration

The results of the evaluations conducted in accordance with the Company's "Regulations for Evaluating the Performance of the Board of Directors" and the "Group Employee Performance Evaluation Regulations" for managerial officers and employees are used as the basis for regular evaluations of the salary and remuneration of Directors and managerial officers.

The performance evaluation and reasonableness of the remuneration of Directors and managerial officers are regularly assessed and reviewed by the Remuneration Committee and the Board of Directors every year. The Company reviews their performance achievement rate and contributions to the Company, considers the overall performance of the Company's operations, future risks, and development trends of the industry, and reviews the remuneration system whenever necessary based on actual operations and relevant laws and regulations to

provide reasonable remuneration and attain a balance between the Company's sustainable operations and risk management.

(3) Correlations with the Company's business performance and future risk exposure

The Remuneration Committee reviews the Company's overall business performance, outlook of the industry, business risks, and development trends and evaluates the attainment of performance targets of the Company's Directors and managerial officers to set the content and amount of their individual remuneration packages. The Committee proposes recommendations and submits them to the Board of Directors for approval. We also review the remuneration system for Directors and managerial officers whenever necessary, and refrain from incentivizing Directors and managerial officers from pursuing remuneration by engaging in activities that exceed the risk appetite of the Company.

III. Implementation of Corporate Governance

(I) Implementation by the Board of Directors

A total of four (4) meetings (A) were held by the Board of Directors in the most recent fiscal year (2024). The attendance of the members of the Board are as follows:

Title	Name (Note 1)	2024 1st 2024/3/7	2024 2nd 2024/5/7	2024 3rd 2024/8/5	2024 4th 2024/11/6	Actual attendance in Person (B)	Attendance by Proxy	Actual attendance rate (%) [B/A] (Note 2)	Remark
Chairman	Wu Yi-Kuei (Representative of Union Polymer International Investment Corporation)	◎	◎	◎	◎	4	0	100	
Director	Li Kuo-Hung (representative of Union Polymer International Investment Corporation)	◎	◎	◎	◎	4	0	100	

Title	Name (Note 1)	2024 1st 2024/3/7	2024 2nd 2024/5/7	2024 3rd 2024/8/5	2024 4th 2024/11/6	Actual attendance in Person (B)	Attendance by Proxy	Actual attendance rate (%) [B/A] (Note 2)	Remark
Director and General Manager	Wu, Pei-Chi (Representative of USIFE Investment Co., Ltd.)	◎	◎	◎	◎	4	0	100	
Director	Wu Hung-Chu (Representative of USIFE Investment Co., Ltd.)	◎	◎	◎	◎	4	0	100	
Director	Bi Shu-Chien (representative of Tai Lien International Investment Co., Ltd.) (2024/3/1 Date of appointment)	◎	◎	◎	◎	4	0	100	
Independent Director	Chen Ta-Hsiung	◎	◎	◎	◎	4	0	100	
Independent Director	Shen Shang- Hung	◎	◎	☆	☆	2	2	50	
Independent Director	Cheng Tun- Chien	◎	◎	◎	◎	4	0	100	
Independent Director	Chen Chien- Ping	◎	◎	◎	◎	4	0	100	

Note 1: For directors and supervisors who are juristic persons, the name of juristic person shareholders and their representatives shall be disclosed.

Note 2: (1) Where a director or a supervisor resigns before the end of the fiscal year, the Remark column shall be filled with the director's or supervisor's resignation date, whereas his/her percentage of attendance in person (%) shall be calculated based on the number of Board of Directors' meetings held and the actual attendance in person during the period during his/her term of office.

(2) Where Directors and Supervisors were re-elected before the end of the year, both the incoming and outgoing Directors and Supervisors shall be listed accordingly. The "remark" column shall be annotated to indicate whether the Director or Supervisor was outgoing, incoming, or re-elected as well as the date of re-election.

Actual presence (attendance) rate (%) shall be calculated using the number of Directors' Meetings convened and actual presence (attendance) during the term of service.

Note 3: Attendance in person: ◎; Attendance by proxy: ☆.

Other matters to be noted:

- I. If any of the following applies to the operations of the Board of Directors, the date and session of the Board of Directors' Meeting, as well as the resolutions, opinions of independent directors and the Company's actions in response to the opinions of independent directors shall be stated:
 - (I) Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee, and the provisions of Article 14-3 of the Securities and Exchange Act do not apply. For related information, please refer to the operational status of the Audit Committee in this annual report.
 - (II) Other than the matters mentioned above, other resolutions with objections or reservations from the Independent Directors and are documented or stated: None.
- II. In regards the recusal of independent directors from voting due to conflict of interests, the name of the independent directors, the agenda, reasons for recusal due to conflict of interests and voting outcomes shall be stated:

Directors	Agenda	Reason for Recusal	Participation in Voting	Remark
Wu, Yi-Kuei Wu, Pei-Chi Pi Shu-Chien Shen Shang-Hung Cheng Tun-Chien	Proposal to lift the restriction of non-competition for directors.	The recused Director is the subject in the removal of the non-compete clause.	Abstained	2024 1st 2024/3/7
Wu, Pei-Chi Wu Ming-Tsung	Managerial officers's engagement in competitions.	They had a conflict of interest with this proposal as Directors.		
Wu, Yi-Kuei Wu, Pei-Chi	Donations to the USI Education Foundation.	They recused themselves due to conflict of interest as they serve as Directors of the foundation.		
Wu, Pei-Chi	Managerial officers's engagement in competitions.	They had a conflict of interest with this proposal as Directors.	Abstained	2024 4th 2024/11/6

- III. Information regarding cycle, period, scope, and method of self- (or peer) evaluation of the Board of Directors of a listed company shall be disclosed.

Evaluation of the Board of Directors' performance for 2024:

Frequency (Note 1)	Period of evaluation (Note 2)	Scope (Note 3)	Evaluation Method (Note 4)	Evaluation Content (Note 5)
Once every year	January 1, 2024 to December 31, 2024	Board of Directors Performance Evaluation	Board of Directors Self- evaluation	I. Performance Evaluation of the Board of Directors 1. Degree of participation in the Company's operations. 2. Improvement in the quality of decision-making of the Board of Directors. 3. Composition and structure of the Board of Directors. 4. Election and continuous education of directors. 5. Internal control.
		Performance evaluation of individual directors	Board of Directors Self evaluation	II. Self performance evaluation of board members 1. Mastery of company objectives and tasks. 2. Understanding of the director's roles and responsibilities. 3. Degree of participation in the Company's operations. 4. Internal relationship management and communication. 5. Expertise and continuing education of the directors. 6. Internal control.
		Evaluation of functional committees' performance	Self- evaluation of functional committees' members	III. Evaluation of the Audit Committee's Performance 1. Degree of Participation in the Company's Operations. 2. Understanding of Duties of the Audit Committee. 3. Improvement of the decision- making quality of the Audit Committee. 4. Composition of the Audit Committee and selection of committee members. 5. Internal control.

Frequency (Note 1)	Period of evaluation (Note 2)	Scope (Note 3)	Evaluation Method (Note 4)	Evaluation Content (Note 5)
				IV. Evaluation of the Remuneration Committee's performance <ol style="list-style-type: none"> Degree of Participation in the Company's Operations. Understanding of the Remuneration Committee's roles and responsibilities. Improvement in the Remuneration Committee's decision-making quality. Composition and member selection of the Remuneration Committee.
				V. Evaluation of the Sustainable Development Committee's performance <ol style="list-style-type: none"> Degree of Participation in the Company's Operations. Understanding of the Sustainable Development Committee's roles and responsibilities. Improvement in the Sustainable Development Committee's decision-making quality. Composition and member selection of the Sustainable Development Committee.

※ The results of performance evaluation for the Board of Directors and functional committees for 2024 have been reported to the 1st meeting of the Board of Directors in 2025 (March 5, 2025) and disclosed on the Company's website.

Note 1: Fill in the cycle of the evaluation of Board of Directors; for example: once a year.

Note 2: Fill in the period covered by the evaluation of the Board of Directors. For example, the performance evaluation of the Board of Directors from January 1, 2024 to December 31, 2025.

Note 3: The scope of the evaluation includes the performance evaluation of the Board of Directors, individual Board members, and functional committees.

Note 4: The evaluation methods include self-evaluation of the Board of Directors, self-evaluation of the Directors, peer evaluation, appointment of external professional institutions or

experts, or other appropriate methods.

Note 5: The evaluation content includes at least the following items according to the evaluation scope:

- (1) Performance evaluation of the Board of Directors: The evaluation shall include at least the “participation in the operations of the Company”, “improvement of the quality of the Board of Directors’ decision making”, “composition and structure of the Board of Directors”, “election and continuing education of the Directors”, “and “internal control”.
- (2) Performance evaluation of individual Directors: The evaluation shall include at least the “familiarity with the goals and missions of the Company”, “knowledge of the duties of Directors”, “degree of participation in the Company’s operations”, “management of internal relations and communication”, “professional and continuous education of Directors”, and “internal control”.
- (3) Performance evaluation of functional committees: It shall include the degree of participation in the Company’s operations, the understanding of the functional committee’s responsibilities, the quality of decision-making of the functional committee, the composition and selection of members of the functional committee, and internal control.

IV. Targets for strengthening the functions of the Board of Directors in the current fiscal year and the most recent fiscal year (e.g. establishing an audit committee and enhancing information transparency) and evaluation of implementation:

1. The Board of Directors operates in compliance with laws, regulations, the Articles of Incorporation, and the resolutions adopted by the shareholders’ meeting. In addition to possess necessary professional knowledge to carry out their duties, all Directors shall act in accordance with the principles of honesty and good faith and their due obligations, to create the maximum interests for all shareholders.
2. The Company constantly pays attention to changes in laws and regulations of the competent authority, reviews its Rules of Procedure for Board of Directors’ Meetings and the Rules Governing the Scope of Powers of Independent Directors, evaluates its Audit Committee Charter and Remuneration Committee Charter in due course. The Company seeks to improve information transparency in accordance with the amended laws, and the implementation of these regulations has been effective.
3. To have a corporate governance officer to safeguard shareholders’ interests and to strengthen the functions of the Board of Directors, the

Board of Directors engaged a corporate governance office to support operations of the Board on May 9, 2019.

4. The Company has formed functional committees, such as the Remuneration Committee and the Audit Committee in 2011 and 2016 and the Sustainable Development Committee in 2017, and it has continued to improve its performance.
5. The Company's website and MOPS have disclosed relevant information regarding the Company's internal rules and major resolutions adopted by the Board of Directors, so as to facilitate shareholders' understanding of the development and to improve its information transparency.
6. The Company organizes 6 hours training courses for Directors and encourages Directors to attend corporate governance-related courses organized by external institutions.

The status of continuing education among the Directors and some managerial officers of the Company for 2024 is as follows:

Title	Name	Date	Organizer	Course Title	Course Duration
Chairman	Wu, Yi-Kuei	2024/07/11	Securities & Futures Institute	Digital Transformation Paves the Way for a New Future in AI: Sharing Case Studies on Generative AI Applications	3
		2024/10/16	Securities & Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
Director	Li Kuo-Hung	2024/07/11	Securities & Futures Institute	Digital Transformation Paves the Way for a New Future in AI: Sharing Case Studies on Generative AI Applications	3
		2024/10/16	Securities & Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
Director and General Manager	Wu, Pei-Chi	2024/07/11	Securities & Futures Institute	Digital Transformation Paves the Way for a New Future in AI: Sharing Case Studies on Generative AI Applications	3
		2024/09/30	Taiwan Stock Exchange (TWSE)	Strengthening the Taiwan Capital Market Summit	3

Title	Name	Date	Organizer	Course Title	Course Duration
Director	Wu Hung-Chu	2024/07/11	Securities & Futures Institute	Digital Transformation Paves the Way for a New Future in AI: Sharing Case Studies on Generative AI Applications	3
		2024/10/16	Securities & Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
Director	Pi Shu-Chien	2024/03/22	Taiwan Stock Exchange (TWSE)	CDP Taiwan Launch – Building a New Carbon Era through Sustainability Knowledge	3
		2024/06/03	Securities & Futures Institute	Institutional Investor Perspectives Forum	3
		2024/06/07	Taiwan Institute of Directors	The Era of New Energy	3
		2024/07/11	Securities & Futures Institute	Digital Transformation Paves the Way for a New Future in AI: Sharing Case Studies on Generative AI Applications	3
Independent Director	Chen Ta-Hsiung	2024/02/21	Taiwan Corporate Governance Association	Strengthening Corporate Governance Towards Sustainable Business Operations	3
		2024/07/11	Securities & Futures Institute	Digital Transformation Paves the Way for a New Future in AI: Sharing Case Studies on Generative AI Applications	3
		2024/10/16	Securities & Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
Independent Director	Shen Shang-Hung	2024/08/20	Taiwan Institute of Directors	Major Challenges of Internationalization: Decoding the Growth Strategies of Japanese Companies	3
		2024/08/23	Taiwan Corporate Governance Association	External Influences on Diversified Management: Creating Positive Value for Companies	3
		2024/09/12	Taiwan Corporate Governance Association	Prevention of Labor Disputes and Corporate Governance	3

Title	Name	Date	Organizer	Course Title	Course Duration
Independent Director	Cheng Tun-Chien	2024/07/11	Securities & Futures Institute	Digital Transformation Paves the Way for a New Future in AI: Sharing Case Studies on Generative AI Applications	3
		2024/10/16	Securities & Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
Independent Director	Chen Chien-Ping	2024/07/11	Securities & Futures Institute	Digital Transformation Paves the Way for a New Future in AI: Sharing Case Studies on Generative AI Applications	3
		2024/10/16	Securities & Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
Director of Corporate Governance	Chen Yung-Chih	2024/04/30	BCSD Taiwan	Sustainability knowledge empowerment program (non-electronics industry): Building a new carbon era through sustainability literacy.	6
		2024/09/20	Securities & Futures Institute	2024 Insider Trading Prevention Seminar	3
		2024/10/07	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2024 Taishin Net Zero Power Summit	3
		2024/10/16	Securities & Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
		2024/10/24	Taiwan Institute for Sustainable Energy	38th TCCS Council Meeting and CEO Lecture	2
		2024/11/22	Securities & Futures Institute	Workshop on Equity Trading Compliance for Insiders in 2024	3
		2024/12/25	Securities & Futures Institute	Listed companies – Conference on leveraging derivatives to expand asset management presence in Asia.	3
Accounting Manager		2024/7/11	Securities & Futures Institute	Digital Transformation Paves the Way for a New Future in	3

Title	Name	Date	Organizer	Course Title	Course Duration
	Chang Sheng-Chuan			AI: Sharing Case Studies on Generative AI Applications	
		2024/10/16	Securities & Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
Finance Manager	Shih Ju-Hsuan	2024/01/12	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2024 Economic Situation and Future Prospects	2
		2024/07/11	Securities & Futures Institute	Digital Transformation Paves the Way for a New Future in AI: Sharing Case Studies on Generative AI Applications	3
Senior Auditor	Lin Chia-Huei	2024/09/23	Institute of Internal Auditors—Chinese Taiwan	“Policy Analysis on Sustainability Information Disclosure” and Key Issues in Internal Control and Audit	6
		2024/11/06	Institute of Internal Auditors—Chinese Taiwan	Repositioning Internal Auditing from Case Studies: The Intersection of Ethics, Morality, and Law	6
Senior Auditor	Chuang Chia-Fang	2024/04/22	Institute of Internal Auditors—Chinese Taiwan	Key Considerations and Impacts of IFRS S1/S2 on Internal Control and Internal Audit	6
		2024/09/18	Institute of Internal Auditors—Chinese Taiwan	How to Utilize Big Data to Strengthen Audit Operations	6

The number of learning hours, scope of learning, learning systems, arrangements and information on the above-mentioned training sessions which comply with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies shall be disclosed.

Note 1: For directors and supervisors who are juristic persons, the name of juristic person shareholders and their representatives shall be disclosed.

Note 2: (1) Where a director or a supervisor resigns before the end of the fiscal year, the Remark column shall be filled with the director's or supervisor's resignation date, whereas his/her percentage of attendance in person (%) shall be calculated based on the number of Board of Directors' meetings held and the actual attendance in person during the period during his/her term of office.

(2) Where Directors and Supervisors were re-elected before the end of the year, both the incoming and outgoing Directors and Supervisors shall be listed accordingly. The “remark” column shall be annotated to indicate whether the Director or Supervisor was outgoing, incoming, or re-elected as well as the date of re-election. The Director's rate of attendance in person (%) shall be calculated based on the number of Board of Directors' Meetings held and the actual attendance in person during his/her term of office.

(II) Information Regarding the Implementation of the Audit Committee or the Participation of Supervisors in the Operations of the Board of Directors

1. Operations of the Audit Committee:

(1) The duties and responsibilities as set out in Article 6 of the Company's Audit Committee Charter are as follows:

- (1.1) Adoption or amendment of internal control systems in accordance with Article 14-1 of the Securities and Exchange Act.
- (1.2) Evaluation of the effectiveness of the internal control system.
- (1.3) Pursuant to Article 36-1 of the Securities and Exchange Act, formulate or revise procedures for major financial business actions including the acquisition or disposal of assets, engaging in derivative trading, loaning of funds to others, making endorsement or guarantees for others
- (1.4) Items involving the interests of directors.
- (1.5) Major assets or derivative trading.
- (1.6) Major loaning of funds, making of endorsements or guarantees.
- (1.7) Offering, issuance, or private placement of any equity securities.
- (1.8) Appointment, dismissal, and compensation of CPAs.
- (1.9) Appointment and dismissal of finance manager, accounting manager and chief internal auditor.
- (1.10) financial reports signed and sealed by the Chairman, a managerial officer, and the accounting manager.
- (1.11) Accept and deal with whistleblowing cases in accordance with the functions listed in this article.
- (1.12) Other important items required by other companies or the competent authority

(2) The Audit Committee met 4 times (A) in the most recent year (2024). The attendance of Independent Directors was as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Percentage of attendance in person (%) (B/A) (Note 1, Note 2)	Remark
Independent Director	Shen Shang- Hung	3	1	75	
Independent Director	Chen Ta-Hsiung	4	0	100	
Independent Director	Cheng Tun- Chien	4	0	100	
Independent Director	Chen Chien- Ping	4	0	100	

(3) The key work items reviewed in the most recent year mainly included:

- (3.1) Annual accounting statement and earnings distribution, and corresponding audit report issued
- (3.2) Modification of the internal control system.
- (3.3) Compensation to the CPAs.
- (3.4) CPA appointment and the assessment of CPA independence.
- (3.5) Evaluate the effectiveness of the internal control system and make a statement of declaration on internal control system.
- (3.6) Audit plans.
- (3.7) Review the annual financial statements, the accountant and audit supervisor present deliver reports to the Independent Directors separately.
- (3.8) Internal auditors report and communicate with independent directors separately.
- (3.9) Oversee the implementation of risk management policies.

● Review the financial statement

The Audit Committee hereby presents the Business Report, financial statements and proposal for earnings distribution, among which the financial statements have been audited by Deloitte, Taiwan, by whom an audit report has been issued accordingly. The said business report, financial statements,

and the proposal for earnings distribution have been audited by the Audit Committee and no discrepancies have been found.

- Evaluate the effectiveness of the internal control system

The Audit Committee evaluates the effectiveness of the Company's internal control systems policies and procedures (including financial, operational, risk management, compliance and other control measures) and reviews the Company's audit department and certified accountants, as well as management reports, including risk management and compliance. The Audit Committee found that the Company's risk management and internal control systems were effective. The Company has adopted the necessary control mechanisms to monitor and correct violations.

- Appointed the CPA

The independence evaluation form formulated by the audit committee is to ensure the independence of certified public accounting firms by referring to article 47 of the CPA Law and the contents of "Integrity, impartiality, objectivity and independence" in the Bulletin of the Code of Professional Ethics for Accountants No. 10. It evaluates the independence, professionalism and suitability of the accountant, and evaluates whether the accountant has a mutual relationship with the Company, business or financial interest. On March 7, 2024, the 7th meeting of the 3rd Audit Committee and the first Board of Directors meeting of 2024 on the same day reviewed and approved that reviewed and approved that Qiu Zheng-Jun and Chuang Pi-Yu, accountants of Deloitte & Touche, meet the evaluation criteria of independence and are eligible to serve as financial and tax certified public accountants of the Company.

Other matters to be noted:

- I. The date of the Board meeting, the term, contents of the proposals, resolutions of the Audit Committee, and the Company's handling of the resolutions of the Audit Committee shall be recorded under the following circumstances in the operations of the Audit Committee meeting.

(I) Items listed in Article 14-5 of the Securities and Exchange Act

Audit Committee	Resolution and Follow-up Actions	Items listed in Article 14-5 of the Securities and Exchange Act	Other resolutions passed by two thirds of all Directors but yet to be approved by the Audit Committee
3rd term 7th meeting 2024/03/07	1. For issuance of the Internal Control System Statement in 2023	Yes	None
	2. Preparation of the 2023 Account Book	Yes	None
	3. 2023 earnings distribution proposal	Yes	None
	4. Evaluation of the independence of appointed CPAs for 2024.	Yes	None
	5. Appointment of CPAs for 2024	Yes	None
	6. Amendment to the “Audit Committee Charter”	Yes	None
	7. Removal of the non-compete clause for directors	Yes	None
	8. Replacement the accounting manager.	Yes	None
	9. Approval of the accounting manager to engage in competitions.	Yes	None
	<p>Audit Committee Resolution:</p> <p>1. Except for 7, all members in attendance unanimously passed the proposal and submitted it to the Board of Directors for discussion.</p> <p>2. 7: The Chair consulted all the directors present except for the independent director, who had to recuse himself from voting due to a conflict of interest. All Directors present voted in favor of the resolution, and the resolution was submitted it to the Board of Directors for discussion</p> <p>The Company’s response to the opinions of the Audit Committee:</p> <p>1. Except for 7: the Audit Committee unanimously passed the proposals.</p> <p>2. 7: Except for the recusals, all directors present voted in favor of the resolution.</p>		
3rd term 8th meeting 2024/05/07	1. Amendment to the Company’s internal control system.	Yes	None
	2. Preparation of the Q1 2024 Consolidated Financial Report	Yes	None
	Audit Committee’s resolution: All members in attendance unanimously passed the proposals and submitted it to the Board of Directors for discussion.		

Audit Committee	Resolution and Follow-up Actions	Items listed in Article 14-5 of the Securities and Exchange Act	Other resolutions passed by two thirds of all Directors but yet to be approved by the Audit Committee
	The Company's actions in response to the opinions of the Audit Committee: All Directors present voted in favor of the resolution.		
3rd term 9th meeting 2024/08/05	Preparation of the Q2 2024 Consolidated Financial Report	Yes	None
	Audit Committee's resolution: All members in attendance unanimously passed the proposals and submitted it to the Board of Directors for discussion.		
	The Company's actions in response to the opinions of the Audit Committee: All Directors present voted in favor of the resolution.		
3rd term 10th meeting 2024/11/06	1. Amendment to the Company's internal control system.	Yes	None
	2. Reviewed the 2025 annual audit plan	Yes	None
	3. Preparation of the Q3 2024 Consolidated Financial Report	Yes	None
	4. Proposal for compensation paid to the CPAs for 2024	Yes	None
	Audit Committee's resolution: All members in attendance unanimously passed the proposals and submitted it to the Board of Directors for discussion.		
	The Company's actions in response to the opinions of the Audit Committee: All Directors present voted in favor of the resolution.		

(II) In addition to the items in the preceding items, other resolutions passed by two-thirds of all the Directors but yet to be approved by the Audit Committee: None.

- II. Any recusals of Independent Directors due to conflict of interests, the name of the independent directors, the resolutions, reasons for recusal due to conflict of interests, and voting outcomes shall be stated: Please refer to the above item.
- III. Communications between independent directors and the head of internal audit and CPAs (material issues, methods and outcomes related to the Company's financial and business status should be included).

- (I) Not only does the Internal Audit Department submit audit reports to each independent director for review every month, but also the Head of Internal Audit reports major audit findings to each independent director in the Audit Committee every quarter.

Both the Company's Audit Committee and the chief internal auditor have maintained good communication.

Summary of communication between Independent Directors and the Company's head of internal audit in 2024:

Audit Committee	Key Communication Points	Recommendations and Results
3rd term 7th meeting 2024/03/07	Reviewed 2023 Internal Control System Statement.	No dissenting opinions
3rd term 8th meeting 2024/05/07	Reviewed the standard book for the management of shareholder services in the internal control system in accordance with the amended "Standards for the Internal Control Systems of Shareholder Service Units" promulgated by the Taiwan Depository & Clearing Corporation.	No dissenting opinions
3rd term 10th meeting 2024/11/06	1. Review the summary of the amendments related to the internal control system of the Company. 2. Review the annual internal audit plan for 2025.	No dissenting opinions

- (II) CPAs compile information on the audit of the Company's consolidated financial statements (annual financial statements including parent company-only financial statements) and review of governance-related matters, and report them to the Audit Committee; In case of major anomalies, they may call a meeting at any time, in accordance with the Auditing Standards Bulletin No. 39 - Communication with Those Charged with Governance and the letter with the Ref No. Tai Tsai Cheng Liu Tzu 0930105373 issued by SFB on March 11, 2004.

Both the Company's Audit Committee and CPAs have maintained good communication.

Summary of communication between independent directors and CPAs in 2024:

Audit Committee	Key Communication Points	Recommendations and Results
3rd term 7th meeting 2024/03/07	<ol style="list-style-type: none"> 1. The CPAs' audit status and report on the 2023 Consolidated and Parent Company Only Financial Statements reports (including key audit matters (KAM)). 2. Evaluate the independence and suitability of the CPAs. 3. Appointment of CPAs for 2024. 4. tment of CPA for 2024's non-assurance services. 5. The CPA has discussed and communicated with attendees on the questions they raised with regard to major legal amendments and their impact. 	No dissenting opinions
3rd term 9th meeting 2024/08/05	<ol style="list-style-type: none"> 1. CPAs' audit execution status and report for the consolidated financial statements for Q2 2024. 2. CPAs discussed and communicated issues raised by the participants. 	No dissenting opinions
3rd term 10th meeting 2024/11/06	<ol style="list-style-type: none"> 1. CPAs' audit execution status and report for the consolidated financial statements for Q3 2024. 2. Report and communication of the 2024 audit plan report and key audit issues in the audit report. 3. The CPA has discussed and communicated with attendees on the questions they raised with regard to major legal amendments and their impact. 	No dissenting opinions

(III) In order to fully exercise their powers and better understand the Company's financial reports and financial and business conditions, independent directors shall communicate with accountants and internal audit directors at least once a year without the presence of general directors and management.

The communication situation of 2024 as follows:

Date	Attendee	Communication Item	Communication
2024/03/07 Separate Communication Meeting	Independent Directors Shen Shang-Hung Independent Directors Chen Ta-Hsiung Independent Directors Cheng Tun-	CPA: <ol style="list-style-type: none"> 1. Deliver reports on the audit of annual financial report and key audit items and make communication. 2. Report and communicate on issues related to audit quality indicators. 3. Reporting and communication on issues such as pre-approval of non-audit services provided by CPAs. 	No dissenting opinions

Date	Attendee	Communication Item	Communication
	Chien Independent Directors: Chen Chine- Ping CPA Chiu Cheng-Chun Chief Auditor Chuang Chia- Fang	Chief Internal Auditor: 1. Internal audit business execution report and communication. 2. 2023 Report on Internal Control System Statement.	
2024/05/07 Separate Communication Meeting	Independent Directors Shen Shang-Hung Independent Directors Chen Ta-Hsiung Independent Directors Cheng Tun- Chien Independent Directors: Chen Chine- Ping Chief Auditor Chuang Chia- Fang	Chief Internal Auditor: 1. Internal audit business execution report and communication. 2. Summary of Amendments to the Company's Internal Control System: Standard Operating Procedures for Stock Operations	No dissenting opinions
2024/08/05 Separate Communication Meeting	Independent Director Shen Shang-Hung Independent Directors Chen Ta-Hsiung Independent Directors Cheng Tun- Chien Independent Directors: Chen Chine-	CPA: 1. CPAs' audit report for the consolidated financial statements for Q2 2024. Chief Internal Auditor: 1. Internal audit business execution report and communication.	No dissenting opinions

Date	Attendee	Communication Item	Communication
	Ping CPA Chiu Cheng-Chun Chief Auditor Chuang Chia-Fang		
2024/11/06 Separate Communication Meeting	Independent Directors Shen Shang-Hung Independent Directors Chen Ta-Hsiung Independent Directors Cheng Tun- Chien Independent Directors: Chen Chine- Ping CPA Chiu Cheng-Chun Chief Auditor Chuang Chia-Fang	CPA: 1. CPAs' audit report for the consolidated financial statements for Q3 2024. 2. Report and communication of the 2024 audit plan report and key audit issues in the audit report. Chief Internal Auditor: 1. Internal audit business execution report and communication. 2. Reported on the summary of the amendments related to the internal control system of the Company. 3. Report the annual internal audit plan for 2025.	No dissenting opinions

Note 1: Where an independent director resigns before the end of the fiscal year, the Remark column shall be filled with the independent director's resignation date, whereas his/her percentage of attendance in person (%) shall be calculated based on the number of meetings held by the Audit Committee and the actual number of meetings attended during his/her term of office.

Note 2: If independent directors are re-elected before the end of the fiscal year, incoming and outgoing independent directors shall be listed accordingly, and the Remark column shall indicate whether the status of an independent director is "outgoing," "incoming" or "re-elected," and the date of re-election. Actual attendance percentage (%) is calculated based on the number of meetings held by the Audit Committee and the actual number of meetings attended during his/her term of office.

2. Participation of supervisors in the operations of the Board of Directors:

Not applicable as the Company has an Audit Committee that replaces the functions of supervisors.

(III) Implementation of corporate governance, discrepancies between its Implementation and the Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies, and reasons for such discrepancies

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
I. Has the Company formulated and disclosed its corporate governance best practice principles in accordance with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”?	√		The Company has established its “Corporate Governance Best Practice Principles” and complied with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies” to promote the implementation of corporate governance and discloses such information on its own website.	No material discrepancy
II. Shareholding Structure and Shareholders’ Rights				
(I) Has the Company established internal operating procedures for handling matters related to shareholders’ recommendations, doubts, disputes and lawsuits, and implemented them accordingly?	√		(I) The Company has appointed specific personnel to take change of such matters.	No material discrepancy

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
(II) Does the Company maintain a list of major shareholders who have actual control over the Company and persons who have ultimate control over the major shareholders?	✓		(II) The Company has been maintaining contact with its major shareholders and persons who have ultimate control over the major shareholders.	No material discrepancy
(III) Has the Company established and implemented risk control and firewall mechanisms among its affiliated companies?	✓		(III) The Company has established and implemented a system to monitor its subsidiaries.	No material discrepancy
(IV) Has the Company formulated internal regulations that prohibit insiders of the Company from trading securities using undisclosed information in the market?	✓		(IV) Measures for Preventing Insider Trading The Company regularly conducts education and guidance on the “Procedures for Handling Material Inside Information” and relevant laws and regulations for current directors, managers, and employees every year, and provides education and guidance to new directors, managers, and employees upon their appointment/arrival. In 2024, training programs were held for current directors,	No material discrepancy

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>managerial officers, and employees through online courses and assessments, totaling 234 participants and 236 training hours. Course titles and hours are as follows:</p> <p>[Online Course] Insider Trading Practices and Related Legal Responsibilities - 3 Hours</p> <p>[Tests] Group Employee Code of Conduct Test (including Prevention of Insider Trading) - 1 hour</p> <p>The content includes regulations, definitions, and constitutive elements of insider trading, as well as an examination of insider trading from a corporate governance perspective. It also provides an introduction to Article 157-1 of the Securities and Exchange Act, along with practical case studies. Additionally, the document covers the scope and operational procedures for handling significant information dissemination.</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>Furthermore, online course materials and presentations are frequently uploaded to the internal training and learning platform system, allowing all colleagues to access and view them at their convenience.</p> <p>Directors of this Company are not allowed to trade the Company's stocks during the blackout periods of 30 days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report.</p> <p>Implementation Status</p> <p>1. Articles of Incorporation</p> <p>In August 2022, the Board of Directors approved the amendment to the Company's "Corporate Governance Guidelines." In November 2022, the Board of Directors</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>also approved the amendment to the Company's "Code of Conduct and Business Practices." The amendment prohibits directors from engaging in insider trading and requires them to comply with the provisions of the Securities Exchange Act. Additionally, directors are prohibited from trading Company stocks during the 30 days before the annual financial report announcement and the 15-day blackout period before each quarterly financial report announcement.</p> <p>2. Implementation of Internal Regulations</p> <p>Education and training: tests on the training management platform.</p> <p>Course name: [Test on Group Employee Code of Conduct]</p> <p>- That directors are not allowed to trade the Company's stocks during the blackout period prior to the announcement of financial reports was included.</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>In 2024, a total of 233 persons participated in the above-mentioned training, with a total of 233 hours of training.</p> <p>Notification:</p> <p>Reminder letters should be sent before a blackout period by the secretary of the Board of Directors. Emails are sent to remind directors 7 days before the start of each blackout period, and inform personnel in the Stock Affairs Department.</p> <p>Second reminder mechanism was implemented by equity colleagues. Upon receipt of the above information until the “Financial Report Announcement Date (i.e. Board Meeting Date)”, if directors of the Company still apply for the “prefiling”, they will be reminded by email again of the regulations for the closure period (the past practices of independent directors will be conveyed by the secretary of</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>the Board of Directors), and the secretary of the Board of Directors and the Company's governance supervisors will be informed.</p> <p>The Company has implemented the aforementioned regulations during the discussion of financial report proposals at Board of Directors' meetings. The regulations are listed below:</p> <p>(1) A Board meeting was held on March 7, 2024, to discuss the financial report for 2023. The announcement date for the financial report is set as the date of the Board meeting (March 7). Counting back 30 days is the start date for the blackout period, with the blackout period for trading stocks being from February 6, 2024, to March 7, 2024. The Secretary Office of the Board of Directors has sent emails to all directors on January 26, 2024, informing them that the</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>Company's stocks cannot be traded during the closed period.</p> <p>(2) The Board of Directors convened on May 7, 2024, to discuss the financial report for 1Q 2024. As key financial data were disclosed via a material information announcement on the same day following the Board meeting, the announcement date of the financial report is designated as May 7, 2024. Accordingly, counting back 15 days, the blackout period for stock trading is set from April 22 to May 7, 2024. The Secretary Office of the Board of Directors has sent emails to all directors on April 15, 2024, informing them that the Company's stocks cannot be traded during the blackout period.</p> <p>(3) The Board of Directors convened on August 5, 2024, to discuss the financial report for 2Q 2024. As key financial</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>data were disclosed via a material information announcement on the same day following the board meeting, the announcement date of the financial report is designated as August 5, 2024. Accordingly, counting back 15 days, the blackout period for stock trading is set from July 21 to August 5, 2024. The Secretary Office of the Board of Directors has sent emails to all directors on July 10, 2024, informing them that the Company's stocks cannot be traded during the blackout period.</p> <p>(4) The Board of Directors convened on November 6, 2024, to discuss the financial report for 3Q 2024. As key financial data were disclosed via a material information announcement on the same day following the board meeting, the announcement date of the financial report is designated as November 6, 2024. Accordingly, counting</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>back 15 days, the blackout period for stock trading is set from October 22 to November 6, 2024. The Secretary Office of the Board of Directors has sent emails to all directors on October 14, 2024, informing them that the Company's stocks cannot be traded during the blackout period.</p> <p>3. With confirmation from personnel in the Stock Affairs Department, the directors of the Company did not apply any stock transfer during the blackout period in 2024.</p>	
<p>III. Composition and responsibilities of the Board of Directors</p> <p>(I) Has the Board of Directors drawn up policies on diversity of its members and implemented them?</p>	V		<p>I. The diversity policy of board members</p> <p>According to Article 20 of the Company's "Corporate Governance Best Practice Principles", diversity shall be considered in the composition of the Company's Board</p>	No material discrepancy

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>of Directors, and members of the Board of Directors shall possess the knowledge, skills and qualities required to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:</p> <ol style="list-style-type: none"> 1. Ability to make sound business judgment. 2. Ability to conduct accounting and financial analysis. 3. Business management ability. 4. Objection handling ability 5. Knowledge of the industry. 6. An understanding of international markets. 7. Leadership skills. 8. Decision-making ability. 	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>In addition to the eight competencies above, the Company has added two professional abilities, namely “legal capability” or “environmental protection” for the diversification of the Board members by taking into consideration the growing importance of global issues concerning corporate governance and environmental protection at present. The existing members of the Board of Directors possess the knowledge, skills and qualities required to perform their duties, and specialize in professional areas including accounting and finance, international markets, law and environmental protection.</p> <p>II. Specific management objectives for board diversity To introduce outstanding external talents into the Company’s Board of Directors and achieve the goal of</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>diversified board members, the number of independent directors in this Board of Directors has been increased from 3 to 4, and members were elected on May 27, 2022. Among them, Mr. Chen Chine-Ping is a new independent director, an MBA from the University of California. He once served as the Chairman of Public Bank. He has rich experience in the financial industry and expertise in financial risk control, which helps improve the quality of the Board of Directors' review on financing proposals and achieve the policy goal of diversified board members.</p> <p>Currently, the Board of Directors has one female director, which does not meet the one-third requirement of the total number of seats. The primary reason for this is that, due to the characteristics of the industry, there is a scarcity of women with substantial industry experience, making it</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>difficult to achieve the one-third standard for board seats in the short term. In the future, additional female director positions that meet regulatory standards will be established in accordance with the law. Furthermore, when selecting candidates for the Board of Directors, various considerations will be taken into account to identify suitable talents from different fields, thereby achieving the goal of board diversity. Additionally, in response to the growing global emphasis on corporate sustainability, the Company plans to increase the number of board members who are well-versed in relevant fields. This initiative aims to enhance the Company's sustainable competitiveness and further improve the functionality of the Board of Directors.</p> <p>III. Executive status of board member's diversity</p>	

Evaluation Item	Implementation Status (Note 1)											Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons																																																																																																																																														
	Yes	No	Overview																																																																																																																																																							
			For details on the diversity of Board members, please refer to the table below:																																																																																																																																																							
			<table><tr><th rowspan="2">Directors</th><th rowspan="2">Gender</th><th colspan="10">Core Competence</th></tr><tr><th>Business judgment</th><th>finance</th><th>Accounting and management</th><th>Business management</th><th>Crisis management</th><th>Knowledge of the industry</th><th>International markets</th><th>Leadership</th><th>Decision-making abilities</th><th>Law</th><th>Environmental protection</th></tr><tr><td>Wu, Yi-Kuei</td><td>Male</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td></td></tr><tr><td>Li Kuo-Hung</td><td>Male</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td>V</td></tr><tr><td>Wu, Pei-Chi</td><td>Male</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td></td></tr><tr><td>Wu Hung-Chu</td><td>Male</td><td>V</td><td></td><td>V</td><td>V</td><td></td><td></td><td></td><td>V</td><td>V</td><td></td><td></td></tr><tr><td>Pi Shu-Chien</td><td>Female</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td></td></tr><tr><td>Chen Ta-Hsiung</td><td>Male</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td></td></tr><tr><td>Shen Shang-Hung</td><td>Male</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td></tr><tr><td>Cheng Tun-Chien</td><td>Male</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td></td><td>V</td><td>V</td><td>V</td><td></td><td></td></tr><tr><td>Chen Chien-Ping</td><td>Male</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td></td><td></td><td>V</td><td>V</td><td></td><td></td></tr></table>											Directors	Gender	Core Competence										Business judgment	finance	Accounting and management	Business management	Crisis management	Knowledge of the industry	International markets	Leadership	Decision-making abilities	Law	Environmental protection	Wu, Yi-Kuei	Male	V	V	V	V	V	V	V	V	V			Li Kuo-Hung	Male	V	V	V	V	V	V	V	V	V		V	Wu, Pei-Chi	Male	V		V	V	V	V	V	V	V			Wu Hung-Chu	Male	V		V	V				V	V			Pi Shu-Chien	Female	V	V	V	V	V	V	V	V	V			Chen Ta-Hsiung	Male	V	V	V	V			V	V	V	V		Shen Shang-Hung	Male	V	V	V	V			V	V	V		V	Cheng Tun-Chien	Male	V	V	V	V			V	V	V			Chen Chien-Ping	Male	V	V	V	V				V	V			
Directors	Gender	Core Competence																																																																																																																																																								
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Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
(II) Has the Company voluntarily established functional committees other than the Remuneration Committee and Audit Committee that are established in accordance with the law?	V		<p>None of the independent directors has served more than three consecutive terms. The member of the board are all of their own nationality, and the composition of the board is 44% of 4 independent directors, and 22% of 2 directors with employee status. The age distribution of the Board members is as follows: 1 member is aged between 41 and 50 years, 1 between 51 and 60 years, 4 between 61 and 70 years, 1 between 71 and 80 years, and 2 over 80 years</p> <p>(II) The Company has established a remuneration committee and an audit committee, which exercise their authority in accordance with the Remuneration Committee Charter and the Audit Committee Charter respectively with favorable performance. The Company has voluntarily established a Sustainable Development Committee which exercises its authority</p>	No material discrepancy

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
(III) Does the Company formulate the performance evaluation methods for the Board of Directors, conduct performance evaluations annually and regularly, and report the results of the performance evaluations to the Board of Directors, and use them as a reference for individual Directors' remuneration and nomination and renewal?	V		<p>in accordance with the Sustainable Development Committee Charter with favorable performance.</p> <p>(III) The Company has formulated rules and procedures for evaluating the performance of the Board of Directors and conducts it annually.</p> <p>1. Performance evaluation results of the Board of Directors and individual members</p> <p>(1) In accordance with the "Regulations Governing the Evaluation of the Performance of the Board of Directors" amended and approved by the Board of Directors in November 2023 the Company plans to conduct the performance evaluation of the Board of Directors as a whole and individual Directors at the end of each year.</p>	No material discrepancy

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>(2)The performance assessment of the Board of Directors as a whole and individual directors is performed by the Secretariat of the Board using internal self-assessment. The results of the performance evaluation will be used as a reference for the Company's review and improvement, as well as for the remuneration of individual directors and their nomination and renewal.</p> <p>(3)The Company completed the performance evaluation of the Board of Directors in January 2025 for the evaluation period from January 1 to December 31, 2024.</p> <p>The results are as follows:</p> <p>A. Overall performance of the Board of Directors</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons										
	Yes	No	Overview											
			<table><tr><th>Aspect</th><th>Score (Note)</th><th>Evaluation results and supplementary notes</th></tr><tr><td>Degree of participation in the Company’s operations</td><td>4.67</td><td rowspan="3">1.According to the overall evaluation results of the Board of Directors, the average score of the five aspects is above 4.6, and the evaluation results are good. 2.The uncertainty of global inflation continues to introduce variables into interest rate reduction policies. Additionally, the international situation remains overshadowed by economic turmoil caused by geopolitical</td></tr><tr><td>Improvement in the quality of decision-making of the Board of Directors</td><td>5</td></tr><tr><td>Composition and structure of</td><td>5</td></tr></table>	Aspect	Score (Note)	Evaluation results and supplementary notes	Degree of participation in the Company’s operations	4.67	1.According to the overall evaluation results of the Board of Directors, the average score of the five aspects is above 4.6, and the evaluation results are good. 2.The uncertainty of global inflation continues to introduce variables into interest rate reduction policies. Additionally, the international situation remains overshadowed by economic turmoil caused by geopolitical	Improvement in the quality of decision-making of the Board of Directors	5	Composition and structure of	5	
Aspect	Score (Note)	Evaluation results and supplementary notes												
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Improvement in the quality of decision-making of the Board of Directors	5													
Composition and structure of	5													

Evaluation Item	Implementation Status (Note 1)					Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview			
			the Board of Directors		conflicts, climate change, and political struggles, posing severe challenges to the Company’s operations. In response to the increasingly complex business environment and environmental regulations, the Company will place greater emphasis on risk management, building operational resilience, and diversifying its operations. Additionally, it will continue to actively reduce carbon emissions and promote green transformation to achieve sustainable business practices.	
			Election and continuous education of directors	5		
			Internal control	5		

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons									
	Yes	No	Overview										
			<table><tr><td></td><td></td><td>The Board of Directors and the management team will closely monitor the challenges faced by the Company and seize market opportunities to jointly promote the Company’s steady development.</td></tr></table> <p>Note: Scores are given on a scale of 0 to 5, with 5 being the highest.</p> <p>B. Performance of individual directors</p> <table><tr><th>Aspect</th><th>Score (Note)</th><th>Evaluation results</th></tr><tr><td>Mastery of company objectives and tasks.</td><td>4.85</td><td>The Director’s self-evaluation result</td></tr></table>			The Board of Directors and the management team will closely monitor the challenges faced by the Company and seize market opportunities to jointly promote the Company’s steady development.	Aspect	Score (Note)	Evaluation results	Mastery of company objectives and tasks.	4.85	The Director’s self-evaluation result	
		The Board of Directors and the management team will closely monitor the challenges faced by the Company and seize market opportunities to jointly promote the Company’s steady development.											
Aspect	Score (Note)	Evaluation results											
Mastery of company objectives and tasks.	4.85	The Director’s self-evaluation result											

Evaluation Item	Implementation Status (Note 1)					Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview			
			Understanding of the director’s roles and responsibilities	4.74	shows that the average score of the six aspects is above 4.6, which is a good evaluation result	
			Degree of participation in the Company’s operations	4.70		
			Internal relationship management and communication	4.67		
			Expertise and continuing education of the directors	4.78		
			Internal control	4.74		
			Note: Scores are given on a scale of 0 to 5, with 5 being the highest.			
			(4)The results of performance evaluation for the Board of Directors as a whole and board members were reported to the Board of Directors meeting in 1Q 2025.			

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons								
	Yes	No	Overview									
			<div>2. Performance Evaluation for the Audit Committee, Compensation Committee, and Sustainable Development Committee</div> <div>The Company completed the performance evaluation of the Board of Directors in January 2025 for the evaluation period from January 1 to December 31, 2024. The results are as follows:</div> <div>(1)Audit Committee’s performance</div> <table> <tr> <th>Aspect</th> <th>Score (Note)</th> <th>Evaluation results</th> </tr> <tr> <td>Degree of participation in the Company’s operations</td> <td>4.75</td> <td rowspan="2">According to the self-evaluation results of the committee</td> </tr> <tr> <td>Understanding of duties of the Audit Committee</td> <td>4.88</td> </tr> </table>	Aspect	Score (Note)	Evaluation results	Degree of participation in the Company’s operations	4.75	According to the self-evaluation results of the committee	Understanding of duties of the Audit Committee	4.88	
Aspect	Score (Note)	Evaluation results										
Degree of participation in the Company’s operations	4.75	According to the self-evaluation results of the committee										
Understanding of duties of the Audit Committee	4.88											

Evaluation Item	Implementation Status (Note 1)					Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Overview			
			Improvement of the decision-making quality of the Audit Committee	4.92	members, the average score of the five aspects is above 4.7, and the overall evaluation result is good.	
			Composition of the Audit Committee and selection of committee members	5		
			Internal control	4.75		
			Note: Scores are given on a scale of 0 to 5, with 5 being the highest.			
			(2)Remuneration Committee’s performance			
			Aspect	Score (Note)	Evaluation results	
			Degree of participation in the Company’s operations	4.67	According to the self-evaluation	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons	
	Yes	No	Overview		
			Understanding of the Remuneration Committee’s roles and responsibilities	4.50	results of the Remuneration Committee, the average score of the four major aspects is above 4.5, and the overall evaluation result is good.
			Improvement in the Remuneration Committee’s decision-making quality	4.67	
			Composition and member selection of the Remuneration Committee	5	
			Note: Scores are given on a scale of 0 to 5, with 5 being the highest.		
			(3)Sustainable Development Committee’s performance		
			Aspect	Score (Note)	Evaluation results

Evaluation Item	Implementation Status (Note 1)				Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview		
			Degree of participation in the Company’s operations	5	According to the self-evaluation results of the Sustainable Development Committee, the average score of the four major aspects is above 4.7, and the overall evaluation result is good.
			Understanding of the Sustainable Development Committee’s roles and responsibilities	4.75	
			Improvement in the Sustainable Development Committee’s decision-making quality	4.75	
			Composition and member selection of the Sustainable Development Committee	4.75	
			Note: Scores are given on a scale of 0 to 5, with 5 being the highest.		

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
(IV) Does the Company regularly evaluate the independence of CPAs?	V		<p>(4)Results of the performance evaluation of functional committees, presented to the Board of Directors in the first quarter of 2025.</p> <p>(IV) In compliance with Article 30 of the Company's Corporate Governance Best Practice Principles and Article 29 of the Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies, the independence and eligibility of CPAs should be regularly (at least once a year) assessed. The Company's Audit Committee assesses the independence and eligibility of CPAs. In addition to requiring the CPA audit team to provide the Total Independence Statement (Note 3), and the audit quality indicators (AQIs), the Committee also assesses the five major dimensions of AQI indicators (including 13</p>	No material discrepancy

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			indicators) according to the standards of (Note 2). It has been confirmed that the accountants have no financial interest or business relationship with the Company except for the expenses of the visa cases, and that their family members do not violate requirements for independence. With reference to AQI information, it has been confirmed that the accountants and the accounting firm have qualified audit experience and training hours. Moreover, they will apply digital technology, expand audit support centers, introduce cloud audit platforms, tools and project managements to raise audit quality. In the meantime, the CPAs shall undergo a prior audit by the Audit Committee before providing non-assurance services, to ensure that the non-assurance services will not affect	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			the results of the financial certification. The latest annual appraisal result was discussed and approved by the audit committee on March 5, 2025, and reported to the Board of Directors on the same day to approve the appraisal of independence and eligibility of the accountant.	
IV. Has the TWSE/TPEX listed company designated an appropriate number of qualified corporate governance personnel and appointed a corporate governance officer responsible for matters related to corporate governance(including but not limited to providing directors and supervisors with the necessary information for operation,assisting directors and supervisors in following	V		In order to safeguard the interests of the shareholders and strengthen the functions of the Board of Directors, the Company has appointed Chen Yung-Chih, Head of Legal Division, as the Corporate Governance Officer, the top-level manager in charge of corporate governance, as approved by the Board of Directors on May 9, 2019. Corporate Governance Officer Chen Yung-Chih has over 20 years of experience as a practicing lawyer and has held the position of head of a legal unit in a listed company for nearly ten years. His main duties are to handle matters	No material discrepancy

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
regulations, handling matters related to Board meetings and the shareholders' meetings in accordance with the regulations, preparing minutes for Board meetings and the shareholders' meetings, etc.)?			<p>related to Board of Directors meetings and the shareholders' meetings in accordance with the laws, prepare minutes of the said meetings, assist Directors with their appointment and continuing education, provide information required by the Directors to perform their duties, assist them with compliance, report the examination results of independent directors' qualifications to the Board of Directors during nomination, appointment, and tenure, and managing matters related to changes in the Board of Directors.</p> <p>Key points for business execution in 2024:</p> <p>I. Assist Directors in performing their duties and provide them with necessary information, as well as arrange continuing education and purchase liability insurance for Directors:</p> <p>1. Compile the latest laws and regulations related to the business areas and corporate governance of</p>	

			<p>the Company, put them forward at the Board of Directors meeting for discussion, and keep members of the Board informed accordingly from time to time.</p> <ol style="list-style-type: none">2. Assist Directors, upon request, in understanding the regulations to be complied with in the execution of their business.3. Provide corporate information required by the Directors and assist them with communication and interaction with supervisors in various business categories.4. Assist Independent Directors in arranging meetings with the chief internal auditor or CPAs to understand the financial and business needs of the Company.5. Assisted the Company in arranging at least 6 hours of continuing education courses for members of the Board of Directors.6. Confirm that the Company has purchased the "Directors and Supervisors and Important Staff Liability Insurance" for the members of the Board and reported to the Board of Directors. <p>II. Procedures for Board of Directors meetings and the shareholders' meetings and compliance regarding confirmation of resolutions:</p> <ol style="list-style-type: none">1. Prepare notice and agenda of Board of Directors meetings in accordance with laws; where Directors have to recuse themselves from the agenda items, they shall be reminded beforehand; the minutes shall be prepared within the statutory period.	
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Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>2. Registered the date of the shareholders' meeting in advance according to the law and prepared the meeting notice, handbook, and meeting minutes within the statutory time limit.</p> <p>3. Confirm that the convening of the Board of Directors' meetings and shareholders' meetings, procedures for resolutions, and minutes of the said meetings are in compliance with relevant laws and regulations and the Corporate Governance Best Practice Principles.</p> <p>4. Handle matters related to the registration changes for the Board of Directors and Shareholders' Meeting.</p> <p>III. Confirmation of Independent Director Qualifications and Handling of Director Changes:</p> <p>1. Ensure that the qualifications of independent directors align with applicable laws and regulations throughout the nomination, appointment, and tenure processes, and provide</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>the Board of Directors with a report on the review outcomes.</p> <p>2. In relation to any changes in the Board of Directors, all relevant matters will be managed in accordance with the law.</p> <p>IV. Maintain investor relations: The Company's website is updated from time to time to keep investors abreast of the Company's financial, business, and corporate governance information in order to protect shareholders' rights and interests.</p> <p>Directors' continuing education in 2024 is as follows: Pursuant to Article 24 of the "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers," a listed company shall arrange continuing professional education for its corporate governance officer.</p>	

Evaluation Item	Implementation Status (Note 1)					Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons										
	Yes	No	Overview													
			<p>The Corporate Governance Officer shall receive at least 12 hours of continuing education each year, except for at least 18 hours within one year for the first term commencing from the date of his/her appointment.</p> <p>In 2024, Mr. Chen Yung-Chih, the corporate governance officer of the Company, has completed 23 hours of continuing education after taking office. The details are as follows:</p> <table><tr><th>Date</th><th>Organizer</th><th>Course Title</th><th>Hours</th><th>Total training hours during the year</th></tr><tr><td>2024/4/30</td><td>BCSD Taiwan</td><td>Sustainability knowledge empowerment program (non-</td><td>6</td><td>23</td></tr></table>			Date	Organizer	Course Title	Hours	Total training hours during the year	2024/4/30	BCSD Taiwan	Sustainability knowledge empowerment program (non-	6	23	
Date	Organizer	Course Title	Hours	Total training hours during the year												
2024/4/30	BCSD Taiwan	Sustainability knowledge empowerment program (non-	6	23												

Evaluation Item	Implementation Status (Note 1)						Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview				
					electronics industry): Building a new carbon era through sustainability literacy .		
			2024/9/20	Securities & Futures Institute	2024 Insider Trading Prevention Seminar	3	
			2024/10/7	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2024 Taishin Net Zero Power Summit	3	
			2024/10/16	Securities & Futures Institute	Carbon Trading Mechanism and	3	

Evaluation Item	Implementation Status (Note 1)						Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview				
					Carbon Management Applications		
			2024/10/24	Taiwan Institute for Sustainable Energy	38th TCCS Council Meeting and CEO Lecture	2	
			2024/11/22	Securities & Futures Institute	Workshop on Equity Trading Compliance for Insiders in 2024	3	
			2024/12/25	Securities & Futures Institute	Listed companies – Conference on leveraging derivatives to expand asset management presence in Asia.	3	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
V. Has the Company established channels of communication with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), dedicated a section of the Company's website for stakeholder affairs, and adequately responded to stakeholders' inquiries on significant corporate social responsibility issues?	V		<p>The Company has set up a stakeholder negotiation under Sustainable Operation in the Sustainable Development Report Zone on its website, which includes communication channels of shareholders, issues of concern, communication channels and response methods. We have also assigned dedicated personnel to take charge of the collection and disclosure of Company information and implemented a spokesperson system. If necessary, communication can be performed through interviews, telephone calls, or dedicated mailboxes. The communication with all stakeholders have been reported to the Board of Directors every year, and the communication channels, concerns and responses with stakeholders in 2024 have been reported to the Board of Directors on March 5, 2025.</p> <p>URL for Stakeholder Engagement Zone: https://www.apc.com.tw/ESG/zh-tw/ESG13.aspx</p>	No material discrepancy

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
VI. Has the Company commissioned a professional shareholder services agency to handle Shareholders' Meetings and other relevant affairs?		V	The Company takes charge of its own shareholder services and handles matters related to shareholders' meetings in accordance with the law.	The Company handles its own shareholder services to ensure quality and efficiency
VII. Information Disclosure				
(I) Has the Company established a website to disclose information on financial operations and corporate governance?	V		(I) The Company has set up a website and regularly discloses company information.	No material discrepancy
(II) Has the Company adopted other means of information disclosure (such as establishing a website in English, appointing specific personnel to collect and disclose Company information, implementing a spokesperson system, and disclosing the process of investor conferences on the Company's website)?	V		(II) The Company has appointed specific personnel in charge of the collection and disclosure of company information and has implemented a spokesperson system.	No material discrepancy

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
(III) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?		V	(III) The Company has not announced and declared its annual financial report within two months after the end of the fiscal year but has announced and declared its quarterly financial reports, monthly revenue, and endorsement and guarantee information in advance of the specified period.	No material discrepancy
VIII. Has the Company provided important information to better understand the state of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' rights, progress of training of Directors and Supervisors, risk management policy and implementation of risk impact standards, implementation of customer	V		The Company prepares an annual "Sustainability Report," which explicitly discloses information regarding employee rights, employee relations, investor relations, supplier relations, the rights of stakeholders, the status of board member training, the implementation of risk management policies and risk assessment standards, as well as the execution of customer policies. The following examples illustrate this: (1) The Company has always been committed to the principle of equal opportunities, and recognizes the	No material discrepancy

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
policies and the Company's purchase of liability insurance for its Directors and Supervisors)?			<p>contribution of employees from different backgrounds. The Company adopts an open selection process and hires the right talent for the right position, instead of restricting employees' career development based on their race, gender, age, religion, nationality or political affiliation.</p> <p>(2) The Company has appointed a spokesperson to answer various types of questions raised by shareholders and serves as the bridge to connect the Company with its shareholders. Additionally, the Company maintains contact with its major shareholders.</p> <p>(3) The Company maintains a good relationship with major suppliers, and the supply status is normal.</p> <p>(4) The Company maintains a good and stable relationship with its customers in order to generate profits.</p> <p>(5) The Company encourages its directors to participate in continuing education. In addition to providing its</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>directors with various information on continuing education, the Company organizes such courses from time to time and invites its directors to attend courses related to corporate governance.</p> <p>(6) Purchase of liability insurance for the Company's Directors and Supervisors: The Group has purchased liability insurance for its Directors, Supervisors, and key employees. In 2024, the total amount of coinsurance was US\$35 million and the insurance policy was for the period from May 1, 2024 to May 1, 2025. Relevant information can be obtained from MOPS. Matters related to liability insurance have been included in the Board of Directors' report on May 7, 2024.</p> <p>(7) Implementation of risk management policies and risk measurement standards: The Company has established operating procedures and internal control systems and</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			possesses clear rules and regulations on authorized limits. The Company also implements internal audit for risk control. The chief auditor shall report the implementation to the Board of Directors at least quarterly. However, the general manager or his designated person shall report the implementation status to the Board of Directors at least once a year, and relevant matters have been included in the report of the Board of Directors on November 6, 2024.	
<p>IX. Improvements made in the most recent fiscal year in response to the results of corporate governance evaluation conducted by the Corporate Governance Center of the Taiwan Stock Exchange Corporation, and improvement measures and plans for items yet to be improved. (Leave this section blank if the Company is not included in the evaluation process)</p> <p>Parts that have been improved are as follows:</p> <p>(Number 2.6) The Board of Directors of the Company consists of eight male members and one female member.</p>				

Note: Regardless of whether “Yes” or “No” is selected, provide a brief description in the Summary column.

Note 2: CPA independence evaluation criteria

Item	Evaluation results	Meet independence criteria
1. As of the most recent assurance operation, no CPA has yet to be replaced for seven (7) years.	Yes	Yes
2. The CPA does not have significant financial interest in his/her trustor.	Yes	Yes
3. The CPA avoids any inappropriate relationship with his/her trustor.	Yes	Yes
4. The CPA shall ensure that his/her assistants are honest, fair and independent.	Yes	Yes
5. The CPA may not perform audit and assurance services on the financial statements of companies he/she has served within two (2) years before practicing.	Yes	Yes
6. The CPA may not permit others to practice under his/her name.	Yes	Yes
7. The CPA does not own any shares of the Company and its affiliated companies.	Yes	Yes
8. The CPA has not engaged in lending and borrowing of money with the Company and its affiliated companies.	Yes	Yes
9. The CPA has not engaged in joint investments or benefit sharing with the Company or its affiliated companies.	Yes	Yes
10. The CPA does not concurrently serve as a regular employee of the Company or its affiliated companies and does not receive a fixed salary from them.	Yes	Yes
11. The CPA is not involved in the decision-making process of the Company and its affiliated companies.	Yes	Yes
12. The CPA does not concurrently engage in other businesses that may lead to loss of independence.	Yes	Yes
13. The CPA does not have a spouse, immediate family members or relatives within the second degree of kinship who serve in the senior management of the Company.	Yes	Yes
14. The CPA has not collected any commission related to his/her service.	Yes	Yes
15. As of now, the CPA has not engaged in any matter that may result in disciplinary actions taken against him/her or damage to the principle of independence.	Yes	Yes

Note 3: Letter of Declaration issued by CPA

February 11, 2025, Qin-Shen No. 11401120

Attn: Asia Polymer Corporation

Subject: The firm intends to accept the offer to audit yThe Company's financial statements for 2025. In accordance with the No. 10 Bulletin in the Norm of Professional Ethics for Certified Public Accountant of the Republic of China set forth by the National Federation of Certified Public Accountant Associations of the Republic of China, the members of the audit team declare that they have complied with the following regulations without committing violations of independence.

Description:

- I. Members of the audit team and their spouses and dependents are not involved in the following:
 1. Directly or indirectly hold significant financial interests in The Company.
 2. Have business relations with yThe Company or directors, supervisors and managerial officers at The Company, where such relations may affect our independence.
- II. During the audit, members of the audit team, their spouses and dependents do not serve as directors, supervisors or managerial officers at yThe Company or do not assume positions that may directly and significantly affect the auditing process.
- III. Members of the audit team do not have spouses, immediate family members or relatives within the second degree of kinship who serve as directors, supervisors or managerial officers at yThe Company.
- IV. Members of the audit team have not received gifts or presents of significant value (where their values have not exceeded the general etiquette standards) from The Company or directors, supervisors, managerial officers or major shareholders at The Company.
- V. Members of the audit team have performed the necessary procedures for evaluating independence or conflict of interests and have not been found to commit independence violations or be involved in unresolved conflicts of interest.

Deloitte Taiwan

CPA Chiu Cheng-Chun



CPA Chuang Pi-Yu



(IV) If the Company has established a remuneration committee, the composition and operations of the committee shall be disclosed:

1. Information regarding the members of the Remuneration Committee:

March 31, 2025

Title (Note 1)	Name	Criteria	Professional Qualification and Work Experience (Note 2)	Status of Independence (Note 3)	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Independent Director (Convener)	Chen Ta- Hsiung		Has served as the Chairman of several companies such as PTSC, and has profound business work experience.	Two years before the appointment and during the term of office, there is no matter described in Item 1, Article 3 of “Measures for setting up and Matters to be Followed by Independent Directors of public offering Companies”.	1
Independent Director	Shen Shang- Hung		Currently serves as the chairman of several companies such as Ta Ya Electric Wire & Cable Co., Ltd. with expertise in corporate operations and management.	Two years before the appointment and during the term of office, there is no matter described in Item 1, Article 3 of “Measures for setting up and Matters to be Followed by Independent Directors of public offering Companies”.	2
Independent Director	Cheng Tun- Chien		Currently serves as the chairman of TGVest Capital Inc., with expertise of investment and accounting.	Two years before the appointment and during the term of office, there is no matter described in Item 1, Article 3 of “Measures for setting up and Matters to be Followed by Independent Directors of public offering Companies”.	3

Note 1: Please specify in the form the relevant working years, professional qualifications and experience and independence of each member of the Remuneration Committee. If

he/she is an independent director, please refer to Appendix 1 Directors and Supervisors (1) for related information Fill “Independent Director” or “Others” in the Title column (if it is the convener, please add a note). Please fill in the series as independent directors or others respectively (if it is the convener, please add a note).

Note 2: Professional qualifications and experience: Specify the professional qualifications and experience of individual Remuneration Committee members.

Note 3: Circumstances conforming to independence: The circumstances under which a member of the Remuneration Committee meets the independence criteria shall be stated, including but not limited to whether the member, their spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees of the Company or its affiliated enterprises; the number and percentage of shares held by the member, their spouse, or second-degree relatives (including those held under others’ names); whether the member serves as a director, supervisor, or employee of a company that has a specific relationship with the Company (refer to Sub-paragraphs 5 to 8, Paragraph 1, Article 6 of the Regulations Governing the Establishment and Exercise of Powers of Remuneration Committees of Companies Listed on Stock Exchanges or Traded Over the Counter); and the amount of compensation received for providing business, legal, financial, accounting, or other services to the Company or its affiliates within the past two years.

Note 4: For disclosure, please refer to the best practice examples on TWSE Corporate Governance Center.

2. Responsibilities of the Remuneration Committee:

The Remuneration Committee shall exercise the care of a good administrator to faithfully fulfill the following functions and powers, and submit the recommendations to the Board of Directors for deliberation:

- (1) Regularly review the Committee's charter and propose recommendations to amend it when necessary.
- (2) Establishing and regularly reviewing the BOD and upper management's performance evaluation in conjunction with the remuneration policies, systems, standards, and structure.
- (3) Regular evaluation and stipulation on the remuneration of directors and managers.

In 2024, three meetings were held, and the key points of work are summarized as follows:

- (1) Review the compensation of directors and managers: Assess the reasonableness of directors' and managers' salaries and compensation based on the policies, systems, standards, structures, and performance evaluation results, as well as referencing the median compensation levels of peers, the time invested by individuals, responsibilities undertaken, achievement of personal goals, compensation of comparable positions, attainment of the company's short-term and long-term performance goals, and the company's financial condition.
- (2) Review the appropriateness of related regulations, including: the charter of the Remuneration Committee, the compensation regulations for directors and managers, the evaluation methods for board performance, and the performance assessment methods for managers.
- (3) Conduct market compensation comparisons for directors and managers.
- (4) Review the self-assessment results of the Remuneration Committee's performance evaluation.
- (5) Plan the annual work plan.

3. Operations of the Remuneration Committee:

- (1) The Company's Remuneration Committee consists of three (3) members.
- (2) The term of office of the current members of the Remuneration Committee June 2, 2022 to May 26, 2025. A total of three (3) meetings (A) were conducted by the Remuneration Committee in the most recent fiscal year (2024), where the attendance of the members are as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Percentage of attendance in person (%) (B/A) (Note)	Remark
Convener	Chen Ta-Hsiung	3	0	100%	
Committee Member	Shen Shang-Hung	2	1	67%	
Committee Member	Cheng Tun-Chien	3	0	100%	

Other matters to be noted:

- I. If the Board of Directors refuses to adopt or amends a recommendation of the Remuneration Committee, the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to the Remuneration Committee's opinion (e.g., if the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified) shall be specified: None.
- II. If there are resolutions of the Remuneration Committee to which members object or express reservations, and for which there is a record or declaration in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion shall be specified:

Remuneration Committee	Resolution and Follow-up Actions	Dissenting opinions or qualified opinions of members of the Remuneration Committee
5th term 6th 2024/3/7	1. The Company's 2023 remuneration distribution proposal for Directors and employees.	None
	2. Proposal for the 2023 special bonus for managerial officers.	None

Remuneration Committee	Resolution and Follow-up Actions	Dissenting opinions or qualified opinions of members of the Remuneration Committee
	3. Reviewed the remuneration of the Directors and managers and the performance appraisal system.	None
	Opinion of the Remuneration Committee: none	
	Resolution of the Remuneration Committee: All members in attendance unanimously passed the proposals and filed for discussion in the board meeting.	
	The Company's actions in response to the opinions of the Remuneration Committee: All the Directors in attendance voted in favor of the resolution.	
5th term 7th meeting 2024/8/5	The Company's annual salary adjustment.	None
	Opinion of the Remuneration Committee: none	
	Remuneration Committee resolution: The proposal was passed unanimously by the Committee Members in attendance.	
	The Company's handling of the resolution results of the Remuneration Committee: carry out relevant operations according to the results of the resolution.	
5th term 8th meeting 2024/11/6	1. Review of the Company's "Remuneration Committee Charter."	None
	2. Establishment of the work plan of the Committee for 2025.	None
	Opinion of the Remuneration Committee: none	
	Remuneration Committee resolution: The proposal was passed unanimously by the Committee Members in attendance.	
	The Company's handling of the resolution results of the Remuneration Committee: carry out relevant operations according to the results of the resolution.	

Note 1: Where a member of the Remuneration Committee resigns before the end of the fiscal year, the Remark column shall be filled with the member's resignation date, whereas his/her percentage of attendance in person (%) shall be calculated based on the number of meetings held by the Remuneration Committee and the actual number of meetings attended during his/her term of office.

Note 2: If members of the Remuneration Committee are re-elected before the end of the fiscal year, incoming and outgoing members shall be listed accordingly, and the Remark column shall indicate whether the status of a member is "outgoing", "incoming" or "re-elected", and the date of re-election. Actual attendance percentage (%) is calculated based on the number of meetings held by the Remuneration Committee and the actual number of meetings attended during his/her term of office.

4. Information on members of the Nomination Committee and information on their operation: Not applicable

(V) Implementation Status of Promoting Sustainability and Deviations from the Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof:

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
I. Does the Company establish a governance structure to sustainability, and establish an exclusively (or concurrently) dedicated unit to implement sustainability and have the management appointed by the Board of Directors to be in charge of corporate social responsibility and to be supervised the implementation	V		<p>(I) The Company established the “Sustainable Development Committee” in 2015, which is one of the functional committees organized by the Board of Directors. In 2022, in accordance with the announcement of the Stock Exchange, the “Code of Practice for Sustainability of Listed Companies” was amended and renamed as “Sustainability Committee” to assist the Board of Directors in continuously promoting the implementation of sustainability and sustainable management.</p> <p>(II) The members of the Sustainable Development Committee are composed of Chairman, General Manager and at least two independent directors decided by the Board of Directors. One of the</p>	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
by the Board of Directors? (TWSE/TPEX Listed companies should fill in the implementation status, which is not incorporated into the principle of compliance or explanation.)			<p>independent directors serves as the chairman and the general manager serves as the deputy chairman. The responsibilities of the Committee include:</p> <ul style="list-style-type: none"> (1) Determining the sustainable development policy. (2) Negotiation of sustainable development strategic plan, annual plan and project plans. (3) Supervising the implementation of sustainability plans, annual plans and project plans, and evaluate the implementation. (4) Reviewing and approving the sustainable report. (5) Reporting the implementation results of sustainability to the Board of Directors every year. (6) Other matters to be conducted by the committees based on resolutions of the Board of Directors. <p>The Sustainable Development Committee has three task groups,</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>including “corporate governance”, “environmental protection” and “social relations”, and has a project secretary. Assist the Committee to promote the sustainability work, such as collecting sustainability topics, formulating countermeasures and working policies, editing sustainability reports, communicating and responding to stakeholders, and implementing sustainability policies into the daily management of the Company’s operations.</p> <p>(III) The Committee meets at least twice a year to report the implementation results of sustainability and future work plans to the Board of Directors. In 2024, two committee meetings were held on March 7, 2024 and August 5, 2024, to report on the content of the proposals as follows:</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>(1) The report on the results of stakeholder negotiation in 2023 includes stakeholder identification, issues concerned, communication channels and response methods.</p> <p>(2) The results of the implementation of sustainable development in 2023 and future goals include achievements in governance, environmental, and social aspects, performance in carbon reduction, results of energy-saving and carbon reduction programs, descriptions of achievements in major issue targets, and an overview of the TCFD risk and opportunity assessment results.</p> <p>(3) The progress and planning for the 2023 Sustainability Report editing include the assurance of the ESG Report, the issuance of the TCFD Report, and the publication of the Sustainability Report in both Chinese and English.</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>(4) Greenhouse Gas Inventory and Compliance Execution Status of The Company</p> <p>(5) Revision to the “Guidelines for Sustainable Development Practices.”</p> <p>The execution results have been reported to the Board of Directors and it has been handled based on the resolutions and instructions of the Board of Directors.</p> <p>(IV) Supervision of the Board of Directors</p> <p>The Board of Directors of the Company listens to the ESG report of the management team at least twice a year. The management team must propose corporate strategies to the Board of Directors, such as important regulatory compliance, carbon reduction target setting, greenhouse gas inventory and verification, etc. The Board of Directors must evaluate the possibility of success of these strategies.</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			The progress of the strategy must be regularly reviewed and the management team must be urged to make adjustments when needed.	
II. Does the Company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies? (Note 2) (TWSE/TPEX Listed)	V		(I) The disclosure period for this information is from January 1, 2024, to December 31, 2024. It encompasses the consolidated financial statements of Asia Polymer Corporation, including the operations of the Company (Taipei Headquarters and Kaohsiung Linyuan Plant) and certain subsidiaries included in the consolidated financial report (APC (BVI) Holding Co., Ltd., USI International Corporation, USI Trading (Shanghai) Co., Ltd., APC Investment Corporation), among others. The risk assessment boundary primarily focuses on the	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
companies should fill in the implementation status, which is not incorporated into the principle of compliance or explanation.)			<p>Company’s operations in Taiwan.</p> <p>(II) The Sustainable Development Committee task force references international sustainability regulations and standards (GRI Universal Standards: 2021, SASB, SDGs, TCFD) as well as the Company’s operational goals and vision, compiling and consolidating them into the Company’s sustainability issues. Through internal (management) and external (stakeholder) questionnaires, an survey was conducted based on the degree of positive/negative impact of issues and the likelihood of potential issues arising. This process determines the material issues related to environmental, social, and corporate governance aspects. The material issues, along with their management policies and execution performance, are disclosed in the sustainability report to respond to the needs and expectations of stakeholders.</p>	Listed Companies.”

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies									
	Yes	No	Overview										
			<div> <div>(III) According to the above-mentioned materiality assessment principles, the Company has formulated relevant risk management policies or strategies for identifying the materiality issues from the results as follows:</div> <table> <tr> <th>Aspect</th> <th>Material Issues</th> <th>Relevant management policies or strategies</th> </tr> <tr> <td>Environmental</td> <td>Climate Change and Energy Management</td> <td> 1. Improvement of energy usage monitoring and efficiency 2. Management and tracking of carbon reduction goals in 2030 3. Response to climate-related financial risks 4. Green energy procurement and construction planning </td> </tr> <tr> <td></td> <td>Management</td> <td>1. Water Recovery Rate (R2) >95%</td> </tr> </table> </div>	Aspect	Material Issues	Relevant management policies or strategies	Environmental	Climate Change and Energy Management	1. Improvement of energy usage monitoring and efficiency 2. Management and tracking of carbon reduction goals in 2030 3. Response to climate-related financial risks 4. Green energy procurement and construction planning		Management	1. Water Recovery Rate (R2) >95%	
Aspect	Material Issues	Relevant management policies or strategies											
Environmental	Climate Change and Energy Management	1. Improvement of energy usage monitoring and efficiency 2. Management and tracking of carbon reduction goals in 2030 3. Response to climate-related financial risks 4. Green energy procurement and construction planning											
	Management	1. Water Recovery Rate (R2) >95%											

Promotion items	Implementation Status (Note 1)					Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview			
				of water resource	2. Control over Water Consumption Per Unit Product 3. Management and tracking of water saving	
				Raw Material Management	1. Enhancing the efficiency of raw material (ethylene) utilization 2. Material recovery and recycling 3. Increase equipment operating rate	
				Air Pollution Control	1. Increase the frequency of inspections for equipment component leaks. 2. Air pollution emission improvement 3. Regulatory compliance	
				Social Aspect	Occupational	

Promotion items	Implementation Status (Note 1)					Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview			
				Safety and Health	safety: 1. Implementation of ISO 45001 Occupational Health and Safety Management System 2. Implementation of process safety management (PSM) 3. Zero accident of underground pipeline safety 4. Occupational safety education and training 5. Emergency response drill	
				Process Safety Management	1. Developing a process safety management policy 2. Regulatory compliance 3. Implementation of 14 Key	

Promotion items	Implementation Status (Note 1)					Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview			
					Aspects of Process Safety Management 4. Stipulation of Process Safety Performance Management	
				Talent Recruitment and Retention	1. Establish multiple talent recruitment channels to find talents with the same idea 2. High quality salary and comprehensive welfare system 3. Valuing human rights and providing a friendly workplace	
			Aspect	Material Issues	Relevant management policies or strategies	
			Governance	Economic Performance	1. Stable supply of raw materials 2. Product development and	

Promotion items	Implementation Status (Note 1)					Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview			
					<div><div></div><div>Technology, Research, and Development</div><div>Supply Chain Management</div></div> <div><div>innovation</div><div>3. Strengthening market expansion</div><div>1. Niche product development</div><div>2. High-value product development</div><div>3. Investment in R&D funding</div><div>1. Regular evaluation of suppliers and aim to increase the number of evaluators each year.</div><div>2. Raw material quality acceptance rate</div><div>3. Qualified delivery rate of raw materials</div><div>4. Raw material on-time delivery rate</div></div>	
For the execution performance related to major issues, please refer to						

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			the “2023 ESG Report” issued by the Company in August 2024, which can be downloaded from the Company’s website - ESG (https://www.apc.com.tw/ESG/zhtw/ESG82.aspx).	
III. Environmental issues (I) Has the Company established a suitable environmental management system based on its industrial characteristics?	V		(I) The Company established the ISO 14001 environmental management system in 1998 and obtained the latest version of the 2015 certificate on April 26, 2018 while establishing a good environmental protection framework for the Company and formulating environmental policies with energy conservation, carbon reduction, and air pollution improvement management plans. The occupational safety and health department conducts regular inspections and follow-ups to implement disaster prevention and air pollution prevention, while complying with the EU Restriction of Hazardous Substances (RoHS) regulations and strengthening environmental protection education and training to	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>control and reduce impact on environment. (ISO 14001 Certificate Validity: May 13, 2022 to May 3, 2025)</p> <p>In addition, on October 21, 2019, the Company passed the ISO 50001 energy management system verification and obtained the certificate, formally established the energy management system, controlled the major energy use equipment in the plant and monitored the energy use efficiency. (ISO 50001 Certificate is valid November 19, 2022 to November 19, 2025). Certificate inquiry: https://www.iafcertsearch.org/.</p> <p>Relevant energy usage management, greenhouse gas emission inventory, water resources management, energy conservation and carbon reduction program and other implementation performance are disclosed on the Company’s website: https://www.apc.com.tw/ESG/.</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
(II) Does the Company endeavor to improve energy efficiency and use renewable materials that have low impact on the environment?	V		<p>(II) In 2019, the Company established the ISO 50001 Energy Management System to improve energy efficiency through identifying major energy-using equipment, monitoring energy use, setting energy-saving goals and implementing energy-saving reduction measures. In 2024, the Company purchased 1.913 million kWh of solar green electricity, which officially commenced usage on January 1, 2025. Additionally, we plan to establish a self-generated solar energy project in 2025 to comply with the Energy Administration’s requirement of utilizing 10% green electricity, while simultaneously reducing greenhouse gas emissions and minimizing environmental impact.</p> <p>In the 2024, a total of five energy-saving management programs were implemented, resulting in a reduction of 2,018,000 kWh of electricity and a savings of 512 metric tons of steam, which led to a decrease of</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>1,076 metric tons of CO₂e emissions. The average annual electricity savings from 2015 to 2024 years was 1.58%, which is in compliance with the “Energy Administration’s annual average electricity savings requirement of 1%.” The USI Group holds the “Group Plant Technical Exchange Meeting” and several “Northern/Kaohsiung Plant Resource Integration Meetings” every year. By means of technology sharing among factories and problem discussions to achieve resource sharing and improve the achievements of energy saving and carbon reduction.</p> <p>The raw materials are all in line with the Restriction of Hazardous Substances (RoHS), REACH, and halogen-free specifications. Promoting clean production and green processes to enhance the efficiency of energy and resource utilization, as well as to respond to circular economy activities, aims to reduce environmental impacts.</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>This includes the recycling and reuse of material packaging, as well as waste reduction and recycling. In 2024, the recycling and reuse rate of bulk bags was 79.5%, with a total waste volume of 326.58 metric tons, a reuse volume of 70.79 metric tons, and a waste reuse rate of 21.7%.</p> <p>In response to the increasing global awareness of net-zero carbon emissions and resource recycling, the Company aims to identify a circular solution for plastics from production to disposal. This initiative seeks to reduce production costs, mitigate environmental impact, and implement a circular economy. Since 2024, under the guidance of Dr. Tong from the Group Innovation Department, Plant Director Hsieh Wang-Chuan of the Linyuan Plant has led the first-line supervisors and certified engineering team in full cooperation. Using prime material products with three different MI ranges as the base,</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			they mixed in production transition waste at ratios of 30%, 50%, and 80%, successfully developing a total of nine recycled plastic products. In February 2025, the plant successfully passed the SGS international certification and obtained the ISO 14021 Pre-Consumer Recycled material certification. To ensure that recycled materials originate from verifiable sources, we will implement raw material tracking and production data comparison to verify the accuracy of the manufacturers’ declared usage of recycled materials. Additionally, we will obtain certification and the SGS Green Label, thereby reinforcing our commitment to source reduction.	

(III) Has the Company assessed the present and future potential risks and opportunities of climate change for the entity, and taken measures to respond to climate-related issues?	V	<p>(III) The assessment of risks and opportunities related to climate change, along with corresponding response measures, is presented in this section (6) regarding climate-related information for publicly listed companies. Asia Polymer utilizes the framework provided by the Task Force on Climate-related Financial Disclosures (TCFD) to identify climate-related risks and opportunities. It assesses risks and opportunities across various departments, evaluates their financial impacts, and establishes response plans. The Company plans to conduct a comprehensive assessment every three years and review and update it annually. In 2023, a questionnaire survey was conducted for the ESG Committee and senior executives to assess the correlation and potential impact of various risks on the Company’s operations, as well as the development and feasibility of various opportunities. 10 significant climate issues were identified, including 2 physical risk items, 4 transformation risk items, and 4 opportunity items.</p> <p>Potential Financial Impacts and Mitigation Measures for Risk and Opportunity Projects:</p> <table><tr><th>Issue</th><th>Category</th><th>Risks and Opportunities</th><th>Potential financial impact</th><th>Response measures</th></tr><tr><td>Flooding</td><td>Physical Risks /Chronic</td><td>Data from the Water Resources Agency shows that if there is a rainfall of 500mm within a 24-hour period, it is estimated that the factory area may</td><td>Higher capital expenditure and lower operating costs</td><td>1. Enhancement of critical equipment infrastructure 2. Improving flood control and drainage measures 3. Regularly check if the internal drains are clear of any obstructions.</td></tr></table>	Issue	Category	Risks and Opportunities	Potential financial impact	Response measures	Flooding	Physical Risks /Chronic	Data from the Water Resources Agency shows that if there is a rainfall of 500mm within a 24-hour period, it is estimated that the factory area may	Higher capital expenditure and lower operating costs	1. Enhancement of critical equipment infrastructure 2. Improving flood control and drainage measures 3. Regularly check if the internal drains are clear of any obstructions.
Issue	Category	Risks and Opportunities	Potential financial impact	Response measures								
Flooding	Physical Risks /Chronic	Data from the Water Resources Agency shows that if there is a rainfall of 500mm within a 24-hour period, it is estimated that the factory area may	Higher capital expenditure and lower operating costs	1. Enhancement of critical equipment infrastructure 2. Improving flood control and drainage measures 3. Regularly check if the internal drains are clear of any obstructions.								

					experience flooding ranging from 0 to 0.5 meters for a duration of 1 day. As a result of the heavy rainfall and flooding mentioned earlier, the factory had to suspend its operations, leading to a decline in revenue.			
			Drought	Physical Risks /Chronic	<p>1. Based on the climate conditions at the Asia Polimer Linyuan Plant from 1986 to 2005, projections have been made for the near future (2016–2035). It is estimated that there will be a maximum of 58 consecutive rainless days each year, which could result in water shortage or drought.</p> <p>2. The factory may face water restrictions or shortages due to abnormal</p>	<p>Higher operating costs</p> <p>The 2024 Water Conservation Plan “Line 3-V1327/V-1328 Condensate Water Recovery” has achieved an annual savings of 11,626 cubic meters of purified water, resulting in a reduction of water expenses amounting to NT\$465,400.</p>	<p>4. Implementation of Water Conservation Improvement Plan</p> <p>5. In response to the government’s phased water restrictions, three phases of water conservation measures will be adopted:</p> <p>Phase One</p> <p>(1) Promoting Water Conservation Among Employees</p> <p>(2) The recycled office wash water is used for irrigating plants and trees.</p> <p>(3) The drainage of cutting fluid and cooling water shall be utilized as low-grade water.</p> <p>Phase Two</p> <p>(1) Increase the concentration ratio of the cooling tower from 5.5 to 7.5.</p> <p>(2) Decreasing the amount of water used to replenish the</p>	

					weather conditions, potentially leading to decreased production on the assembly line or a complete shutdown.		cutting water in the production line (3) Discontinuing non-essential product tank and ground cleaning. Phase Three (1) Reduced the duration of regular fire drill water tests and temporarily halted fire drills. (2) The distillation tower can only be started once the recycling tank has reached a high liquid level. (3) Temporary suspension of employee restroom facilities for personal hygiene	
			Carbon fee	Transformation Risks, Policies, and Laws	The Ministry of Environment has imposed a carbon fee on major carbon emitters with annual emissions exceeding 25,000 tons. To provide these entities with sufficient time to assess and plan for achieving their reduction targets by 2030, as well as to submit their voluntary reduction plans, the emissions for 2025 will officially be	High investment cost in the early stage, low carbon emission in the later stage and low operating cost In 2024, the Company's carbon emissions amounted to 106,000 metric tons of CO ₂ e. The carbon fee is set at NT\$300 / ton CO ₂ e, resulting in an estimated carbon fee of NT\$24.18 million, which accounts for approximately 0.4% of individual revenue.	1. The Company is assessing the use of internal carbon pricing as a shadow price, which involves incorporating carbon costs into investment assessments. This approach aims to improve the opportunities for implementing carbon reduction projects. 2. Establishment of an energy management system and implement energy monitoring.	

					included in the calculation for the carbon fee. Starting from 2026, the fee will be charged based on the emissions from 2025 and the applicable rates. (Note: 25,000 tons can be exempted.)			
			Risk of Regulations on Renewable Energy - Clause for Large Electricity Consumers	Transformation Risks, Policies, and Laws	According to the “Regulations for the Management of Renewable Energy Generation Equipment for Electricity Users with a Contract Capacity Above a Certain Threshold,” the Ministry of Economic Affairs mandates that electricity users with a contract capacity exceeding 5,000 kW must install renewable energy generation equipment. By 2025, these large electricity users are required to have renewable energy equipment with a contract capacity of	Rise in capital expenditure and operating costs	<ol style="list-style-type: none"> 1. The Company has procured 1.913 million kWh of solar green electricity from USIGE and began using the transferred green power on January 1, 2025. 2. Plan to reinstall self-generated solar energy equipment (494 kW) in 2025. 3. The aforementioned two items, along with the existing solar energy equipment at the Linyuan Plant (496 kW), meet the requirements set by the Energy Administration for the use of 10% of the contracted capacity in green electricity. 	

					at least 10%.			
			Low Carbon Technology Transformation	Transformation Risks/Energy, and Technology	In order to decrease carbon emissions, companies have made investments in the advancement of low-carbon technologies, including energy transformation, efficiency improvement, and fuel substitution. This has resulted in an escalation of technology costs.	<p>Rise in capital expenditure and decrease operating costs</p> <ol style="list-style-type: none"> 1. The waste heat recovery improvement project saves 2,656 tons of steam annually, leading to an annual cost savings of approximately NT\$4 million. 2. Costs and Benefits of Additional Equipment Investments 3. In April 2024, Taiwan Power Company increased electricity rates, resulting in an annual expenditure increase of NT\$41.89 million for the Linyuan Plant. 	<ol style="list-style-type: none"> 1. We implemented a project to improve the waste heat recovery system in order to address the problem of unstable steam production and conserve steam while producing different products (LDPE/EVA) on the same production line. 2. The Company is actively investing in the transformation to low-carbon technologies. In 2025, we plan to establish steam boiler equipment that utilizes natural gas as fuel. 	

			Rise in the cost of raw materials	Transformation Risk/sMarket	<p>1. With the future implementation of carbon fees in mind, the cost of raw materials will incorporate carbon emissions, leading to an increase in prices.</p> <p>2. Extreme weather conditions lead to uncertainty in the cost and delivery time of transporting raw materials.</p>	<p>Rise in capital expenditure and operating costs Ethylene is the primary raw material for ethylene-based products. To expand the diversified import sources of ethylene, the Company has invested in the construction of ethylene storage tanks and underground pipeline projects at the Kaohsiung International Terminal, with a total investment of NT\$1.02 billion.</p>	<p>1. Diversifying suppliers of raw materials</p> <p>2. The second phase of the China General Terminal & Distribution's Intercontinental Ethylene Spherical Tank is expected to be put into use in 2025, increasing the ethylene inventory.</p>	
			Efficient Production	Opportunities/Resource Efficiency	<p>By leveraging AI smart manufacturing, industrial motors, and automated packaging tools, we can improve overall production efficiency and decrease energy consumption.</p>	<p>Rise in capital expenditure and decrease operating costs A total investment of NT\$10 million is planned for DCS online data analysis and monitoring.</p>	<p>Through the AI project, the DCS+ platform has been newly established, along with the implementation of data integration for the Line 4 compressor and cooling water tower. Subsequently, online analysis can be conducted directly based on this data, thereby enhancing analysis efficiency. As of the 2024, the project is 80% complete.</p>	

			Minimize water usage and consumption	Opportunities/ Resource Efficiency	Water resources are essential in the manufacturing process. By reducing water leaks in factories and increasing the use of water recycling and reuse, operational costs can be reduced, and factory resilience can be improved.	Higher initial cost of investing in water-saving technology. Project equipment input costs, benefits	<ol style="list-style-type: none"> 1. Lowering steam consumption through process equipment and operational improvements 2. Continuous assessment of water conservation programs 3. In 2024, the unit water consumption per product was 3.7 m³/ton, and the water recycling rate was 97%, both unchanged from 2023. 	
			Use of low-carbon energies	Opportunities/ Resilience, Energy Sources	Our objective is to encourage the shift from coal to gas, enhance the utilization of renewable energy, minimize carbon expenses, and reduce the carbon footprint of our products.	Higher operating costs, lower carbon fees Carbon reduction, cost, and benefits of the project investment.	<ol style="list-style-type: none"> 1. Develop self-built solar power plants and actively participate in the renewable energy market. 2. The selection of externally sourced steam prioritizes steam generated from natural gas as the fuel source. 3. In 2025, the planning and construction of a steam boiler fueled by natural gas will be implemented to provide steam for internal use within the plant. 4. In the 2024, energy-saving and carbon reduction programs achieved a total electricity savings of 2,018,000 kWh, steam savings of 512 metric tons, and a 	

						total carbon reduction of 1,076 metric tons of CO ₂ e.	
			Research and Innovation in the Development of New Products and Services: Low Carbon, Energy-saving, Product Development	Opportunities /Products, Services	Our research and development efforts are dedicated to creating products that adhere to the principles of the circular economy, low carbon emissions, and energy efficiency. We strategically invest in technology throughout the entire product and service life cycle, with a specific emphasis on developing low carbon products.	Revenue Increase	<ol style="list-style-type: none"> 1. In response to the trend of low-carbon energy transformation, Asia Polymer is actively developing application products for the photovoltaic industry and has launched photovoltaic-grade EVA film materials for use in solar module encapsulation. 2. Starting in 2024, efforts will be dedicated to the development and certification of recycled plastic products. In February 2025, the Company passed the SGS international certification and obtained the ISO 14021 Pre-Consumer Recycled material certification.
			<p>The results of the relevant response strategies for the 2024 of implementation are as follows: Note: (✓) indicates that the target for the 2024 has been achieved.</p> <ol style="list-style-type: none"> 1. In 2024, greenhouse gas emissions were reduced by 9.6% compared to the base year of 2017. (✓) 2. The electricity saving rate for 2024 was 1.6%, and the average electricity saving rate from 2015 to 2024 was 1.58%, meeting the “Energy Administration’s annual average electricity 				

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>savings requirement of 1%.”</p> <p>3. In 2024, energy-saving management programs achieved a total electricity savings of 2,017,572 kWh and steam savings of 512 metric tons, resulting in a carbon reduction of 1,076 metric tons of CO₂e.</p> <p>4. In 2024, the unit water consumption per product was 3.7 m³/ton, with a water recycling rate of 97%, the same as the previous year.</p> <p>5. In 2024, the Company purchased 1.913 million kWh of green electricity from its group affiliate USIGE and officially began using the transferred green power on January 1, 2025.</p> <p>6. Development and certification of recycled plastic products began in 2024. In February 2025, the Company obtained ISO 14021 certification from SGS for the recycled content of its products.</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies																		
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(IV) Has the Company calculated its GHG emissions, water consumption, and total waste weight in the past two years, and formulated policies for reductions of GHG, and water consumption, or other waste management?	V		<div>(IV) 1. Greenhouse gas emissions in recent two years</div> <div>In 2022, the Company officially adopted ISO 14064-1 for greenhouse gas (GHG) emissions inventory assurance, enhancing the reliability and credibility of its GHG emissions data.</div> <div>Statistics of greenhouse gas emissions in recent two years are as follows:</div> <table><tr><th>Year</th><th>2023</th><th>2024</th></tr><tr><td>Scope 1 (Tonnes of CO₂e)</td><td>10,275</td><td>11,937</td></tr><tr><td>Scope 2 (Tonnes of CO₂e)</td><td>97,832</td><td>94,091</td></tr><tr><td>Total greenhouse gas emissions (Tonnes of CO₂e)</td><td>108,107</td><td>106,028</td></tr><tr><td>Emission Intensity (Metric Tons CO₂e/Metric Ton)</td><td>0.817</td><td>0.809</td></tr><tr><td>Emission intensity (metric tons CO₂e</td><td>16.09</td><td>17.58</td></tr></table>	Year	2023	2024	Scope 1 (Tonnes of CO ₂ e)	10,275	11,937	Scope 2 (Tonnes of CO ₂ e)	97,832	94,091	Total greenhouse gas emissions (Tonnes of CO ₂ e)	108,107	106,028	Emission Intensity (Metric Tons CO ₂ e/Metric Ton)	0.817	0.809	Emission intensity (metric tons CO ₂ e	16.09	17.58	
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	Yes	No	Overview	
			<div>per million in revenue)</div> <div>Notes:</div> <ol style="list-style-type: none"> 1. In 2023, the data was assured by a third party; in 2024, the data was self-reported. 2. The calculation is based on the power coefficient published by Taiwan Power Company for 2024 (0.494 kgCO₂e / kWh) and the carbon emission coefficient for purchased steam (0.1536731535 TCO₂e / MT). 3. Scope of Inventory: Asia Polymer Corporation (Taipei Office, Lin Yuan Plant), APC (BVI) Holding Co., Ltd., USI International Corporation, USI Trading (Shanghai) Co., Ltd. <p>In 2024, the total greenhouse gas emissions of the Linyuan Plant amounted to 106,028 metric tons of CO₂e, a 1.92% decrease from 2023. The greenhouse gas emission intensity was 0.809 metric</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
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			<p>tons of CO₂e per metric ton of product, also showing an approximate 0.98% reduction from 2023. The decrease was mainly attributed to changes in product line in response to market demand, adjustments to process pressure, and a reduction in equipment failures, all of which contributed to lower energy consumption per unit of product.</p> <p>USI Group independently set goals for energy management in 2016. Complying with China’s policies for energy development, continuously following international trends and conducting dynamic reviews of national regulations, and weighing internal and external factors, at the beginning of 2022, the Group set a target that by 2030, carbon emissions will have decreased by 27% compared to the base year (2017). Since 2018, the 9 domestic core companies of USI Group have successively introduced the ISO</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies						
	Yes	No	Overview							
			<p>50001 energy management system and obtained certificates, effectively managed energy performance, and constantly practiced improvement moves in energy saving and carbon reduction.</p> <p>In 2024, the Company’s self-reported greenhouse gas emissions amounted to 106,028 metric tons of CO₂e, a 9.6% reduction compared to the baseline year (2017).</p> <p>Other indirect (Scope 3) GHG emissions</p> <table><tr><th>Item</th><th>Greenhouse gas emissions (Tonnes of CO₂e)</th></tr><tr><td>Category 3 - Transport Operating Vehicles - Vinyl Acetate</td><td>381.4654</td></tr><tr><td>Category 4 - Purchased Goods - Ethylene</td><td>210,896.1590</td></tr></table>	Item	Greenhouse gas emissions (Tonnes of CO ₂ e)	Category 3 - Transport Operating Vehicles - Vinyl Acetate	381.4654	Category 4 - Purchased Goods - Ethylene	210,896.1590	
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			<table><tr><td>Water Consumption Per Unit Product (M³/Metric Ton)</td><td>3.7</td><td>3.7</td></tr></table> <p>In 2024, the Linyuan Plant’s unit water consumption was 3.7 m3/ton, the same as in 2023, and remained below the target value of 4.0 m3/ton The primary reason for the increase in the effluent volume per unit product is the development testing and quality adjustments of new hot melt adhesive products in 2024, along with the increased demand for ice water replacement. In addition, the recovered and reused water includes condensed water recovery and circulating reuse of cooling water in cooling tower. According to the water consumption index specified in the “Key Points of Water Consumption Plan Review” published by the Ministry of Economic Affairs, the water consumption recovery rate (R2) in 2024 was 97.50%, meeting the target. (Target for water recycling rate in Fiscal</p>			Water Consumption Per Unit Product (M³/Metric Ton)	3.7	3.7	
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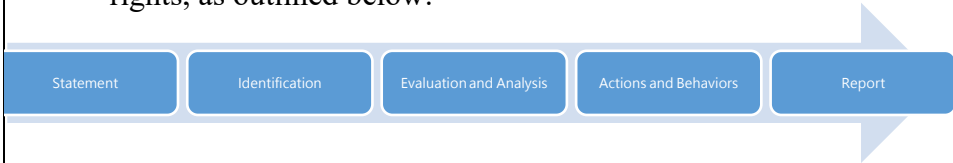
Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>Year 2024: $\geq 95\%$) (Note: Information has been recompiled; the water recycling rate for 2024 is presented using the R2 calculation method.))</p> <p>The Company places great importance on the impacts of global warming and climate change. In addition to implementing phased water restriction measures in accordance with government directives based on water conditions, we have continuously proposed and executed water conservation plans in response to the local water resource crisis in the Kaohsiung area. Moving forward, we will continue to present water usage solution policies to senior management.</p> <p>2024 Water Conservation Plan: Currency: New Taiwan Dollar (in NT\$10,000)</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies,” and reasons for such discrepancies																			
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			<table><tr><th rowspan="2">Project Name</th><th colspan="2">Execution Efficiency</th><th rowspan="2">Costs</th></tr><tr><th>Pure Water Saved (M³)</th><th>Cost Savings</th></tr><tr><td>Line 3 V-1327/V-1328 Condensate Water Recovery</td><td>11,626</td><td>46.54</td><td>42</td></tr></table> <p>3. Waste Management in Recent Two Years</p> <table><tr><th>Year</th><th>2023</th><th>2024</th></tr><tr><td>Non-hazardous Waste (Metric Tons)</td><td>575.04</td><td>326.58</td></tr><tr><td>Quantity of Waste Reutilization</td><td>234.64</td><td>70.79</td></tr></table>	Project Name	Execution Efficiency		Costs	Pure Water Saved (M³)	Cost Savings	Line 3 V-1327/V-1328 Condensate Water Recovery	11,626	46.54	42	Year	2023	2024	Non-hazardous Waste (Metric Tons)	575.04	326.58	Quantity of Waste Reutilization	234.64	70.79	
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			<table><tr><td>(Metric Tons)</td><td></td><td></td></tr><tr><td>Waste Recycling Rate (%)</td><td>40.8</td><td>21.7</td></tr><tr><td>Hazardous Waste (Metric Tons)</td><td>0</td><td>0</td></tr><tr><td>Unit Product Waste Output (kg/mt)</td><td>4.35</td><td>2.49</td></tr></table> <p>The industrial waste generated by the Linyuan Plant includes both general industrial waste and hazardous industrial waste. Removal and treatment operations are entrusted to domestic qualified removal and treatment companies that are recognized by the Ministry of the Environment, with contracts for cleanup signed accordingly. In compliance with the “Waste Disposal Act,” waste transportation manifests are reported on the Ministry of the Environment’s website. After leaving the plant, we track whether the treatment companies complete the waste processing within the</p>	(Metric Tons)			Waste Recycling Rate (%)	40.8	21.7	Hazardous Waste (Metric Tons)	0	0	Unit Product Waste Output (kg/mt)	4.35	2.49	
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			<p>statutory time frame and require them to provide proper disposal certificates. Additionally, annual on-site inspections of the waste treatment companies are arranged.</p> <p>In 2024, due to the resumption of the annual full-plant shutdown for maintenance (compared to two shutdowns in 2023), the volume of industrial waste decreased. Due to a slowdown in market demand for products, adjustments in production and sales have led to a reduction in production capacity. Consequently, the volume of waste oil mixtures has decreased, resulting in a reduction in overall waste.</p>	
IV. Social Issues (I) Has the Company formulated the relevant management policies and procedures in	V		(I) Human Rights policy The Company has formulated a policy for human rights on March 22, 2018.	Compliant with the requirements of the “Corporate

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
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accordance with relevant laws and regulations and the International Bill of Human Rights?			<p>To fulfill corporate social responsibility and implement human rights protection, thereby realizing universal human rights values, the Company drew on the International Bill of Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, among other internationally recognized human rights standards. In March 2018, we established a human rights policy applicable to us and all affiliated enterprises within the USI Group, aimed at eliminating acts that infringe upon or violate human rights, and providing a safe and healthy working environment, ensuring that our employees receive fair and dignified treatment and care.</p> <p>1. Measures to mitigate human rights risks</p> <p>We conduct an annual identification of human rights risks, followed by compliance inspections and third-party evaluations of</p>	Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
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			<p>the identified concerns. Based on the results of risk assessment and findings from internal and external reviews, we implement mitigation and corrective measures. Our aim is to achieve risk management objectives through continuous improvement. The Company has established step-by-step procedures and implementation processes for human rights management, serving as the foundation for the protection and safeguarding of human rights, as outlined below:</p>  <p>Human rights issues encompass various business departments and units. The Human Resources Department carries out due diligence</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies									
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			<div>investigations and risk management operations related to specific impact targets and human rights concerns.</div> <div>2. Process for Conducting Human Rights Due Diligence Investigations</div> <table><tr><th>Phase</th><th>Steps</th><th>Method</th></tr><tr><td>Phase One: Commitment</td><td>Statement</td><td>We are dedicated to upholding and complying with both international standards and local laws, while also developing a comprehensive human rights policy.</td></tr><tr><td>Phase Two: Management</td><td>Identification</td><td>Identify the significant human rights issues and the parties affected by them that are related</td></tr></table>	Phase	Steps	Method	Phase One: Commitment	Statement	We are dedicated to upholding and complying with both international standards and local laws, while also developing a comprehensive human rights policy.	Phase Two: Management	Identification	Identify the significant human rights issues and the parties affected by them that are related	
Phase	Steps	Method											
Phase One: Commitment	Statement	We are dedicated to upholding and complying with both international standards and local laws, while also developing a comprehensive human rights policy.											
Phase Two: Management	Identification	Identify the significant human rights issues and the parties affected by them that are related											

Promotion items	Implementation Status (Note 1)					Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies	
	Yes	No	Overview				
						to the organizational attributes and operational modes.	
					Evaluation and Analysis	We regularly conduct assessments to evaluate the impact of human rights on our employees and service processes, with the aim of understanding the level of risk exposure.	
				Phase Three: Response Measures	Actions and Behaviors	• Different action plans are formulated based on regular assessments of human rights risks.	

Promotion items	Implementation Status (Note 1)					Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview			
					<ul style="list-style-type: none">• Monitor the implementation and performance of action plans, while also engaging in effective communication to ensure the successful management of human rights.• In case of human rights violations, compensation measures will be provided through institutional improvement, material support, and psychological counseling.	
					Report	Participate in internal discussions and reporting on human rights

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<div> <div></div> <div></div> <div>management within the Company, and publicly disclose the practices and effectiveness of human rights management on the Company’s website.</div> </div> <p>Human Rights Management Results for 2024</p> <p>Based on the Company’s “Human Rights Policy and Management Program,” a risk identification process was conducted, resulting in the inclusion of 14 human rights issues for this year. Among these, 9 issues have been classified as significant management concerns, which include: “Workplace Inclusivity,” “Forced Labor,” “Excessive Working Hours,” “Sexual Harassment,” “Workplace Violations,” “Child Labor,” “Personal Data Management and</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>Privacy Protection,” “Occupational Safety Management,” and “Employment and Workplace Discrimination.” In response to the significant issues mentioned above that present potential risks, the Company has implemented risk mitigation and impact compensation measures, with 100% of impact compensation measures achieved.</p> <p>Detailed 2024 Human Rights Risk Assessment Management Table (URL: https://www.apc.com.tw/ESG/ESGFiles/Docs/HumanRightsRiskForm_2024.pdf); the implemented mitigation measures and impact compensation measures are as follows:</p> <p>3. Mitigation and Compensation Measures for the Human Rights Management Project</p>	

Promotion items	Implementation Status (Note 1)			Overview			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No					
				Issue	Mitigation measures	Compensation measures	
				Long working hours	1. In accordance with the relevant regulations regarding working hours as stipulated by labor laws, the Company conducts regular compliance reviews of its regulations and ensures their implementation. 2. Through the attendance and	1. Employees who work overtime will receive overtime wages in accordance with the law. 2. To gain insight into the workload and reasons for overtime among colleagues, and proactively implement process improvement and optimization measures to enhance work efficiency. 3. Employees who work long hours are included in the list for identifying abnormal	

Promotion items	Implementation Status (Note 1)						Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview				
					overtime management system, employee attendance times are accurately recorded. 3. The system sends daily reminders regarding the overtime for clocking in and out. In addition to reminding employees of the normal working hours and the regulations	workloads and investigating risks. Regular health checks are conducted for employees, and relevant operations and manpower conditions are adjusted as necessary. 4. Gain insight into workload and reasons for excessive worktime, and proactively implement process improvement and optimization measures to enhance work efficiency.	

Promotion items	Implementation Status (Note 1)					Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview			
					regarding extended working hours, it also confirms whether the extended hours constitute overtime. If it is determined to be overtime, employees can choose to receive either overtime pay or compensatory time off. 4. Regularly review the overtime situation of each unit.	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>4. Measures to mitigate human rights risks</p> <p>The Company is committed to ensuring the safety of its employees and working environment, that people are treated with respect and dignity, that operations abide by ESG principles and that compliance with regulations and ethics is followed. To reflect this commitment, the Company adheres to the business philosophy of integrity, respects its employees on a legal basis, assigns dedicated personnel to implement employee occupational safety and health operations in accordance with the law, and establishes effective channels for appeals in addition to continuous publicity and education to implement human rights policies in daily operations.</p> <p>5. Human Rights Concerns and Practices</p> <p>5.1 Providing a safe and healthy working environment</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>The Company has passed the examination and verification of ISO 14001 (Environmental Management System) and ISO-45001 (Occupational Safety and Health Management System), and actively promoted improvement activities such as energy saving and carbon reduction, disaster and pollution prevention, so as to reasonably ensure a safe working environment. In accordance with the carbon reduction target set by the USI Group, which aims for a 27% reduction in carbon emissions by 2030 compared to 2017 levels, we will track and review the progress annually. We will implement specific measures such as phasing out old equipment, establishing and procuring green energy, among others, in a timely manner.</p> <p>In addition to providing a safe and healthy working environment in accordance with laws and regulations, the Company has established a dedicated unit and committee organization for</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>occupational safety and health, employed professional doctors and nursing staff, and regularly conducted education and training on safety and health, fire protection, etc., and taken necessary precautions to prevent occupational disasters, thereby reducing the risk factors of the working environment.</p> <p>5.2 Friendly Workplace Diversity, Equity, and Inclusion (DEI) The Company is committed to creating a welcoming work environment that values and leverages the strengths of all individuals, regardless of gender, age, or cultural background. In the workplace, it is crucial to embrace individuals from diverse backgrounds, races, genders, sexual orientations, abilities, and perspectives in order to foster a diverse environment. Providing equal opportunities and fair treatment to all employees is essential for bridging the gap between</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>different groups and ensuring that every employee is respected, accepted, and able to actively participate and contribute. We are also dedicated to promoting gender equality policies and preventing workplace misconduct through advocacy and educational training. Our objective is to create a dignified and welcoming work environment for our employees.</p> <p>5.3 Putting an end to unlawful discrimination to reasonably ensure equal job opportunities</p> <p>The Company implements its human rights policies in the internal control procedures, applies them to employment, remuneration and benefits, training opportunities, promotion, dismissal or retirement and other matters related to labor rights and interests, and does not treat employees and job-seekers unfairly based on their race, class, language, thought, religion, party affiliation, native place, place of birth, gender, sexual</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>orientation, age, marriage, pregnancy, appearance, facial features, physical and mental disabilities, constellation, blood type and other factors.</p> <p>5.4 Prohibition of Child Labor To ensure compliance with corporate social responsibility and ethical standards, the Company has explicitly prohibited the use of child labor since the recruitment process began. As of the end of December 2024, the total number of employees in the company is 234, with no instances of child labor.</p> <p>5.5 Prohibition of Forced Labor The Company does not force or coerce any unwilling personnel to perform labor services. The provisions on daily and weekly normal working hours, extended working hours, vacations, special vacations and other kinds of vacations for employees are in strict compliance with the laws and regulations.</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>A reminder function is set up in the attendance system for employees applying for overtime, overtime pay or compensatory leave is provided after overtime, and a dedicated person is assigned to inspect and control the working hours of the factory on a monthly basis.</p> <p>5.6 Assisting employees to maintain physical and mental health and work-life balance</p> <p>The Company commissions large hospitals annually to conduct health examinations to ensure the physical well-being of our employees, and reports to the relevant authorities as required. In addition, special health examinations have been reinforced for employees in the factory area to ensure the safety and health management of the work environment.</p> <p>The Company provides venues or sponsorship funds to encourage employees to participate in healthy activities, and</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>employees can form their own clubs to unite colleagues by emotion through club activities.</p> <p>Besides holding activities such as beano, Mid-Autumn Festival party, guess lantern riddles, etc. to adjust employees’ body and mind and cohesion, the Company also sets up sports and fitness equipment for employees to use after work.</p> <p>To enhance employee health and prevent obesity and chronic diseases such as the three highs (high blood sugar, high blood lipids, and high blood pressure), the Taipei region will promote the “USI Group Walking Together” program in 2024. This initiative aims to assist employees in developing a regular exercise habit by setting a daily walking goal of 6,000 steps amidst their busy work schedules. During the initiative, employees united to convert accumulated steps into corporate tree-planting initiatives, achieving the dual values of health</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>promotion and environmental sustainability. Participants not only enhance their physical and mental vitality but also achieve weight loss goals and cultivate a habit of regular exercise through teamwork and mutual encouragement, thereby increasing their awareness of the prevention and management of chronic diseases.</p> <p>6. Training Practices on Human Rights Protection</p> <p>6.1 New Employee Training</p> <p>The Company requires employees to take education and training for newcomers on compliance promotion upon onboarding, including: sexual harassment prevention, anti-discrimination, anti-harassment, implementation of working hours management, and protection of humane treatment.</p> <p>6.2 Preventing Illegal Infringements in the Workplace</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>The Company makes its employees aware of their responsibility to assist in ensuring that there is no illegal infringement in the workplace through publicity and announcements, and discloses the complaint hotline to jointly create a friendly working environment.</p> <p>6.3 Series Training on Occupational Safety The content includes: safety and health education and training, fire safety training, emergency response, first aid training, etc.</p> <p>6.4 Good Faith Moral Propaganda Educate and promote from daily behavior and ethical standards, to provide a healthy and positive workplace culture. The Company continues to pay attention to human rights protection and carries out relevant training, so as to raise awareness of human rights protection and reduce the possibility of related risks. We organized training related to the promotion</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies,” and reasons for such discrepancies																								
	Yes	No	Overview																									
			<div> of human rights protection in 2024, with a total of 6,186 hours and a total of 1,482 persons. The details of the number of persons participating and training are as follows: <table> <tr> <th>Course Title</th> <th>Total Participants</th> <th>Total hours</th> </tr> <tr> <td>Process Safety Training</td> <td>584</td> <td>1,740</td> </tr> <tr> <td>Work Safety Training/Propaganda</td> <td>220</td> <td>2,145</td> </tr> <tr> <td>Environmental Protection Training</td> <td>51</td> <td>236</td> </tr> <tr> <td>On-the-job Health Education and Training (Including On-the-job Training and Retraining of Operation Supervisors)</td> <td>115</td> <td>773</td> </tr> <tr> <td>Emergency Response Drill</td> <td>66</td> <td>124</td> </tr> <tr> <td>Self-defense and Fire Marshalling Training</td> <td>43</td> <td>129</td> </tr> <tr> <td>Fire Fighting Training/Propaganda</td> <td>38</td> <td>200</td> </tr> </table> </div>	Course Title	Total Participants	Total hours	Process Safety Training	584	1,740	Work Safety Training/Propaganda	220	2,145	Environmental Protection Training	51	236	On-the-job Health Education and Training (Including On-the-job Training and Retraining of Operation Supervisors)	115	773	Emergency Response Drill	66	124	Self-defense and Fire Marshalling Training	43	129	Fire Fighting Training/Propaganda	38	200	
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	Yes	No	Overview																		
			<table><tr><td>Special Operations and Cancer Screening Seminar</td><td>21</td><td>297</td></tr><tr><td>Workplace Health Promotion Lecture</td><td>187</td><td>225</td></tr><tr><td>Emergency Medical Personnel and Education and Training in Healthcare</td><td>73</td><td>161</td></tr><tr><td>Promoting a Friendly Workplace: Maintaining a Workplace Free from Violence, Harassment, and Intimidation</td><td>84</td><td>156</td></tr><tr><td>Total</td><td>1,482</td><td>6,186</td></tr></table>			Special Operations and Cancer Screening Seminar	21	297	Workplace Health Promotion Lecture	187	225	Emergency Medical Personnel and Education and Training in Healthcare	73	161	Promoting a Friendly Workplace: Maintaining a Workplace Free from Violence, Harassment, and Intimidation	84	156	Total	1,482	6,186	
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Promoting a Friendly Workplace: Maintaining a Workplace Free from Violence, Harassment, and Intimidation	84	156																			
Total	1,482	6,186																			
			<p>7. Complaint System</p> <p>The Company has a smooth complaint channel, through which colleagues can file a complaint with supervisors at all levels or the Human Resources Department when they encounter various problems within the Company. In addition, the Company has a</p>																		

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>dedicated complaint mailbox and e-mail for sexual harassment prevention, in order to maintain gender equality in work and provide employees and job seekers with a work and service environment free from sexual harassment. During the period of complaint investigation, it will be handled in a confidential manner, and the name of the complainant or other relevant information sufficient to identify the complainant will not be disclosed to protect the complainant.</p> <p>In terms of policies for human rights and practices concerned, please refer to the Company’s website: https://www.apc.com.tw/ESG/zh-tw/ESG51.aspx</p>	
(II) Does the Company establish and deliver reasonable employee welfare programs (including	V		<p>(II) 1. Employee Compensation</p> <p>The Company has a Remuneration Committee, which regularly reviews the remuneration policy; Reward and punishment is linked</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
salary, compensated absences, and other benefits) and adjust employee compensation in relation to business performance?			<p>to the year-end bonus, so that the reward and punishment system is clear and effective. Year-end bonus will be given according to the Company’s profitability, individual performance of employees and achievement rate of organizational goals.</p> <p>In 2024, the ratio of male salary to female salary for middle and entry level supervisors was 0.98 : 1, and that ratio for general employees was 0.93:1. Due to the high proportion of new male employees in recent years, the salary of general male employees was diluted, and general female employees had higher seniority. Therefore, female employees’ average salary was higher than male employees’.</p> <p>2. Employee benefits The Company has diversified welfare measures:</p>	

Promotion items	Implementation Status (Note 1)			Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies												
	Yes	No															
				<table><tr><th>Welfare Items</th><th>Content</th></tr><tr><td>Bonus welfare</td><td>Year-end bonus and performance bonus</td></tr><tr><td>Vacation welfare</td><td>Parenting leave, physiological leave, family care leave and paternity leave</td></tr><tr><td>Insurance welfare</td><td>Accident insurance, life insurance, employee/dependents group insurance, employee pension, business travel group injury insurance for employees</td></tr><tr><td>Catering welfare</td><td>Employee canteen and food allowance</td></tr><tr><td>Traffic welfare</td><td>Employee parking space, transportation allowance</td></tr></table>	Welfare Items	Content	Bonus welfare	Year-end bonus and performance bonus	Vacation welfare	Parenting leave, physiological leave, family care leave and paternity leave	Insurance welfare	Accident insurance, life insurance, employee/dependents group insurance, employee pension, business travel group injury insurance for employees	Catering welfare	Employee canteen and food allowance	Traffic welfare	Employee parking space, transportation allowance	
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Promotion items	Implementation Status (Note 1)				Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview		
				<div>Entertainment welfare</div> <div>Staff gym, staff travel, staff regular dinner</div> <div>Subsidy welfare</div> <div>Subsidy for on-the-job education and training, and domestic/overseas study subsidy</div> <div>Other welfare</div> <div>Staff maternity subsidy, wedding and funeral celebration subsidy, staff travel subsidy, senior staff praise, cash gifts for three festivals and the birthday, and regular health check-ups</div>	
(III) Does the Company provide a safe and healthy work environment to its employees, and regularly offer safety and health education to its	V		(III) 1.Management of Occupational Safety and Health The Company has implemented the ISO 45001 Occupational Health and Safety Management System, which includes relevant education and training, internal audits, and management reviews. In April 2019, the Company passed the SGS certification and		

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
employees?			<p>obtained the ISO 45001 Occupational Health and Safety Management System certificate on April 26, 2019. The certificate is valid from May 13, 2022, to April 23, 2025. In May 2024, the Company successfully passed the TOSHMS certification, with the certificate valid from May 2, 2024, to April 22, 2025. The Occupational Safety and Health Management System verification encompasses the Asia Polymer Linyuan Plant, including both employees and non-employee workers at the Linyuan Plant.</p> <p>Occupational Safety and Health Policy</p> <p>Constantly strengthening safety and health management (SM)</p> <p>Regularly evaluating safety and health performance (SP)</p> <p>Providing workers with a safe and healthy working environment (SE)</p> <p>SM + SP = SE</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>The Company’s occupational safety and health management goal is “zero-accident occupational safety”. Low occupational injury and low absentee rates are key indicators for evaluating employees’ health and safety.</p> <p>2. Employee Safety Check</p> <p>The Employee Safety Department and the construction unit in charge of the safety and health in the Linyuan Plant has carried out the relevant inspection work, conducted all kinds of employee safety inspection work regularly every day, and participated in the Taipei Responsible Care Association (TRCA), Linyuan Industrial Park Safety and Health Promotion Association and the regional defense organization. Fire drills and employee safety education and training are held regularly every year to cultivate employees’ ability of emergency response and self-safety management.</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>3. Safety and Health Education and Training</p> <p>The Company places significant emphasis on the operational safety of workers. In order to provide both employees and non-employee workers with a secure working environment, we enhance various educational training programs annually to improve workers’ safety knowledge across multiple dimensions and levels.</p> <p>In 2024, a total of 1,331 employee training sessions were conducted at the Linyuan plant, amounting to a total of 7,039 hours of safety training. This included 6,689 hours dedicated to occupational safety and health education and 350 hours for process safety management training. These training hours accounted for approximately 67% of the total training hours of 10,473 for 2024 at Asia Polymer.</p>	

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	Yes	No	Overview										
			<p>Number of participants and hours of safety and health education training:</p> <table><tr><th>Year</th><th>Education Training Person-time</th><th>Education Training Hours</th></tr><tr><td>2023</td><td>705</td><td>4,779</td></tr><tr><td>2024</td><td>1,331</td><td>7,039</td></tr></table> <p>4. Occupational Health Management</p> <p>In order to know the physical health of employees, the Occupational Safety and Health Department is entrusted to announce qualified hospitals to conduct employee health check-ups every year, so as to ensure the health of employees, and the expenses are all borne by the Company. In July, 2024, the health</p>	Year	Education Training Person-time	Education Training Hours	2023	705	4,779	2024	1,331	7,039	
Year	Education Training Person-time	Education Training Hours											
2023	705	4,779											
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			<p>check-up of employees in Linyuan Factory was carried out four times, and the total number of people examined in Linyuan Factory was 216. The graded management system of special operation health check-up was implemented, and the results of the graded management of special operation health check-up were reported to the competent authority for reference. In 2024, The Company did not experience any occupational accidents or health hazards, and there are currently no cases of occupational diseases. The health check results of all employees will be included in the Level 1 or Level 2 health management tracking.</p> <p>Regular appointment of doctors for in-factory health services, holding health talks, monthly in-factory health services in nurse practitioner, 6 appointments of doctors for in-factory health services in the year of 2024, with a total of 33 employees and non-</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies																		
	Yes	No	Overview																			
			<p>employee workers; 2 health talks and health consultations, with a total of 63 employees and non-employee workers, 7 times per month, and health services for 84 in-factory nurse practitioners.</p> <p>5. Occupational Injury Statistics</p> <table><tr><th>Year</th><th>Total Work Hours</th><th>Number of workplace accidents</th><th>Number of occupational injuries</th><th>Number of fatalities</th><th>Percentage</th></tr><tr><td>2023</td><td>495,756</td><td>0</td><td>0</td><td>0</td><td>0 %</td></tr><tr><td>2024</td><td>497,182</td><td>0</td><td>0</td><td>0</td><td>0 %</td></tr></table> <p>Please note that the Employee Injury Rate (IR) for the year 2024 is 0, and the Lost Workday Rate is also 0.</p> <p>The Linyuan Plant has achieved a remarkable milestone of 6,314,090 hours without any incidents resulting in lost time. The record has been consistently maintained (recorded from October 14, 2010 to December 31, 2024).</p>	Year	Total Work Hours	Number of workplace accidents	Number of occupational injuries	Number of fatalities	Percentage	2023	495,756	0	0	0	0 %	2024	497,182	0	0	0	0 %	
Year	Total Work Hours	Number of workplace accidents	Number of occupational injuries	Number of fatalities	Percentage																	
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	Yes	No	Overview																			
			<p>Improvement Measures: We will consistently carry out occupational safety inspections, enhance the duration of safety training, and develop employees’ skills in emergency response and self-safety management.</p> <p>6. Fire Injury Statistics:</p> <table><tr><th>Year</th><th>Total Work Hours</th><th>Number of fires</th><th>Number of Fire Injuries</th><th>Number of fatalities</th><th>Percentage</th></tr><tr><td>2023</td><td>495,756</td><td>0</td><td>0</td><td>0</td><td>0 %</td></tr><tr><td>2024</td><td>497,182</td><td>0</td><td>0</td><td>0</td><td>0 %</td></tr></table> <p>Improvement Measures: We will continuously strengthen fire management by implementing fire drills, conducting fire equipment inspections, and managing flammable materials within the factory. Additionally, we will enhance education and training programs to improve employees’ knowledge of fire safety.</p>	Year	Total Work Hours	Number of fires	Number of Fire Injuries	Number of fatalities	Percentage	2023	495,756	0	0	0	0 %	2024	497,182	0	0	0	0 %	
Year	Total Work Hours	Number of fires	Number of Fire Injuries	Number of fatalities	Percentage																	
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	Yes	No	Overview	
(IV) Has the Company established an effective training plan for employees’ career development?	V		<p>(IV) Career Competency Development Training Programs</p> <p>To enhance the overall competitiveness of our employees, the Company has developed a comprehensive training system that aligns with external environments, group management policies, company development strategies, departmental performance objectives, and the career development needs of employees. This system provides the necessary training courses for a well-rounded talent pool.</p> <p>The training framework primarily consists of three main components: “On-the-Job Training (OJT),” “Off-the-Job Training (Off-JT),” and “Self-Directed Learning (SD).” It is designed to systematically plan training programs that support employees’ career development, thereby extending into a lifelong learning education and training system for individuals.</p> <p>For new employees, a detailed introduction to the corporate culture,</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			<p>business philosophy, labor regulations, organizational system standards, professional skills, and operational processes of the Group will be provided. This aims to assist in the rapid integration into the work environment, enhance the sense of identity and cohesion towards the Company, and implement specialized or safety training courses based on the needs of each unit.</p> <p>Regarding the training and continuing education of “current employees,” an employee training needs assessment is conducted in the fourth quarter of each year. An annual education and training execution plan and budget are prepared. Regular training sessions are held for employee competencies, management training, special lectures, health seminars, and various workshops. The courses are delivered through diverse methods; in addition to lectures, activities are designed based on the nature of the courses, including case studies</p>	

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	Yes	No	Overview	
			<p>and group discussions, to make learning more dynamic and engaging. A digital learning platform is also available to provide avenues for self-directed learning, enabling employees to effectively engage in learning activities anytime and anywhere, thereby enhancing their professional or management skills and promoting a balanced development of their physical, mental, and spiritual well-being.</p> <p>The implementation of the “succession talent” development program is aimed at ensuring a smooth transition and continuity for key positions within the Company. The training content includes job rotation, overseas assignments, project leadership, management skills, and leadership training courses, thereby preventing talent gaps and maintaining the stability and sustainable development of the Company’s operations.</p> <p>In response to the physical and mental health of “retiring personnel”</p>	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			and their post-retirement life planning, courses on retirement financial management, health management, and life adjustment have been arranged to facilitate a smooth transition into retirement.	
(V) Does the Company comply with relevant regulations and international standards regarding customer health and safety, right to privacy, marketing and labeling of its products and services and set up relevant consumer protection policies and complaint procedures?	V		(V) The Company focuses on quality, capability, and environmental protection policies, cooperates with high-quality suppliers on a long-term basis to fulfill its corporate social responsibility, conveys environmental policies to contractors and carriers, complies with the EU’s RoHS regulations, strengthens education and training on environmental protection, pays attention to suppliers’ safety in the plant area, and ensures the safety of various operations, so as to ensure life safety and health of personnel and to conduct risk management collectively.	
(VI) Does the Company formulate	V		(VI) The Company has established long-term strategic partnerships with	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
and implement supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor human rights?			major raw material suppliers and set up safety stock according to the preparation schedule, to ensure a smooth supply chain. To encourage continuous supplier optimization so that the Company can obtain raw materials and services at the right time, in the right quantity and at the right price, the Company regularly performs annual evaluation of suppliers according to aspects including quality, delivery dates, environmental protection and occupational safety and health, packaging, quality certification and services in coordination with production operations and environmental protection policies. operations and environmental protection policies. The Company will continuously strengthen self-evaluation of supply chain sustainability, and gradually incorporate ESG performance into the process of selection, evaluation, and audit. The Company jointly fulfills corporate social responsibilities with its suppliers using its influence. Excellent	

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			ESG experience sharing and collaboration with suppliers serve as a vital foundation for the Company to establish sustainable businesses.	
V. Does the Company refer to internationally-used standards or guidelines for the preparation of reports such as sustainability reports to disclose non-financial information? Are the reports certified or assured by a third-party accreditation body?	V		<p>The Company prepares its sustainability report in accordance with the GRI Standards, which is published annually in August after approval by the Board of Directors. This report discloses non-financial information and serves as a communication bridge with all stakeholders concerned about the Company, providing insights into our philosophy and relevant information regarding corporate sustainability and sustainable development, as well as our efforts on various related issues.</p> <p>The 2023 Sustainability Report complies with the GRI Standards and has been prepared by KPMG, in accordance with the Statement of Assurance No. 3000 issued by the Accounting Research and Development Foundation. This report involves the independent limited assurance of five ESG</p>	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
			indicators and includes an assurance report. Past annual sustainability reports are publicly available on the Company’s website: https://www.apc.com.tw/ESG/zh-tw/ESG82.aspx .	
<p>VI. If the Company has established sustainable development best-practice principles based on the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” describe the implementation and any deviations from such principles:</p> <p>On March 11, 2015, the Board of Directors approved the establishment of the “Code of Corporate Social Responsibility.” Subsequently, on August 12, 2020, and March 9, 2022, the Board of Directors approved amendments to the Code to strengthen the implementation of corporate social responsibility. On March 9, 2022, in accordance with the latest revision of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” the “Guidelines for Corporate Social Responsibility Practices” was amended to the “Guidelines for Sustainable Development Practices.” On December 23, 2022, Article 27-1 was added in accordance with</p>				

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	Yes	No	Overview	
the Taiwan Stock Exchange’s Tai-Zhen-Zhi-Li No. 11100243661. This amendment was approved by the Sustainable Development Committee on March 3, 2023, and the Company will manage its risks and impacts on the economy, environment, and society according to these guidelines, and will make improvements accordingly.				
In alignment with international development trends and in pursuit of sustainable development goals, the Company regularly reviews the implementation of the “Guidelines for Sustainable Development Practices.” To date, there have been no discrepancies in execution.				
VII. Additional crucial information for comprehending the execution of sustainable development:				
(I) Composition, Responsibilities, and Operations of the Sustainable Development Committee: Please refer to the minutes of the meeting on the website (https://www.apc.com.tw/ESG/zh-tw/ESG32.aspx).				
(II) Implementation of environmental protection, energy conservation and carbon reduction:				
1. Environmental Policy				
Continuous improvement environmental quality (EQ)				
Regular assessment of environmental performance (EP)				
Provision of a healthy environmental life (EL)				
EQ + EP = EL				

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
<p>In light of our dedication to environmental protection and compliance obligations, all employees at Asia Polymer Corporation acknowledge the crucial mission of promoting sustainable development and effective environmental conservation. As a responsible organization, we are committed to implementing the following strategies to realize our vision:</p> <p>(1) Abide by the government’s environmental protection and safety and health regulations.</p> <p>(2) Pay attention to international treaties and environmental protection requirements of customers and stakeholders.</p> <p>(3) Comply with SONY GP and RoHS product environmental protection assurance requirements.</p> <p>(4) Implement continuous improvements to pollution prevention tasks and energy and resource management.</p> <p>(5) Reduce potential environmental risks in operations.</p> <p>(6) Set environmental goals and continue to improve the environmental management system through education and training and environmental audits to improve environmental performance and ensure the effective implementation of the environmental management system.</p> <p>2. Outcomes of energy conservation and carbon reduction</p> <p>In 2024, the Company carried out five energy conservation and carbon reduction projects, achieving electricity savings of 2,017,572 kWh and steam savings of 512 metric tons, thereby reducing carbon emissions by a total of 1,076 metric tons of CO₂e.</p> <p>The table below shows the total energy consumption, total greenhouse gas emissions, energy savings, carbon reduction, and</p>				

Promotion items	Implementation Status (Note 1)			Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No			
carbon reduction compared to the baseline year for the past two years.					
Category	Total energy consumption (GJ)	Total greenhouse gas emissions (metric tons CO _{2e})	Energy saved (GJ)	Carbon Reduction (in metric tons of CO _{2e})	Percentage reduction in carbon emissions compared to the baseline year
2023	805,494	108,107	9,645	840	7.7
2024	778,413	106,028 (Note 3)	8,740	1,076	9.6 (Note 3)
Note: 1. 2017 is the base year for energy use and greenhouse gas emissions. 2. As a result of the official implementation of ISO14064-1 Greenhouse Gas Inventory Third-Party Verification in 2022, the total greenhouse gas emissions for the baseline 2017 have been revised to 117,228 metric tons of CO _{2e} . 3. The greenhouse gas emissions for 2024 are currently based on internal self-reported data, with external verification data expected to be obtained in July 2025.					
3. Eenergy conservation and carbon reduction Proposal The Company has scheduled six energy-saving and carbon reduction initiatives for 2025, namely “E-1115 Steam Savings, E-1111/E-1211 Energy Efficiency Improvements, Line 4 Pressure Reduction for Energy Savings, Replacement of Line 3 Chillers, Installation of Solar Power Generation Equipment, and Replacement of Packaging Machines.” It is anticipated that					

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No	Overview	
these initiatives will result in electricity savings of 3,160,903 kWh and steam savings of 810 metric tons, leading to a reduction of 1,685 metric tons of CO ₂ equivalent.				
(III) Implementation of Social Services and Public Welfare: The Company, upholding the spirit of “giving back to society,” remains committed to supporting local communities, organizations, and schools. We actively engage with neighborhoods to maintain positive relationships and have taken the following measures in response to community-related risks and opportunities: Community Feedback: Including community development associations, education and culture, environmental protection bureaus, community organizations, local folk festivals, and emergency relief. Provide Employment Opportunities: Prioritize hiring local talent for suitable job vacancies and encourage contractors to employ local residents. Community Building: Including activities for residents, representatives of community organizations, environmental groups, and religious activities.				
1. Social Participation				
Specific Activities and Implementation Results of Community Care and Social Participation in 2024				
Category	Effectiveness/Execution Results			
Community	1. Support for Local Agricultural Product Sales: Procured 100 bags of onions from local farmers in the Lin Yuan District,			

Promotion items		Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
		Yes	No	Overview	
	Care	<p>sharing high-quality local agricultural products with employees and promoting community participation.</p> <p>2. Interdepartmental Cooperation on Greenhouse Gas Reduction: Collaboration with Wangong Elementary School in Linyuan District on a greenhouse gas reduction project, assisting the school in upgrading energy-saving equipment to reduce energy consumption and decrease greenhouse gas emissions.</p> <p>3. Air Quality Purification Zone Adoption Program: In response to the Kaohsiung City Environmental Protection Bureau’s implementation of the “Air Quality Purification Zone Adoption Program,” we have adopted Wang Gong Elementary School in the Lin Yuan District as the base for the Air Quality Purification Zone, providing assistance in planting and maintenance.</p> <p>4. Donation of Fitness Equipment to the Lin Yuan District Fire Station: USI Group’s various factories jointly donated two treadmills to the Lin Yuan District Fire Brigade, expressing gratitude for their collective efforts in safeguarding the safety of the industrial park.</p> <p>5. Charity Basketball Tournament: The USI Group’s southern factories jointly contributed funds to assist the Renwu High School basketball team in its development and to support underprivileged players. This initiative encourages employees to actively participate in charitable activities and to care for the disadvantaged.</p> <p>6. USI Cup Community Tennis Friendship Tournament: The USI Group’s southern factories sponsored NT\$100,000 to facilitate communication through sports competitions, enhance neighborly relations, and understand the needs and expectations of stakeholders.</p> <p>7. Employment of Local Workforce: In alignment with corporate social responsibility, we prioritize the care of local talent in</p>			

Promotion items			Implementation Status (Note 1)		Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
			Yes	No	
			Overview		
		Lin Yuan to enhance community identity. In 2024, a total of 76 individuals from the local Lin Yuan area of Kaohsiung were employed.			
	8.	Organizing the Southern Region Charity Softball Tournament: A donation of NT\$20,000 was made to the baseball team of Jintan Elementary School in Linyuan District. This event aims to enhance the corporate social responsibility of the USI Group and encourage employee participation in charitable activities.			
	9.	Sponsoring and participating in the slow-pitch softball tournament organized by the Regional Business Union and the Petrochemical General Union allows employees to demonstrate their vitality and passion for sports.			
	10.	Awarded the Outstanding Contribution Medal by the Kaohsiung City Government Environmental Protection Bureau for the adoption of air quality purification zones.			
	11.	Long-term investment in local community engagement activities in the Lin Yuan District has fostered harmonious relationships with the local community, resulting in the award of a certificate of honor from the Lin Yuan District Office, Kaohsiung City.			
	12.	Sponsorship of community temple activities and celebrations.			
2. Social Engagement and Charitable Activities					
Donation to the USI Education Foundation					
The USI Education Foundation, a non-profit organization, was jointly established by USI Group and Asia Polymer on					

Promotion items	Implementation Status (Note 1)			Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
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<p>December 30, 2011. It officially began operations in 2012 with the goal of engaging in educational public welfare activities. Its primary focus is on supporting underprivileged rural areas and environmental conservation. The foundation strengthens its service capacity and enhances service efficiency through the provision of scholarships, donations to charitable organizations, and sponsorship of educational public welfare events.</p> <p>USI Group adheres to the principles of stability, professional management, excellence, and serving society. We are committed to educational public welfare initiatives, with a particular focus on vulnerable groups, rural areas, and environmental ecology. We conduct the following businesses in compliance with applicable laws and regulations:</p> <ul style="list-style-type: none">(1) Sponsor education in rural areas.(2) Set up scholarships.(3) Hold talks, seminars or other education-related charitable activities.(4) Sponsor schools at various levels or educational groups to engage in activities such as literature, sports, music, dance, arts and drama.(5) Industry-academia collaboration.(6) Other educational activities of public interest in line with the objectives of the Foundation. <p>In 2024, The Company donated NT\$3 million to the USI Education Foundation to engage in related public welfare activities. The total sponsorship expenditures amounted to NT\$9.72 million, which included the distribution of scholarships totaling</p>				

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NT\$3.25 million; sponsorship of the Alliance Cultural Foundation for NT\$1 million; and NT\$4 million to Junyi School of Innivation in Taitung. Additionally, other sponsorship expenditures for various public welfare activities totaled NT\$1.47 million. With the USI Education Foundation’s support, our aim is to promote cultural development in Taiwan and sponsor education in disadvantaged rural areas. We provide underprivileged students with opportunities for transformation and strive to address educational inequality. Furthermore, we have established long-term partnerships with local communities, emphasizing their development and providing assistance. This includes supporting the sale of local agricultural products, all with the goal of promoting local development and achieving mutual prosperity with the community. Scholarships and Grants To provide scholarships for outstanding underprivileged students in chemical engineering, materials science, chemistry, and applied chemistry programs at 15 public and private universities in Taiwan, in order to promote education and talent cultivation in related fields. This initiative encourages students in relevant university and graduate programs to strive for academic excellence and to cultivate exceptional industry talent for society. This year marks the 13th year of the scholarship program, which has cumulatively awarded NT\$23 million in scholarships to over 330 students. In 2024, a total of NT\$3 million in scholarships was awarded to 30 students across 18 departments from 11 public and private universities. This included 3 doctoral students, 12 master’s students, and 15 undergraduate students, of which 20 students were from disadvantaged backgrounds. To encourage the award-winning students, a scholarship award ceremony and recognition luncheon was held on December 6,				

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<p>2024, at the Grand Mayfull Hotel Taipei in Taipei City. Group supervisors were invited to participate and interact with the students, with the hope of encouraging them to continue their learning and to positively impact society in the future, giving back to the community. Finally, Chairman Stanley Yen of the Alliance Cultural Foundation shared his life experiences and wisdom, encouraging the award-winning students to enrich their own lives and to “become angels in the lives of others.”</p> <p>Scholarship in the field of Artificial Intelligence</p> <p>In order to promote the involvement of exceptional domestic graduate students in research and development applications in the field of artificial intelligence (AI), and bridge the gap between academia and industry, the Foundation has established this program. Its aim is to recognize and support master’s and doctoral students who are conducting research on topics related to intelligent production systems, process control, and AI applications that contribute to energy and cost savings. Additionally, the program seeks to cultivate professionals in the chemical industry who possess expertise in the field of AI. The project has been implemented as a trial for five years since 2022. Students who are awarded receive a scholarship of NT\$50,000 per semester and are eligible for continuous funding for up to four semesters, subject to regular review. To date, a total of five students have received awards.</p> <p>The Alliance Cultural Foundation</p> <p>The Alliance Cultural Foundation has long been a significant sponsor and supporter of the Taitung Junyi School of Innovation, aiming to allocate more resources to rural education and sustainable development in the Hualien and Taitung regions. This</p>				

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year marks the 15th anniversary of the establishment of the Alliance Cultural Foundation, and its development in the Hualien and Taitung region has entered a stage of integration. The three key focal points of the Foundation’s “Sustainable Blueprint for Hualien-Taitung” are: cultivating local talent for sustainable development, creating the Junyi School as a practical base for transformative education, and leveraging the Paul Chiang Art Center to propel Hualien-Taitung towards international recognition. Cultivating local talent for sustainable development involves nurturing individuals from the perspective of vocational education, supporting the deep cultivation of the culture of mountains and seas. For instance, initiatives include the renovation and empowerment projects of the “Pakelang Boat House” in Changbin and the “Pisirian Cultural Center” in Sanxiantai; support for establishments such as the “Cotton and Linen House” in Longchang, known for its unique aesthetics and weaving craftsmanship; Aliman’s “Luanshan Forest Culture Museum” in Yanping Township; Ma Zhong-Yuan’s “GaoShan Forest Tribal Ranch” in Fengbin Township, Hualien; and Sakinu Yalonglong’s “Hunter School” in Sinsianglan. Additionally, industry experts were invited to Chenggong Commercial and Aquatic School to offer semester-long courses utilizing local rice and seafood, teaching Japanese cuisine, and providing training in hospitality and travel planning. These efforts aim to cultivate tourism guides, transforming Chenggong Township from a transient tourist spot into a destination for in-depth travel. Furthermore, collaborations were strengthened with Gongdong Technical High School, which has offered mechanical processing, woodworking, and architectural courses for over a decade. These initiatives connect various points into lines and surfaces, leading to the formation of the “BINBIN Ecotourism Alliance” among regional businesses in Changbin and Fengbin				

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<p>areas, and the “Island Living Learning Group” linking the Taitung coastal line, the longitudinal valley line, and the Nanhui region.</p> <p>Since 2024, the Alliance Cultural Foundation has been assisting in the promotion of the construction plan for the “Paul Chiang Art Center,” with the aim of creating a space where audiences can engage closely with art and personally experience the beauty of the integration of nature and architecture. After a thousand days of construction, the park is scheduled to officially open in the spring of 2025. The Foundation will assist in the planning and management of exhibitions within the Center, facilitating various art and aesthetic education programs to bring more people closer to this temple of art. In the near future, we anticipate that through the cultivation of future talents by Junyi School and the promotion by Paul Chiang, combined with the collective efforts of the Alliance Cultural Foundation to integrate resources, the Center will become an important platform for international artistic exchange, and that Hualien and Taitung will serve as a model for promoting sustainable tourism.</p> <p>Junyi School of Innovation: Implementing Education in Rural Areas</p> <p>Taitung has a population of approximately 200,000, accounting for one percent of Taiwan’s total population. In the county, over 55% of elementary schools have fewer than 60 students, indicating a lack of educational resources that are also dispersed. Therefore, changes in Hualien and Taitung must return to the focus on education. The primary mission of the Junyi School is to cultivate young individuals with the abilities and qualities of “being a person, living, and working.” “Being a person” refers to character education, which encompasses not only a sense of responsibility and moral ethics but also includes empathy, a</p>				

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<p>sense of justice, as well as the abilities of independent thinking and teamwork. Educators must further cultivate children’s development of a life perspective and civic literacy based on character. The implementation of interdisciplinary learning in the arts and culture at Junyi School enables children to identify and leverage their strengths. This approach assists children in understanding themselves and finding direction in a rapidly changing era, while also enriching their spiritual lives.</p> <p>“Dormitory life” is a crucial component of education in rural areas. Junyi School provides a conducive living environment to cultivate children’s independence, character, and life attitudes. The School also employs foreign teachers to assist students in various daily activities, both dynamic and static, enabling children to learn self-leadership and teamwork skills through activity planning and routine training. In order to make full use of the uniform school dormitory space, each summer, the Alliance Cultural Foundation collaborates with external partners, such as the Taipei American School, the Kehua Foundation, the Gosh Foundation, and Harvest 365, to host various free residential camps. These camps not only provide students from resource-limited backgrounds the opportunity to recharge their confidence and learning through group living, singing, drama, and various activities under the guidance of caring and enthusiastic teachers and volunteers, but also foster the spirit of volunteer service among college students in Taiwan.</p> <p>Toufen Junior High School Music Program</p> <p>The foundation established its first music education project in September 2021, in cooperation with The Head Of Miaoli County High School, in combination with the music education project of the private Shangrong 365 Social welfare charity</p>				

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	Yes	No	Overview	
<p>Foundation of Jiayi city (hereinafter referred to as Shangrong). Through the professional choir instructors trained at Harvest 365, in collaboration with the music teachers from Toufen Junior High School, the Harmony Choir, composed of seventh and eighth grade students, is being taught. Nearly 30 members participated in the club activities, utilizing both the regular meeting times and additional hours after class. Our goal is to support students in their personal development through the art of singing. By participating in the annual Harvest 365 Music Festival, we strive to inspire their motivation to learn and enhance their self-confidence.</p> <p>Support other charitable activities through sponsorship</p> <p>(1)The Bo-Yo Social Welfare Foundation was established in 2002 under the leadership of Principal Li Chia-Tung. Upholding the philosophy of “not allowing poor children to fall into perpetual poverty,” the foundation has long provided free after-school tutoring and free educational support materials to disadvantaged children in rural areas. Its aim is to enable these underprivileged children to break free from the cycle of poverty through education. Through the two primary service methods of social work and education, they provide “care and counseling” to help children break free from physical and mental constraints, cultivate their basic problem-solving abilities, and enhance their social competitiveness, thereby increasing their opportunities for self-sufficiency and social mobility in the future. Bo-Yo invests significant brainpower and resources each year in curriculum design, the development of remedial teaching materials, and training for community parents. Currently, there are 17 after-school service locations, serving over 2,000 students.</p>				

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<p>(2)The Foundation for Teaching and Education for Taiwan Through training mission-driven outstanding youth, they teach in remote rural elementary schools for at least two years, addressing the long-standing challenges of teacher recruitment difficulties and high turnover rates faced by schools in Taiwan’s rural areas. Since the inception of the first TFT program, TFT program members have engaged in rural areas, with footprints across Taitung, Tainan, Pingtung, Yunlin, Hualien, and Nantou counties, impacting over 7,000 disadvantaged students.</p> <p>(3)The Public Welfare Activities for Medical Health Education aims to encourage various medical universities to organize medical service teams that provide healthcare services, promote health education, and conduct free medical consultations for local residents in underserved rural areas. In 2024, the foundation sponsored part of the activity expenses for five medical education and public welfare camps. The number of participants in 5 camps exceeded 500, with over 2,600 people served.</p> <p>(4)Healthcare Outreach and Services in Rural Areas: Although the National Health Insurance has made healthcare access quite convenient in rural areas, alleviating concerns about medical expenses and ensuring comprehensive medical care for the public, the student medical service teams provide a vital humanistic care service to these regions. This service embodies the core values of medical education and healthcare professionals. In addition to supplying the local community with scarce medical resources and knowledge, and offering emotional support and companionship, it is even more crucial that healthcare personnel guide medical students in integrating their classroom learning. Through this process, which is purely service-oriented and devoid of commercial interests, students can discover a sense of mission.</p>				

- Note 1: If you select the option “Yes,” please provide specific details on the important policies, strategies, measures, and implementation status that have been adopted. If you select the option “No,” please explain the differences and reasons in the “Differences and Reasons Compared to Corporate Sustainable Development Best Practice Principles for TWSE or TPEx Listed Companies” field and outline your plans for future adoption of relevant policies, strategies, and measures.
- Note 2: The principle of materiality refers to environmental, social, and corporate governance issues that have significant impacts on the Company’s investors and other stakeholders.
- Note 3: For disclosure, please refer to the best practice examples on the Taiwan Securities Exchange.

(VI) Climate-related Information for Listed Companies

1. Risks and Opportunities of Climate Change for the Company and the Company's Response Measures

Item	Implementation Status
<p>1. This report provides an overview of how the Board of Directors and management supervise and manage climate-related risks and opportunities.</p>	<p>1. Asia Polymer entrusts its Board of Directors with the oversight of climate change management, with the Sustainable Development Committee under the Board of Directors as the highest authority for climate management. The Committee is led by an independent director and conducts annual reviews of the Company's climate change strategies and goals. It also manages climate change risks and opportunities, and evaluates the progress of implementation, reporting directly to the Board of Directors.</p> <p>In light of the increasing global emphasis on Environmental (E), Social (S), and Governance (G) issues, the Company is implementing a phased approach to promote the disclosure of greenhouse gas inventory and assurance information by publicly listed companies, in accordance with the "Sustainable Development Roadmap for Listed Companies" issued by the Financial Supervisory Commission. This initiative aims to build the capacity for corporate greenhouse gas inventory. The Company has completed the audit and assurance procedures for the consolidated financial statements of the parent and subsidiary companies. Each annual report specifies the implementation of various measures, with recommendations provided by the Board of Directors.</p> <p>In addition to continuously enhancing corporate governance effectiveness, The Company is also carefully planning and executing strategies to achieve carbon reduction targets and develop green energy. We are utilizing AI technology applications to manage these efforts more efficiently, assisting the enterprise in reducing issues and risks, with the aim of meeting international standards and realizing the ambitious goal of sustainable corporate development.</p>
<p>2. Describe how the identified climate risks</p>	<p>2. In 2023, a questionnaire survey was conducted for the ESG Committee and senior</p>

Item	Implementation Status																	
and opportunities affect the business, strategy and finances of the Company (short, medium and long term).	<p>executives to assess the correlation and potential impact of various risks on the Company’s operations, as well as the development and feasibility of various opportunities. A total of 9 questionnaires were collected, and after statistical analysis by the team, 10 significant climate issues were identified, including 2 physical risk items, 4 transformation risk items, and 4 opportunity items.</p> <p>The Company has assessed the potential financial impacts and developed response strategies and management mechanisms for 10 major risk and opportunity items. Our goal is to comprehend the potential effects of climate change on various aspects, mitigate operational disruptions caused by extreme weather conditions, and foster a resilient climate change culture.</p> <p>Climate-related risk items are categorized into three timeframes based on the occurrence of impacts: short-term (< 3 years), medium-term (3-5 years), and long-term (> 5 years). Climate-related opportunity items are classified into five levels based on their impact on the Company’s development and technical feasibility, as detailed in the table below:</p> <table><tr><th>Category</th><th>Item</th><th>Timeframe</th></tr><tr><td rowspan="2">Physical Risks</td><td>Flooding</td><td>Short term (< 3 years)</td></tr><tr><td>Drought</td><td>Short term (< 3 years)</td></tr><tr><td rowspan="4">Transformation Risks</td><td>Carbon fee</td><td>Short term (< 3 years)</td></tr><tr><td>Risk of Regulations on Renewable Energy - Clause for Large Electricity Consumers</td><td>Short term (< 3 years)</td></tr><tr><td>Low Carbon Technology Transformation</td><td>Medium term (3–5 years)</td></tr><tr><td>Rise in the cost of raw materials</td><td>Short term (< 3 years)</td></tr></table>	Category	Item	Timeframe	Physical Risks	Flooding	Short term (< 3 years)	Drought	Short term (< 3 years)	Transformation Risks	Carbon fee	Short term (< 3 years)	Risk of Regulations on Renewable Energy - Clause for Large Electricity Consumers	Short term (< 3 years)	Low Carbon Technology Transformation	Medium term (3–5 years)	Rise in the cost of raw materials	Short term (< 3 years)
Category	Item	Timeframe																
Physical Risks	Flooding	Short term (< 3 years)																
	Drought	Short term (< 3 years)																
Transformation Risks	Carbon fee	Short term (< 3 years)																
	Risk of Regulations on Renewable Energy - Clause for Large Electricity Consumers	Short term (< 3 years)																
	Low Carbon Technology Transformation	Medium term (3–5 years)																
	Rise in the cost of raw materials	Short term (< 3 years)																

Item	Implementation Status			
	Category	Item	Developmental potential	Technical Feasibility
	Opportunities	Efficient Production	It has development potential and aligns with existing policies.	Under active development
		Minimize water usage and consumption	It has development potential and aligns with existing policies.	Under development
		Use of low-carbon energies	It has development potential and aligns with existing policies.	Under active development
		Research and Innovation in the Development of New Products and Services: Low Carbon Energy-saving Product Development	It has development potential and aligns with existing policies.	Under active development
	Potential Financial Impacts and Mitigation Measures for Risk and Opportunity Projects			
	Issue	Category	Risks and Opportunities	Potential financial impact
	Flooding	Physical Risks /Chronic	Data from the Water Resources Agency shows that if there is a rainfall of 500mm within a 24-hour period, it is estimated that the factory area may experience flooding ranging from 0 to 0.5 meters for a duration of 1 day. As a result of the heavy rainfall and flooding mentioned earlier, the factory had to suspend its operations, leading to a decline in revenue.	Higher capital expenditure and lower operating costs
				1. Enhancement of critical equipment infrastructure 2. Improving flood control and drainage measures 3. Regularly check if the internal drains are clear of any obstructions.

Item	Implementation Status				
	Drought	Physical Risks /Chronic	Due to climate change leading to global warming, climate patterns have become unpredictable. In particular, the southern region of Taiwan has experienced prolonged periods without rainfall in recent years. It is essential to monitor water usage to prevent production line shutdowns.	Higher operating costs If there is a water shortage, it will be necessary to purchase water trucks. In severe cases, production capacity will be reduced or may lead to a complete shutdown. It is estimated that the cost of purchasing water will increase by more than NT\$40,000 per day.	1. The government has implemented a phased water restriction policy, and the Asia Polymer Linyuan Plant has implemented three stages of measures in response. Phase One (1) Promoting water conservation among employees (2) The recycled office wash water is used for irrigating plants and trees. (3) The drainage of cutting fluid and cooling water shall be utilized as low-grade water. Phase Two (1) Increase the concentration ratio of the cooling tower from 5.5 to 7.5. (2) Reduce the replacement volume of cutting fluid on the production line (3) Suspend non-essential cleaning operations. Phase Three (1) Reduced the duration of regular fire drill water tests and temporarily halted fire drills. (2) The distillation tower can only be started once the recycling tank has reached a high liquid level. (3) Temporary suspension of employee restroom facilities for personal hygiene

Item	Implementation Status				
					2. Implement water conservation improvement measures to reduce water usage year by year.
	Carbon fee	Transformation Risks /Policy and Law	In August 2024, the Ministry of Environment issued the “Carbon Fee Collection Regulations and Three Subordinate Laws,” which will impose a carbon fee on major carbon emitters with emissions exceeding 25,000 tons. (The rate will take effect on January 1, 2025, and the carbon fee for the total emissions of 2024 will be due in May 2026.)	High investment cost in the early stage, low carbon emission in the later stage and low operating cost Based on the carbon emissions of 106,000 tons CO ₂ e from the USI Linyuan Plant in its 2024, with a carbon fee of NT\$300 per ton and a deduction of initial 25,000 tons, the estimated carbon fee amounts to NT\$24.3 million, which represents approximately 0.4% of individual revenue.	1. The Company is assessing the use of internal carbon pricing as a shadow price, which involves incorporating carbon costs into investment assessments. This approach aims to improve the opportunities for implementing carbon reduction projects. 2. Implement energy-saving and carbon reduction programs, replace energy-efficient equipment, and increase the amount of green procurement. 3. In June 2025, a 494 kW self-use solar power generation system will be installed. Optimization of process operations and implementation of energy supervision.
	Risk of Regulations on Renewable Energy - Clause for Large Electricity Consumers	Transformation Risks / Policy and Law	1. According to the “Regulations for the Management of Renewable Energy Generation Equipment for Electricity Users with a Contract Capacity Above a Certain Threshold,” the Ministry of Economic Affairs mandates that electricity users with a contract capacity exceeding 5,000kW must install renewable energy generation equipment. By 2025, these	Rise in capital expenditure and operating costs The Company is planning to install solar energy equipment on the roof and intends to source green electricity from its group affiliate USIGE in order to meet regulatory requirements.	1. The Company currently possesses a solar power generation system with an installed capacity of 496 kW. It is anticipated that a second self-generated solar power system, with an installed capacity of 494 kW, will be established in June 2025. 2. In 2024, the Company purchased 1.913 million kWh of solar green electricity from USIGE and officially began using the

Item	Implementation Status				
			<p>large electricity users are required to have renewable energy equipment with a contract capacity of at least 10%.</p> <p>2. In 2025, the Ministry of Economic Affairs announced energy-saving targets for large electricity consumers, specifically companies 2025 to 2028. For those with contracted electricity capacities ranging from 801 to 10,000 kW, the average annual electricity saving rate target is maintained at 1%. For those exceeding 10,000 kW, the target is increased to 1.5%.</p>		<p>transferred green power on January 1, 2025.</p> <p>3. The total annual electricity generation of the aforementioned three entities exceeds 2.5 million kWh, thereby complying with the regulatory requirement of utilizing 10% of contracted capacity in green electricity.</p> <p>4. Starting in 2025, the energy-saving management target for our Linyuan plant has been raised from the original 1% to 1.5%, continuing our progress towards the Group’s carbon reduction goal for 2030.</p>
	Low Carbon Technology Transformation	Transformation Risks/Energy, and Technology	<p>In order to decrease carbon emissions, companies have made investments in the advancement of low-carbon technologies, including energy transformation, efficiency improvement, and fuel substitution. This has resulted in an escalation of technology costs.</p>	<p>Rise in capital expenditure and decrease operating costs</p> <p>1. The waste heat recovery improvement project saves 2,656 tons of steam annually, resulting in annual savings of NT\$4 million.</p> <p>2. In 2024, The Company implemented five energy-saving and carbon reduction programs, with a total</p>	<p>1. The Company’s low-carbon transformation plan involves replacing the existing fuel oil steam boiler equipment with a liquefied gas oxidation furnace that uses natural gas as fuel. The completion of this installation is expected by June 2025.</p> <p>2. Continue to implement the energy reduction and carbon reduction plan for the current year. Replace old equipment, prioritizing the procurement of energy-efficient devices without compromising performance. Additionally, submit the energy-saving plan for the next year,</p>

Item	Implementation Status				
				investment of NT\$16.13 million.	including the anticipated investment amount and expected benefits.
	Rise in the cost of raw materials	Transformation Risks/Market	In light of future carbon fee regulations, the cost of raw materials will inevitably include carbon emission expenses, leading to an increase in raw material prices. Extreme weather conditions lead to uncertainty in the cost and delivery time of transporting raw materials.	Higher operating costs Increased costs of purchasing raw materials and product transportation.	1. In 2024, the Company began promoting the development and certification of recycled plastic products, and in February 2025, successfully obtained the ISO 14021 certification for recycled content through SGS international verification. 2. Continuously implement material recycling to reduce environmental impact; the recycling rate for bulk bags in 2024 is 79.5%. 3.Diversifying suppliers of raw materials
	Efficient Production	Opportunities/Resource Efficiency	By leveraging AI smart manufacturing, industrial motors, and automated packaging tools, we can improve overall production efficiency and decrease energy consumption.	Rise in capital expenditure and decrease operating costs An investment of NT\$10 million is planned to integrate data from reactors and cooling towers into the DCS+ platform for real-time data analysis and monitoring.	1. Through the implementation of the AI project, in 2024, the execution of the “DCS+ Platform Construction Project” and the “Line 4 Reactor and Cooling Tower Data Integration Project” has reached 80% progress. 2. In the year 2025, it is planned to execute the “L4 Reactor PdM Predictive Analysis Project” and the “MI Predictive Project.”
	Minimize water usage and consumption	Opportunities/Resource Efficiency	Water resources are essential in the manufacturing process. By reducing water leaks in factories and increasing the use of water recycling and reuse,	Lower operating costs 1. Incorporate water usage into the monthly key performance indicators for	1. Lowering steam consumption through process equipment and operational improvements 2. Through manual control adjustments of the steam boiler,

Item	Implementation Status				
			operational costs can be reduced, and factory resilience can be improved.	monitoring, conduct statistical analysis and comparison of water usage, and if any anomalies in water usage are detected, promptly investigate the causes and implement improvements. 2. Equipment cost investment and benefits	we can prevent excessive steam pressure that leads to steam discharge waste. 3. Continuous assessment of water conservation programs 4. Water Intensity for 2024: 3.7 m³/ton; Water Recovery Rate: 99.2%, in line with management objectives.
	Use of low-carbon energies	Opportunities / Resilience, Energy Sources	Our objective is to encourage the shift from coal to gas, enhance the utilization of renewable energy, minimize carbon expenses, and reduce the carbon footprint of our products.	Higher operating costs, lower carbon fees Project Inputs Carbon Reduction, Costs, Benefits	1. We specialize in the development of self-built solar power plants and actively participate in the renewable energy market. 2. Natural gas is given priority as the preferred source for external steam supply. 3. In 2024, a total of 5 energy-saving and carbon-reduction projects were implemented, with an investment of NT\$16.13 million. These efforts resulted in electricity savings of 2,018,000 kWh, steam savings of 512 tons, and a total reduction of 1,076 tons of CO ₂ e emissions.
	Research and Innovation in the Development of New Products and Services:	Opportunities /Products, Services	Our research and development efforts are dedicated to creating products that adhere to the principles of the circular economy, low carbon	Revenue Increase 1. The development and certification of innovative recycled plastic products have	1. In 2024, the Linyuan Plant began promoting the development and certification of recycled plastic products, and in February 2025, successfully obtained the ISO

Item	Implementation Status				
	Low Carbon Energy-saving Product Development		emissions, and energy efficiency. We strategically invest in technology throughout the entire product and service life cycle, with a specific emphasis on developing low carbon products.	been completed, passing international certification and obtaining ISO 14021 certification. Photovoltaic-grade EVA products are provided for the encapsulation of solar modules, contributing to global carbon reduction efforts.	14021 certification for recycled content through SGS international verification. 2. The photovoltaic-grade EVA products will continue to be produced and supplied through the Gulei Petrochemical Plant and the Kaohsiung Linyuan Plant.
3. This report aims to elucidate the effects of extreme weather events and transition actions on the financial sector.	3. The impact of extreme weather events on finances. Asia Polymer, in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), has conducted future scenario analysis regarding physical and transition risks. This analysis assesses potential impacts and opportunities that the Company may face in the future, and the results are incorporated into the evaluation of strategic resilience. The physical risk assessment references the “Taiwan Climate Change Projection and Adaptation Knowledge Platform (TCCIP)” published in June 2023, which includes the “Taiwan Climate Change Key Indicator Atlas: AR6 Statistical Downscaling Edition,” and the “Climate Change Disaster Risk Map” published by the National Center for Disaster Prevention and Response Technology. These publications estimate future long-term climate changes and potential climate risks. The scenarios adopted by the IPCC AR6 combine the Shared Socioeconomic Pathways (SSPs) with the Representative Concentration Pathways (RCPs). Asia Polymer has selected the SSP 5-8.5 emission scenario (extremely high greenhouse gas emissions, with carbon dioxide emissions expected to double around 2050) to conduct future scenario analyses of climate disasters such as “high temperatures,” “flooding,” and “drought.” Under the RCP 8.5 scenario, the number of typhoons affecting Taiwan in the mid-21st				

Item	Implementation Status
	<p>century (2040–2065) is projected to decrease by approximately 15%, while by the end of the century (2075–2099), the reduction is expected to be about 55%. The proportion of strong typhoons is anticipated to increase by approximately 100% and 50%, respectively. The maximum wind speed is expected to rise by about 4% and 8%, and typhoon-related rainfall is projected to increase by approximately 20% and 35%. Although the number of typhoons affecting Taiwan in the future is expected to decrease, the threat of more intense typhoons will increase. The Company needs to strengthen disaster preparedness and enhance its disaster resilience to mitigate the losses caused by typhoons.</p> <p>The financial impact of transition actions.</p> <p>The impact of transition actions on corporate finance is primarily reflected in the adjustments in costs and investments brought about by changes in policies and regulations, technological shifts, and market demand fluctuations. The new regulations on water usage fees and carbon fees established by the government will directly lead to an increase in operational costs for businesses. For instance, the water usage fee is expected to increase by approximately NT\$220,000 annually, while the carbon fee is projected to rise by about NT\$4,000,000 each year. Furthermore, the terms for large electricity consumers require enterprises to increase the proportion of renewable energy and energy-saving rates, which will also lead to an increase in capital expenditures for green electricity procurement and equipment upgrades. However, businesses can achieve long-term reductions in operating costs and risks through proactive investments in low-carbon technology transition, such as improvements in energy efficiency, equipment replacement, and upgrades to wastewater recycling systems, despite the higher initial capital expenditures. Overall, businesses should anticipate a short-term increase in costs during the low-carbon transition; however, actively implementing response measures can enhance their medium- to long-term competitiveness and sustainability capabilities.</p>

Item	Implementation Status
<p>4. This report outlines the integration of the process of identifying, assessing, and managing climate risks into the overall risk management system.</p>	<p>4. In order to establish a sound and trustworthy business philosophy, and to ensure the Company's stable operations and sustainable development while minimizing potential operational risks, Asia Polymer has obtained approval from the Board of Directors for the "Risk Management Policy and Procedures" in 2020. This policy enables the Board to effectively assess and supervise various existing or potential risks faced by the Company. Each responsible functional department is required to conduct real-time assessments and timely adjustments based on the latest changes in international economy, the most recent ESG regulations, and risk opportunity assessment management methods. The General Manager's Office will report on the Company's risk management operations to the Board at least once a year, allowing the Board to understand the risks faced by the Company and to provide more specific recommendations regarding the Company's operational strategies in a timely manner.</p>
<p>5. When utilizing scenario analysis to evaluate resilience to climate change risks, it is crucial to provide a clear explanation of the scenario, parameters, assumptions, analysis factors, and significant financial impacts employed.</p>	<p>5. In light of the escalating global climate change, Asia Polymer remains committed to implementing the TCFD framework. This strategic approach allows the Company to enhance its comprehension of potential risk factors associated with extreme weather conditions while also capitalizing on emerging business prospects. An assessment was conducted using the Taiwan Climate Change Projection and Adaptation Information Platform (TCCIP) and the National Science and Technology Center for Disaster Reduction to estimate the temperature rise, rainfall, flooding, and drought conditions from 2016 to 2035, based on the scenario of RCP 8.5. Three physical risk issues were identified. In addition, it considered the Group's strategies, industry characteristics, national intended contributions (INDC), and TCFD indicators. Based on the nature of risk and opportunity factors, risks are categorized into transition risks and physical risks. Transition risks include: policy and regulations, reputation, technology, and market. Physical risks encompass: flooding, drought, and high temperatures. Opportunities are divided into four aspects: resource efficiency, energy sources, products and services, and market.</p>

Item	Implementation Status
	<p>The physical risk assessment references the “Taiwan Climate Change Projection and Adaptation Knowledge Platform (TCCIP)” published in June 2023, which includes the “Taiwan Climate Change Key Indicator Atlas: AR6 Statistical Downscaling Edition,” and the “Climate Change Disaster Risk Map” published by the National Center for Disaster Prevention and Response Technology. These publications estimate future long-term climate changes and potential climate risks. The scenarios adopted by the IPCC AR6 combine the Shared Socioeconomic Pathways (SSPs) with the Representative Concentration Pathways (RCPs). Asia Polymer has selected the SSP 5-8.5 emission scenario (extremely high greenhouse gas emissions, with carbon dioxide emissions expected to double around 2050) to conduct future scenario analyses of climate disasters such as “high temperatures,” “flooding,” and “drought.” The transition risk is informed by the World Energy Outlook (WEO) report published by the International Energy Agency (IEA) in 2021. The report categorizes different energy trends and climate policies into three scenarios: STEPS (Stated Policies Scenario), APS (Announced Pledges Scenario), and NZE (Net Zero Emissions Scenario). Among them, NZE assumes that all countries will achieve net-zero emissions by the year 2050, representing the most proactive scenario for promoting reduction measures. In addition, we also referenced the “Taiwan 2050 Net Zero Emission Pathways and Strategy Overview” published by the National Development Council in 2022, in response to the national carbon reduction pathway, ensuring that Asia Polymer maintains resilience for sustainable operations despite the impacts of extreme climate change.</p> <p>The Company promotes energy conservation and carbon reduction projects to minimize energy and water resource consumption, as well as waste generation in our operations and supply chain. This initiative aims to significantly mitigate our impact on the climate. We achieve this by enhancing energy efficiency, investing in green energy equipment, and engaging in the research and development of green products.</p>

Item	Implementation Status
	<p>These efforts effectively manage and respond to the aforementioned transformations and physical risks, creating more business opportunities and meeting market demands. However, the implementation of this project will also lead to an increase in capital investment and operating costs for the Company, which will subsequently affect the Company's financial performance.</p>
<p>6. If there is a transition plan in place to mitigate climate-related risks, please provide a detailed description of the plan's content. Additionally, include the indicators and objectives that are utilized to identify and manage both physical and transitional risks.</p>	<p>6. The Company uses the year 2017 as the base year for identifying indicators and targets for greenhouse gas emissions. Please refer to point 9 for further details. The indicators and targets for identifying and managing physical risks and transition risks are as follows:</p> <p>Under the Group's carbon reduction objectives, the Company has established energy management goals, setting the year 2017 as the base year, with a target of reducing carbon emissions by 27% by 2030 and achieving carbon neutrality by 2050</p> <p>Climate Response Strategies: Short-term (<3 years): Replace outdated equipment, improve energy efficiency, install solar power systems, implement green procurement, formulate water and drought response measures, and reduce the impact of carbon fee levies. Mid-term (3–5 years): Advance carbon reduction strategies through a transition to low-carbon energy, intelligent monitoring systems, and the development and use of renewable energy. Long-term (>5 years): Continue to explore low-carbon fuels, carbon capture and reuse technologies, and negative emissions solutions.</p> <p>Disclosure of Greenhouse Gas Emissions: The Sustainability Report includes an annual disclosure of data on Scope 1, Scope 2, and Scope 3 emissions, along with regular reviews to analyze the reasons behind any increases or decreases.</p>
<p>7. If internal carbon pricing is used as a planning tool, it is important to provide an explanation for the basis of price determination.</p>	<p>7. On August 29, 2024, our country announced the implementation of three subsidiary regulations related to carbon fees, and on October 21, 2024, the carbon fee rates were announced. Starting in 2025, emissions will officially be included in the calculation for carbon fees, marking the transition into the era of carbon pricing. In response to</p>

Item	Implementation Status
	<p>government policies aimed at effectively addressing climate change and reducing carbon risks, Asia Polymer has implemented an internal carbon pricing system in 2024. The pricing is based on domestic carbon fee pricing standards, with an initial carbon price set at NT\$300 per ton, subject to periodic reviews and phased adjustments. This system primarily integrates carbon costs into the decision-making and investment evaluation processes of enterprises, assesses the impact of carbon emissions on business operations, accelerates the implementation of carbon reduction measures, and drives low-carbon investments. In July 2024, the Group conducted two training sessions to help relevant units understand the concept and application of internal carbon pricing, assisting factories in prompt implementation. Additionally, in September, a general course on carbon-related topics was organized, inviting all Group employees to participate, thereby enhancing the carbon reduction awareness and professional capabilities of all staff, and collectively striving to achieve the Group's carbon reduction goals.</p>
<p>8. If climate-related goals are established, it is important to provide an explanation of the activities covered, the scope of greenhouse gas emissions, the planning schedule, and the annual progress. If carbon offsetting or renewable energy certificates (RECs) are utilized to meet these goals, it is necessary to specify the source and quantity of carbon offset or the quantity of RECs.</p>	<p>8. In order to enhance the resilience of the Company in facing climate risks, in 2022, we established a carbon reduction target for 2030 of “a 27% reduction in carbon emissions compared to 2017”. Furthermore, in 2023, we set a long-term goal of “carbon neutrality by 2050.” Furthermore, to assess its capacity to respond to climate risks, the Company references the TCFD framework published by the Financial Stability Board (FSB) in 2015. It analyzes the climate risks and opportunities faced by the Company under extremely high greenhouse gas emissions and formulates mitigation and adaptation strategies. The Company initiates various carbon reduction actions and establishes short-, medium-, and long-term greenhouse gas reduction targets to minimize potential financial impacts and achieve sustainable business objectives.</p> <p>In accordance with the Group's carbon reduction planning path, the Company's greenhouse gas emissions in 2024 have decreased by 9.6% compared to the base year of 2017. Moving forward, the Company will actively implement energy-saving and carbon reduction programs, as well as the installation and utilization of renewable energy. The mid-term carbon reduction strategy will focus on transitioning to low-</p>

Item	Implementation Status
	carbon energy, enhancing energy efficiency, and implementing AI intelligent monitoring. The long-term carbon reduction strategy will continue to emphasize low-carbon fuels, carbon capture and reuse technologies, and negative carbon emission technologies, in order to achieve carbon neutrality goals and advance towards a low-carbon economic transformation. For details regarding the planning timeline for greenhouse gas emission reductions and the progress to be achieved annually, please refer to the explanation in point 9, sections 1-2 below.
9. Greenhouse Gas Inventory and Verification Status and Target, Strategy and Tangible Action Plan of Carbon Reduction (also completed in sections 1-1 and 1-2).	9. Please refer to the detailed explanation below.

1-1 Greenhouse Gas Inventory and Confirmation of the Company in the Last Two Years

1-1-1 Greenhouse Gas Inventory Information

1. The parent company should begin its inventory assessment starting in 2025.
2. Subsidiaries included in the consolidated financial statements shall begin greenhouse gas inventory starting from 2026.

The consolidated companies have established a greenhouse gas inventory mechanism in accordance with the ISO 14064-1 standard for greenhouse gas inventory published by the International Organization for Standardization (ISO) (ISO 14064-1:2018 Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals). Starting in 2023, the Company will conduct annual audits of the greenhouse gas emissions of its individual and consolidated financial reporting subsidiaries. This will ensure a comprehensive understanding of greenhouse gas usage and emissions, as well as the verification of the effectiveness of reduction initiatives. Furthermore, the greenhouse gas inventory data for the past two years has been compiled in accordance with the Operational Control Method, which includes the greenhouse gas emissions of the Company and all subsidiaries included in the consolidated financial statements. The details are as follows:

Statistics of greenhouse gas emissions in recent two years are as follows:

Year		2023		2024	
		Emissions (tonsCO ₂ e)	Density (tons CO ₂ e/NT\$ million)	Emissions (tonsCO ₂ e)	Density (tons CO ₂ e/NT\$ million)
The Company	Scope 1 [Direct Greenhouse Gas (GHG) Emissions]	10,188		11,937	
	Scope 2 [Indirect Greenhouse Gas (GHG) Emissions]	97,820		94,091	
	Subtotal	108,008		106,028	
All	Scope 1 [Direct Greenhouse Gas	3		3	

subsidiaries in the consolidated financial statements.	(GHG) Emissions]				
	Scope 2 [Indirect Greenhouse Gas (GHG) Emissions]	16		16	
	Subtotal	19		19	
Total		108,027	16.08	106,047	17.58

Note: 1. 2023 data is third-party assured; 2024 data is self-compiled.

2. Scope of Data: Consolidated financial reports of subsidiaries (including APC (BVI) Holding Co., Ltd., USI International Corporation, USI Trading (Shanghai) Co., Ltd., and APC Investment Corporation)

3. In 2024, if carbon emissions from the inspection points do not exceed 5% of the total emissions, and there are no significant operational changes, the emissions data from the first year (2023) will be used for calculations. Applicable entities include APC (BVI) Holding Co., Ltd., USI International Corporation, USI Trading (Shanghai) Co., Ltd., and APC Investment Corporation

Note 1: The Company is responsible for three types of emissions: direct emissions (Scope 1, which come directly from sources owned or controlled by the Company); energy indirect emissions (Scope 2, which are greenhouse gas emissions indirectly caused by the input of electricity, heat, or steam); and other indirect emissions (Scope 3, which are emissions generated by company activities that are not energy indirect emissions but come from sources owned or controlled by other companies).

Note 2: The management of direct emissions and indirect emissions from energy should follow the timeline outlined in Article 10, Section 2 of these guidelines. Additional details regarding indirect emissions may be disclosed on a voluntary basis.

Note 3: The Greenhouse Gas Inventory Standard: defined by either the Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1, which is issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or revenue, but at least the data in terms of revenue (NT\$ million) should be stated.

1-1-2 Greenhouse Gas Information Assurance

1. The parent company should begin its assurance process starting in 2027.
2. Subsidiaries included in the consolidated financial statements shall begin greenhouse gas inventory starting from 2028.

The status of assurance for greenhouse gas (GHG) inventories conducted over the past two years by the Company and certain subsidiaries included in the consolidated financial statements (including APC (BVI) Holding Co., Ltd., USI International Corporation, USI Trading (Shanghai) Co., Ltd., and APC Investment Corporation) is as follows:

Scope of Assurance		2023 Annual Emissions (tons CO ₂ e)	2024 Annual Emissions (tons CO ₂ e)
The Company	Scope 1 [Direct Greenhouse Gas (GHG) Emissions]	10,188	Complete assurance information will be disclosed in the 2024 Sustainability Report.
	Scope 2 [Indirect Greenhouse Gas (GHG) Emissions]	97,820	
	Total	108,008	
	Percentage of the inventory data disclosed in 1-1-1.	100%	
Partial subsidiaries in the consolidated financial statements.	Scope 1 [Direct Greenhouse Gas (GHG) Emissions]	3	
	Scope 2 [Indirect Greenhouse Gas (GHG) Emissions]	16	
	Total	19	
	Percentage of the inventory data disclosed in 1-1-1.	100%	
Assurance Institution		Ernst & Young Taiwan	

Assurance Status Description	Limited assurance in accordance with Assurance Standard No. 3410.	
Assurance Opinion / Conclusion	No qualified opinions	

- Note 1: According to Article 10, Section 2 of these regulations, the prescribed schedule must be adhered to. If the Company fails to obtain a complete greenhouse gas assurance opinion by the publication date of the Annual Report, it should be stated that “complete assurance information will be disclosed in the sustainability report”. If the Company has not prepared a sustainability report, it should be stated that “complete assurance information will be disclosed on the Public Information Observation Station”, and the complete assurance information should be disclosed in the Annual Report of the following year.
- Note 2: Institutions are expected to adhere to the applicable regulations outlined in the Sustainable Reporting Guidelines for Institutions, as established by the Taiwan Stock Exchange Corporation and the Securities and Futures Institute of Taiwan.
- Note 3: For disclosure details, please refer to the best practice reference examples on the TWSE Corporate Governance Center website.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Action Plan

Base Year for Greenhouse Gas Reduction and Reduction Targets:

At the beginning of 2022, the Company set a carbon reduction target of “a 27% reduction in carbon emissions by 2030 compared to 2017 levels.” In 2023, the Company further committed to achieving “carbon neutrality by 2050.” These targets apply to the three production sites in Taiwan and cover Scope 1 and Scope 2 greenhouse gas emissions.

Greenhouse Gas Reduction Strategies, and Action Plans:

Continuously implement ISO 14064-1 greenhouse gas inventory and assurance, persistently promote the energy management system, and plan and execute carbon reduction initiatives. The carbon reduction initiatives implemented by Asia Polymer at each plant include the replacement of reactor motors, energy-saving improvements in the Line 4 pelletizing area, increased steam output from V-1227, reduced production pressure for energy savings, energy-saving improvements for the Line 3 catalyst pump, temperature reduction and energy savings in the Line 2 recycle line, and energy-saving improvements in the Line 3 VA conveying system.

The Company will continue to commit to addressing the challenges posed by climate change and actively promote carbon reduction goals and sustainable development strategies. Based on the achievements of 2023 and the existing carbon reduction strategies, Asia Polymer anticipates achieving a higher carbon reduction target of 27% and a carbon neutrality goal by 2030 and 2050, respectively.

The Company plans to strengthen energy management and enhance energy efficiency in the short term (by 2025). The Company will implement an intelligent energy management system and continue to promote energy-saving and carbon reduction improvement projects in the manufacturing process. This initiative will integrate artificial intelligence technology to optimize processes, achieving more efficient energy utilization and lower carbon emissions. At the same time, Asia Polymer will actively procure green energy to further reduce its reliance on gray energy.

Our mid-term goal (2025-2030) is to promote the transition to low-carbon energy, implement an internal carbon pricing mechanism, and incorporate carbon emission costs into the decision-making process. This initiative aims to encourage all employees and supply chain partners to actively participate in carbon reduction efforts. Asia Polymer will continue to promote energy-saving and carbon reduction

projects to ensure that greenhouse gas emissions decrease year by year, achieving the goal of reducing carbon emissions in 2030 by 27% compared to 2017.

In the long term, The Company aims to achieve carbon neutrality by the year 2050. To this end, the Company will continue to monitor Carbon Capture, Utilization, and Storage (CCUS) technologies and negative carbon technologies, and will integrate these innovative technologies into existing production and operational processes. Furthermore, The Company will continuously enhance its climate change risk management by conducting risk analyses and developing response strategies based on various climate scenarios, ensuring the resilience of the Company's operations. The Company will regularly review and update its carbon reduction goals and strategies, and will disclose progress and results to stakeholders through publicly available sustainability reports.

Status of Reduction Target Achievement:

In 2024, The Company conducted a self-inventory of greenhouse gas emissions, reporting a total emission of 11,937 metric tons of CO₂e for Scope 1 and 94,091 metric tons of CO₂e for Scope 2, for a total of 106,028 metric tons of CO₂e. This represents a decrease of 9.6% compared to the base year (emissions in 2017 were 117,228 metric tons of CO₂e).

Note 1: The processing should be conducted in accordance with the schedule specified in the order outlined in Article 10, Section 2 of these guidelines.

Note 2: The base year should be the year in which the consolidation financial report boundary is completed. For example, according to Article 10, Section 2 of this standard, companies with a capital of over NT\$10 billion should complete the review of the consolidation financial report for 2024 in 2025. Therefore, the base year is 2024. If the Company has completed the review of the consolidation financial report in advance, the earlier fiscal year can be used as the base year. The data for the base year can be calculated as a single fiscal year or an average of multiple fiscal years.

Note 3: For disclosure details, please refer to the best practice reference examples on the TWSE Corporate Governance Center website.

(VII) Implementation Status of Ethical Corporate Management and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
<p>I. Establishment of ethical corporate management policies and programs</p> <p>(I) Does the Company establish the ethical corporate management policies approved by the Board of Directors and declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its Board to implement the policies?</p>	V		<p>(I) Integrity Policy</p> <p>In line with the Group’s business philosophy of “robust operation, professional management, pursuit of excellence, and service to the society” and the corporate culture of “seeking truth from facts as well as integrity and discreteness,” the Company has established the “Ethical Corporate Management Principles,” the “Procedures for Ethical Management and Guidelines for Conduct,” and the “Codes of Ethical Conduct for Directors and Managerial Officers” to stipulate its the ethical corporate management policy explicitly. Both the Directors and the General Manager of the Company have signed a statement on</p>	<p>Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.</p>

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
(II) Does the Company establish an assessment mechanism for unethical risks, according to which it analyzes and assesses operating activities with high potential unethical risks? Does the mechanism include any precautionary measures against all the conducts as stated in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	V		<p>compliance with the ethical corporate management policy to implement the commitments of the management policy.</p> <p>(II) Ethical Corporate Management Best Practice Principles and Preventive Measures</p> <p>The Company’s Board of Directors has established the “Ethical Corporate Management Best Practice Principles” and evaluation mechanisms for the risks of unethical conduct and regularly analyze and evaluate business activities within their business scope that are possibly at a higher risk of being involved in an unethical conduct. The Company shall use the evaluation to establish prevention programs, regularly review the appropriateness and effectiveness of prevention programs, and strengthen related preventive measures. The prevention programs adopted by the Company shall include preventive measures against the following actions:</p> <ol style="list-style-type: none"> 1. Offering and acceptance of bribes. 2. Illegal political donations. 	

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
(III) Has the Company established policies to prevent unethical conduct, with clear statements regarding relevant procedures, conduct guidelines, punishments for violation, and rules	V		<p>3. Improper charitable donations or sponsorship.</p> <p>4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.</p> <p>5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.</p> <p>6. Engaging in unfair competitive practices.</p> <p>7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.</p> <p>(III) Integrity in Business Operations and Reporting Channels</p> <p>1. The Company has established the “Ethical Corporate Management Best Practice Principles” and the “Procedures for Ethical Management and Guidelines for Conduct,” which have been approved by the Board of</p>	

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
for appeal, and does the Company implement them accordingly, and regularly review and correct such measures?			<p>Directors, to specifically regulate matters to be noted for the Directors, managerial officers, employees, and substantive controllers when performing their duties, as well as the disciplinary and grievance systems for non-compliance.</p> <p>2. The Company has also established the “Rules for Handling Cases of Illegal and Unethical or Dishonest Conduct” to encourage the reporting of any illegal or unethical conduct or violations of the Code of Ethical Conduct or the Code of Business Integrity. We provide multiple reporting channels through which employees or external individuals can report illegal, unethical, or dishonest behaviors. A designated person is responsible for handling these reports, and the identity of the whistleblower as well as the content of the report will be kept confidential. The reporting channels are as follows:</p>	

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
			<ul style="list-style-type: none"> ● Audit Committee: Accept reports from shareholders, investors, and other stakeholders through the Company website. ● Audit Department: Reporting Hotline 2650-3783. ● Human Resources Department: Complaint hotline (extension 2609) and email (usighr@usig.com). ● The employee complaint mailbox is located next to the security office or bulletin board in the factory area; in the Taipei office area, it is situated on the 6th floor of the USI Building. <p>In 2024, no unit received any illegal reports.</p> <p>3. Related regulations have been fully implemented and we continue to organize training courses to promote the ideals.</p>	
II. Implementing Ethical Corporate Management				Consistent with the “Ethical Corporate Management Best

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
(I) Does the Company evaluate business partners’ ethical records and include ethics-related clauses in the business contracts signed with the counterparties?	V		(I) The Company has requested for terms of ethical conduct to be clearly defined in commercial contracts in accordance with its Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct.	Practice Principles for TWSE or TPEX Listed Companies.
(II) Has the Company established an exclusively (or concurrently) dedicated unit under the Board to implement ethical corporate management, and report to the Board on a regular basis (at least annually) about the ethical corporate management policies, precautionary measures against unethical conducts,	V		(II) To strengthen ethical corporate management, the corporate governance team is responsible for establishing the ethical corporate management policy and prevention programs while supervising such implementation; the Corporate Governance Officer reports to the Board of Directors regularly at least once a year. The Director of Corporate Governance shall report to the Board of Directors on November 6, 2024 on the implementation of ethical business for the year, including the following:	

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
as well as the implementation and supervision thereof?			<ol style="list-style-type: none"> 1. Cooperate with laws and regulations to formulate and implement relevant regulations for the implementation of honest business policy 2. Regularly analyze and assess the risk of dishonest conduct in the business area. Assess the risk of dishonest conduct within the business scope according to the checklist for assessing the risk of dishonest conduct. No significant risk was assessed for the current year. 3. The Company has planned its internal organizational structure and placed a control mechanism on business activities with higher risk of dishonest conduct in the business scope. 4. It promoted and coordinated of honesty policy advocacy training. 5. Developing a whistle-blowing system and ensuring its operating effectiveness. No illegal incidents were reported this year. 	

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
<p>(III) Has the Company established policies to prevent conflicts of interest, provided an appropriate channel for reporting such conflicts and implemented them?</p> <p>(IV) Has the Company established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the results</p>	V		<p>6. Assist the Board of Directors and the General Manager in reviewing and assessing whether the prevention measures taken for the purpose of implementing ethical corporate management are carried out effectively, and prepare reports on the regular assessment of compliance with operating procedures.</p> <p>(III) The Company has formulated the “Guidelines for the Adoption of Codes of Ethical Conduct for Directors and Managerial Officers” to prevent conflict of interest and provide suitable channels for Directors, managers, and employees to explain any potential conflict of interest with the Company.</p> <p>(IV) The Company’s accounting systems and internal control systems can run independently and objectively. Internal control personnel regularly report their findings to the Audit Committee and the Board of Directors. CPAs appointed by the</p>	

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
<p>of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?</p> <p>(V) Does the Company regularly hold internal and external training on ethical corporate management?</p>	V		<p>Company regularly perform internal audits and hold discussions with the management.</p> <p>The internal audit unit has drafted the audit plan for next year after risk assessment and included the item of “management of reporting illegal and unethical or dishonest behavior” in the audit, which is used to check compliance with the dishonesty prevention program.</p> <p>(V) To facilitate the understanding and promotion of the Group’s integrity and ethical standards among the Company’s directors, managers, and employees, the Company requires that all employees adhere to the integrity management policy as a condition of employment. Employees are required to sign a commitment letter to comply with the Company’s integrity policy on their first day of work. Directors and senior managers are also required to sign a statement of integrity management upon their appointment, which is kept on file by designated personnel for reference. To ensure integrity in</p>	

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies” and reasons for such discrepancies																				
	Yes	No	Overview																					
			<p>operations and ethical conduct, the Company continues to promote and regularly conduct relevant training courses, reinforcing employee awareness through assessments. In 2024, Asia Polymer held educational training related to integrity in operations, with a total of 71 participants, including employees and directors, and a cumulative training duration of 144 hours. Details of courses are as follows:</p> <table><tr><th>Course Title</th><th>Hours</th><th>Person-time</th><th>Total hours</th></tr><tr><td>[Integrity Seminar] Supervisor’s Understanding of Workplace Illegal Infringements - Integrity Lecture</td><td>2</td><td>23</td><td>46</td></tr><tr><td>[Integrity Seminar] Workplace Ethics: Stop, Look, and Listen</td><td>2</td><td>21</td><td>42</td></tr><tr><td>[Integrity Seminar] No-Fault Product Liability!?</td><td>2</td><td>25</td><td>50</td></tr><tr><td>[Ethics Lecture] Insider Trading Practice Cases and Related Legal</td><td>3</td><td>1</td><td>3</td></tr></table>	Course Title	Hours	Person-time	Total hours	[Integrity Seminar] Supervisor’s Understanding of Workplace Illegal Infringements - Integrity Lecture	2	23	46	[Integrity Seminar] Workplace Ethics: Stop, Look, and Listen	2	21	42	[Integrity Seminar] No-Fault Product Liability!?	2	25	50	[Ethics Lecture] Insider Trading Practice Cases and Related Legal	3	1	3	
Course Title	Hours	Person-time	Total hours																					
[Integrity Seminar] Supervisor’s Understanding of Workplace Illegal Infringements - Integrity Lecture	2	23	46																					
[Integrity Seminar] Workplace Ethics: Stop, Look, and Listen	2	21	42																					
[Integrity Seminar] No-Fault Product Liability!?	2	25	50																					
[Ethics Lecture] Insider Trading Practice Cases and Related Legal	3	1	3																					

Evaluation Item	Implementation Status (Note 1)					Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies												
	Yes	No	Overview															
			<table><tr><td>Liabilities (2024)</td><td></td><td></td><td></td></tr><tr><td>[Ethics Lecture] Trade Secrets Act Introduction and Case Analysis (2024)</td><td>3</td><td>1</td><td>3</td></tr><tr><td>Total</td><td>71</td><td>144</td><td></td></tr></table>			Liabilities (2024)				[Ethics Lecture] Trade Secrets Act Introduction and Case Analysis (2024)	3	1	3	Total	71	144		
Liabilities (2024)																		
[Ethics Lecture] Trade Secrets Act Introduction and Case Analysis (2024)	3	1	3															
Total	71	144																
III. Implementation of the Company’s whistleblowing system (I) Has the Company established a specific whistleblowing and reward system, set up convenient whistleblowing channels and designated appropriate personnel to handle investigations against wrongdoers?	V		(I) The Company’s Board of Directors passed the amendments to the “ <u>Procedures for Handling Cases of Illegal and Unethical or Dishonest Conduct</u> “ on November 12, 2019 (Website: https://www.apc.com.tw/OthersPDF/APC_HandlingForIllegalImmoral.pdf) The specific whistleblowing channels, incentive system, dedicated personnel, and whistle-blower protection are as follows: 1. Whistle-blowing channels: (1) Personal report: Face-to-face explanation.			Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies.												

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
			<p>(2) Report via telephone: 02-26503783</p> <p>(3) Written report: Auditing Division, 7F., No. 37, Jihu Rd., Neihu Dist., Taipei City.</p> <p>2. Incentive system: Where a report is verified as true and its contribution generates significant economic benefits, the incident may be submitted to the General Manager to provide the reporter with appropriate rewards.</p> <p>3. Dedicated personnel: (1) Audit Committee: Accept reports from shareholders, investors, and other stakeholders. (2) Auditing Division: Accept reports from clients, suppliers, and contractors. (3) Human Resources Division: Accept reports from employees.</p> <p>4. Whistle-blower protection: Whistleblowers or persons involved in investigations shall</p>	

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
(II) Has the Company established standard operating procedures for the investigation of reports, follow-up measures to be taken after the investigation is completed, and the relevant confidentiality mechanism?	V		<p>be fully protected and the confidentiality of their identities and information provided shall be fully maintained, so that they will not be subjected to unfair treatment or retaliation. Where the whistleblower is an employee, the Company shall guarantee that the employee shall not sustain inappropriate treatment that may arise from the report.</p> <p>(II) The measures mentioned in the preceding paragraph specify the standard operating procedures for investigating the case being exposed by the whistle-blower and the relevant confidentiality mechanism; where whistleblower is anonymous or did not use his/her true name, or the content stated or the proof of origin provided is deemed necessary for investigation, the case may still be reported to the Chairman/General Manager before the case is handled and recorded as a reference for internal review. After a report is accepted, an investigation will be conducted for internal evidence. If it is proved to be true, the Company will handle</p>	

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
(III) Has the Company set up protection for whistleblowers to prevent them from being subjected to inappropriate measures as a result of reporting such incidents?	V		<p>it based on its illegal violation or the severity of violation in accordance with the disciplinary regulations and relevant laws.</p> <p>(III) The procedures above also specify that whistleblowers or persons involved in investigations shall be fully protected and the confidentiality of their identities fully maintained, so that they will not be subjected to unfair treatment or retaliation.</p>	
IV. Strengthening Information Disclosure Does the Company disclose the ethical corporate management policies and the results of its implementation on the Company website and MOPS?	V		<p>The Company’s website (https://www.apc.com.tw/zhtw/dirServices/frmServices2.aspx)</p> <p>The Company has disclosed relevant regulations and information on ethical corporate management on the Company’s website, which is available for employees at any time.</p> <p>The information related to ethical corporate management and the effectiveness of implementation is disclosed on the website and in the annual report (and MOPS simultaneously).</p>	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies.

Evaluation Item	Implementation Status (Note 1)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
V. If the Company has established <u>its</u> own Ethical Corporate Management Best Practice Principles in accordance with the Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies, state the discrepancies between these principles and its implementation: The Company has established its “Guidelines for the Adoption of Codes of Ethical Conduct for Directors and Managerial Officers”, the “Ethical Corporate Management Best Practice Principles”, the “Procedures for Ethical Management and Guidelines for Conduct”, the “Code of Conduct for Employees Regarding Concurrent and Part-time Work”, and the “Procedures for Handling Cases of Illegal and Unethical or Dishonest Conduct”. There was no material discrepancy during the implementation of these rules and regulations.				
VI. Other important information that facilitate the understanding of the implementation of ethical corporate management (such as review and amendment of the Company’s Ethical Corporate Management Best Practice Principles): The Company has established relevant internal standards in accordance with the Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Companies amended according to the competent authority’s announcement and the Corporate Governance Best Practice Principles amended on August 4, 2022. The amendments of the Procedures for Ethical Management and Guidelines for Conduct were approved by the Board of Directors on November 2, 2022. The head of corporate governance shall regularly report to the Board of Directors at least once a year. The latest report was delivered to the Board of Directors on matters related to ethical corporate operation on November 6, 2024.				

Note: Regardless of whether “Yes” or “No” is selected, provide a brief description in the Summary column.

(VIII) Other important information that can promote understanding of the Company's corporate governance operations:

The Company regularly performs audit of its subsidiaries, and regularly analyzes and reviews the financial and business information of its subsidiaries in accordance with the requirements for supervision and monitoring of subsidiaries stipulated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies".

(IX)Implementation of Internal Control System

1. Internal Control System Statement

Asia Polymer Corporation
Statement on Internal Control System

Date: March 5, 2025

The Company makes the following statement according to the self-evaluation conducted of the internal control system in 2024:

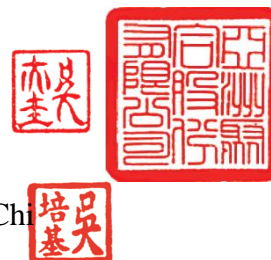
- I. The Company acknowledges that it is the responsibility of the Board of Directors and managerial officers to establish, implement, and maintain the established internal control system. Its purpose is to reasonably ensure that operational effectiveness and efficiency (including income, performance, and asset safety) and reporting are reliable, timely, and transparent, as well as to ensure compliance with relevant regulations and laws.
- II. An internal control system has inherent constraints. No matter how comprehensive its design may be, an effective internal control system is only capable of providing adequate assurance for achieving the above-mentioned objectives. In addition, the effectiveness of the internal control system may change with the environment and under different situations. Nevertheless, the internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
- III. The Company evaluates the design and operating effectiveness of the internal control system based on the criteria provided in the “Regulations Governing the Establishment of Internal Control Systems by Public Companies” (herein below, the “Regulations”). The items for the determination of internal control systems adopted in the Regulations has identified five key components based on management control processes: (1) control environment, (2) risk assessment, (3) control operations, (4) information and communication, and (5) monitoring operations. Each component includes a number of items. For more information on the above-mentioned items, please refer to the Regulations.
- IV. The Company has evaluated the design and operating effectiveness of the internal control system according to the Regulations.
- V. In accordance with the aforementioned evaluation, the Company has found that the design and implementation of the internal control system (including the assessment and management of subsidiaries), as of December 31, 2024, including the efficacy of understanding operations, the efficiency of achievement of objectives, reliability in reporting, timeliness, and compliance with the relevant guidelines and laws, are effective and can reasonably provide assurance of the aforesaid goals.
- VI. This statement is an integral part of the Company’s annual report and prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

VII. The Statement has been approved by the Board of Directors on March 5, 2025. All nine attending directors have agreed to its content and hereby declared.

Asia Polymer Corporation

Chairman: Wu Yi-Kuei

General Manager: Wu, Pei-Chi



2. If a CPA has been hired to carry out a special audit of the internal control system, the CPA audit report shall be disclosed: N/A.

(X) Major Resolutions of Shareholders' Meeting and Board Meetings during the Most Recent Fiscal Year and during the Current Fiscal Year Up to the Date of Publication of the Annual Report

1. Shareholders' Meeting

Year of Meeting	Date of Meeting	Key Resolutions and their implementation
2024	2024/5/30	<p>The minutes of the Shareholders' Meeting were posted onto MOPS on June 18, 2024. The resolutions and their status of implementation are as follows:</p> <ol style="list-style-type: none"> 1. Ratified the 2023 Account Book. Implementation status: Resolution passed. 2. Ratified the 2023 Distribution of the Annual Surplus. Implementation status: Resolution passed. A cash dividend of NT\$267,184,763 was distributed to shareholders, with August 2, 2024, designated as the record date for the distribution, which was completed on August 23, 2024. 3. Discussed the removal of the non-compete clause for newly appointed Directors Implementation status: Resolution passed.

2. Board of Directors

Year of Meeting	Date of Meeting	Key Resolutions
1st meeting, 2024	2024/3/7	<ol style="list-style-type: none"> 1. Ratified the renewal of the three-year medium-term loan limit signed with Bank of China, Taipei Branch 2. Approved the 2023 Account Book.

Year of Meeting	Date of Meeting	Key Resolutions
		3. Approved the 2023 reward distribution plan for directors and employees. 4. Approved the 2023 profit distribution plan 5. Approval of the proposal to lift the restriction of non-competition for directors. 6. Approved matters related to the convening of the 2024 general shareholders' meeting. 7. Approved setting a specific timeframe and designated location for accepting shareholder proposals. 8. Approved the 2024 evaluation of the independence and qualification of appointed CPAs 9. Approved the appointment of the accountant of 2024. 10. Approved the amendment of certain articles in the Rules of Procedure for Directors' Meetings. 11. Approved the amendment to certain articles of the Corporate Governance Best Practice Principles. 12. Approved the issuance of the internal control system statement in 2023. 13. Approved managerial officers to engage in competitions. 14. Approved the replacement the accounting manager. 15. Approved audit supervisors to engage in competitions. 16. Approved to authorize the Chairman to sign and deliver short-term credit loan contracts and related documents to financial institutions. 17. Approved donations to the USI Education Foundation.
2st meeting, 2024	2024/5/7	1. Approved the 2024 Q1 Consolidated Financial Statements. 2. Approved the amendments to the Company's internal control system.
3rd meeting, 2024	2024/8/5	1. Approved the 2024 Q2 Consolidated Financial Statements. 2. Approval of the 2023 Sustainability Report. 3. Approved the amendment to the Corporate Governance Principles
4th meeting, 2024	2024/11/6	1. Ratified changes and certain terms of a newly signed five-year medium-term loan facility agreement with Cathay United Bank. 2. Ratified the renewal of a three-year medium-term credit facility agreement with DBS Bank (Taiwan) Ltd. 3. Approved the 2024 Q3 Consolidated Financial Statements. 4. Approved the annual audit budget in 2025. 5. Approved CPAs' remuneration for 2024

Year of Meeting	Date of Meeting	Key Resolutions
		6. Approve the amendment of Internal Control System 7. Approved the annual audit plan of 2025. 8. Approved managerial officers to engage in competitions.
1st meeting, 2025	2025/3/5	1. Ratified the renewal of the three-year medium-term loan limit signed with First Commercial Bank 2. Ratified the renewal of the three-year medium-term loan limit signed with Taishin International Bank 3. Approved the 2024 Account Book. 4. Approved the 2024 earnings distribution plan 5. Approved the amendment of certain articles in the Regulations Governing the Acquisition and Disposal of Assets. 6. Approved the definition of the scope of entry-level employees. 7. Approved the reelection of directors at the annual general meeting. 8. Approved the proposal to lift the restriction of non-competition for new directors. 9. Approved matters related to the convening of the 2025 general shareholders' meeting. 10. Approved setting a specific timeframe and designated location for accepting shareholder proposals. 11. Approved the 2025 evaluation of the independence and qualification of appointed CPAs 12. Approved the appointment of CPAs for 2025. 13. Approved the issuance of the internal control system statement in 2024. 14. Approved the issuance of unsecured ordinary corporate bonds 15. Approved to authorize the Chairman to sign and deliver short-term credit loan contracts and related documents to financial institutions. 16. Approved donations to the USI Education Foundation.

(XI)(Dissenting opinions or qualified opinions on resolutions passed by the Board of Directors that are made by directors or supervisors, and are documented or issued through written statements, in the most recent fiscal year up to the publication date of this annual report:

No such situation at the Company in the most recent fiscal year up to the publication date of the Annual Report.

IV. Information on CPA Professional Fees

- (I) If the non-audit fees paid to the CPAs, accounting firm and its affiliated companies exceeds one-fourth of the audit fees, the amount of audit and non-audit fees and the content of non-audit services shall be disclosed:

Unit: NT\$ 1,000

Name of CPA Firm	Name of CPAs	Audit Period	Audit Fees	Non-Audit Fees	Total	Remark
Deloitte Taiwan	CPA Chiu Cheng-Chun	2024	2,450	510 (Note 3)	2,960	
	CPA Chuang Pi-Yu	2024				

Note 1: Please state the non-audit services: (e.g., tax compliance, assurance or other financial consulting services)

Note 2: Where this Company replaces the CPA or accounting firm, the auditing periods of the former and successor CPA or firm shall be annotated separately. The reason for the replacement shall be provided in the Notes section accordingly. And disclose the audit and non-audit fees paid in order. Non-audit fees shall be accompanied by a note stating the content of their services.

Note 3: It is tax certification services.

- (II) Where the CPA firm was replaced, and the audit fees in the fiscal year, when the replacement was made, were less than that in the previous fiscal year before replacement, the amount of audit fees paid before/after replacement and reasons for paying this amount shall be disclosed:

The Company did not replace the CPA firm in 2024. Therefore, this section is not applicable.

- (III) Where accounting fee paid for the year was 10% (or more) less than that of the previous year, the sum, proportion, and cause of the reduction shall be disclosed:

The audit fees for 2024 of The Company did not decrease by ten percent compared to 2023. Therefore, the decrease is not applicable.

V. Information on Replacement of CPA

- (I) Regarding the former CPA: Not applicable
- (II) Information on the succeeding CPA: Not applicable
- (III) Former CPAs' reply to Item 1 and 2-3, Subparagraph 6, Article 10 of the Annual Accounting Standards: Not applicable

VI. Where the Company's directors, general manager, managerial officer in charge of finance or accounting who has served in a CPA's accounting firm or its affiliated companies in the most recent fiscal year, the name, job title, and the accounting firm, or the affiliated company shall be disclosed: Not applicable.

VII. Equity transfer or changes in equity pledged by the Company's directors, supervisors, managerial officers or shareholders with shareholding percentage exceeding ten percent in the most recent fiscal year up to the publication date of this Annual Report:

(I) Changes in shareholdings of directors, supervisors, managers and major shareholders

Title	Name	2024		For the year ended March 31, 2025	
		Increase (decrease) in number of shares held	Increase (decrease) in number of shares pledged	Increase (decrease) in number of shares held	Increase (decrease) in number of shares pledged
Major Shareholders	Union Polymer Int'l Investment Corp.	0	0	0	0
Director	Wu Yi-Kuei (Representative of Union Polymer International Investment Corporation)	0	0	0	0
	Li Kuo-Hung (representative of Union Polymer International Investment Corporation)	0	0	0	0
Shareholder	USIFE Investment Co., Ltd.	0	0	0	0
Director	Wu, Pei-Chi (Representative of USIFE Investment Co., Ltd.)	0	0	0	0
	Wu Hung-Chu (Representative of USIFE Investment Co., Ltd.)	0	0	0	0
Shareholder	Taiwan Union International Investment Corporation	0	0	0	0
Director	Ko I-Shao (representative of Tai Lien International Investment Co., Ltd.) (relieved of duties on March 1, 2024)	0	0	N/A	
	Bi Shu-Chien (representative of Tai Lien International Investment Co., Ltd.) (appointed on March 1, 2024)	0	0	0	0

Title	Name	2024		For the year ended March 31, 2025	
		Increase (decrease) in number of shares held	Increase (decrease) in number of shares pledged	Increase (decrease) in number of shares held	Increase (decrease) in number of shares pledged
Independent Director	Shen Shang-Hung	0	0	0	0
	Chen Ta-Hsiung	0	0	0	0
	Cheng Tun-Chien	0	0	0	0
	Chen Chien-Ping	0	0	0	0
Chief Executive Officer	Wu, Yi-Kuei	0	0	0	0
General Manager	Wu, Pei-Chi	0	0	0	0
Deputy General Manager of Sales Department	Wu Ming-Tsung	0	0	0	0
Director of Corporate Governance	Chen Yung-Chih	0	0	0	0
Director of Linyuan Plant	Hsieh Wang-Chuan	0	0	0	0
Accounting Manager	Chen Cheng-shun (relieved of duties on March 7, 2024)	0	0	N/A	
	Chang Sheng-Chuan (appointed on March 7, 2024)	0	0	0	0
Finance Manager	Shih Ju-Hsuan	0	0	0	0
Sales Director	Tseng Kuo-Lung (relieved of duty on February 5, 2025)	0	0	0	0
	Huang Ko-Ming (Newly appointed on February 5, 2023)	N/A		0	0

Note 1: Shareholders who hold more than ten (10) percent of the Company's shares should be noted as substantial shareholders, and listed separately.

Note 2: Counter parties involved in equity transfer or pledging of shares to related parties should be shown in the following table.

(II) Transfer of equity: Not applicable.

(III) Equity pledge information: Not applicable.

VIII. Information Regarding the Top 10 Shareholders in Terms of Number of Shares Held, Who Are Related Parties or Each Other's Spouses and Relatives within the Second Degree of Kinship:

March 30, 2025

Name (Note 1)	Current Shareholding		Shares held by spouse and minor children		Shareholding by Nominee Arrangement		Title or name and relationship of top 10 shareholders who are related parties or each other's spouses and relatives within the second degree of kinship (Note 3) (Note 3)		Remark
	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Name	Relationship	
Union Polymer International Investment Corporation	214,245,822	36.08%	—	—	0	0%	China General Terminal & Distribution	Same ultimate parent company	
Representative: Wu Yi-Kuei	0	0%	—	—	0	0%	None	None	
Taiwan Union International Investment Corporation	14,311,014	2.41%	—	—	0	0%	None	None	
Representative: Pi Shu-Chien	0	0%	0	0%	0	0%	China General Terminal & Distribution	Director	
TransGlobe Life Insurance Inc.	13,552,000	2.28%	—	—	0	0%	None	None	
Representative: Lin Wen-Hui	0	0%	0	0%	0	0%	None	None	
Chunghwa Post Co., Ltd.	7,934,820	1.34%	—	—	0	0%	None	None	
Representative: Wang Kuo-Tsai	0	0%	0	0%	0	0%	None	None	
Changhua Commercial Bank Co., Ltd. is entrusted with the custody of the Mega Taiwan ESG Sustainable High Dividend Equal Weight ETF Securities Investment Trust Fund account.	6,614,843	1.11%	—	—	0	0%	None	None	
The First Insurance Co., Ltd.	6,403,000	1.08%	—	—	0	0%	None	None	
Representative: Li, Zheng-Han	Shareholders did not provide information.								
JPMorgan Chase Bank N.A., Taipei Branch as custodian of Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	5,519,340	0.93%	—	—	0	0%	None	None	
JP Morgan Chase Bank Taipei Branch as custodian of Vanguard Total International Stock Index Fund Investment Account, a series of Vanguard Star Funds	5,358,624	0.90%	—	—	0	0%	None	None	

Name (Note 1)	Current Shareholding		Shares held by spouse and minor children		Shareholding by Nominee Arrangement		Title or name and relationship of top 10 shareholders who are related parties or each other's spouses and relatives within the second degree of kinship (Note 3) (Note 3)		Remark
	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Name	Relationship	
China General Terminal & Distribution Corporation Representative: Chang Hung-Chiang	5,290,482	0.89%	—	—	0	0%	Union Polymer International	Same ultimate parent company	
							Pi Shu-Chien	Director of China General Terminal & Distribution Co.	
	0	0%	0	0%	0	0%	None	None	
The American JP Morgan Chase Bank Taipei Branch is entrusted with the the investment account of Advanced Trust Co., Ltd.'s legal person Total International Stock Market Index Trust II.	2,813,540	0.47%	—	—	0	0%	None	None	

Note 1: All the top 10 shareholders should be listed. For institutional shareholders, their names and the name of their representatives should be listed separately.

Note 2: Shareholding percentage is calculated separately based on the number of shares held in the name of the person, his/her spouse and minors, and others.

Note 3: Relationships between the aforementioned shareholders, including juristic person shareholders and natural person shareholders shall be disclosed based on the financial reporting standards used by the issuer.

IX. Total Number of Shares and Total Equity Stake Held in any Single Enterprise by the Company, Its Directors and Supervisors, Managerial Officers, and Any Companies Controlled Either Directly or Indirectly by the Company

Unit: shares; %; as of December 31, 2024

Reinvestment Entities (Note)	Ownership by the Company		Investments by Directors Supervisors, managerial officers and directly or indirectly controlled enterprises		Combined Investment	
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio
APC (BVI) Holding Co., Ltd.	11,342,594	100.00%	0	0.00%	11,342,594	100.00%
USI International Corp.	2,100,000	70.00%	900,000	30.00%	3,000,000	100.00%
APC Investment Corporation	20,000,000	100.00%	0	0.00%	20,000,000	100.00%
China General Plastics Corporation	46,886,185	8.07%	145,629,958	25.06%	192,516,143	33.13%
China General Terminal & Distribution Corporation	25,053,469	33.33%	0	0.00%	25,053,469	33.33%
Acme Electronics Corporation	6,801,315	3.19%	24,985,728	11.73%	31,787,043	14.92%
Taiwan United Venture Capital Corp.	832,666	8.33%	0	0.00%	832,666	8.33%
Swanson Plastics Corporation	12,266,779	7.95%	11,770,781	7.63%	24,037,560	15.58%
USI Optronics Corporation	5,972,464	9.20%	246,729	0.38%	6,219,193	9.58%
Ever Conquest Global Ltd.	170,475,000	40.87%	0	0.00%	170,475,000	40.87%

Note: Invested by the Company using the equity method

Chapter 3 Funding Status

I. Capital and Shares

(I) Source of share capital

Year and month	Par Value	Authorized Capital		Paid-in Stock Capital		Remark		
		Number of Shares	Amount	Number of Shares	Amount	Source of share capital	Capital Increase by Assets Other than Cash	Others
2021.10	10	620,000,000 shares	NT\$ 6,200,000,000	593,743,919 shares	NT\$5,937,439,190	—	—	—

(Note): Approved by Letter Jing-Shou-Shang-Zi No.11001176720 dated October 13, 2021

Note 1: The annual data shall be updated as of the publication date of this annual report.

Note 2: The effective (approval) date together with the doc. No. should be added for any capital increase.

Note 3: Shares traded below par value shall be indicated in a clear manner.

Note 4: Capital increase by currency debts or technology should be stated, and the type and amount of assets involved in such capital increase should be noted.

Note 5: Shares traded via private placement shall be indicated in a clear manner.

Share type	Authorized Capital			Remark
	Issued Shares	Unissued Shares	Total	
Registered Common Stock	593,743,919 shares	26,256,081 shares	620,000,000 shares	Listed

Please indicate whether the shares are issued by a company listed on the Taiwan Stock Exchange (TWSE) or the Taipei Exchange (TPEX) (Shares of which trading is restricted on the TWSE or those which are traded on the TPEX should be noted).

Information on the shelf registration system: N/A

(II) List of Major Shareholders

March 30, 2025

Names of Substantial Shareholders	Stocks	Shareholding Ratio
	Shares Held	
Union Polymer International Investment Corporation	214,245,822	36.08%
Tai Lien International Investment Co., Ltd.	14,311,014	2.41%
TransGlobe Life Insurance Inc.	13,552,000	2.28%
Chunghwa Post Co., Ltd.	7,934,820	1.34%
Chang Hwa Commercial Bank Co., Ltd. is entrusted with the custody of the Mega Taiwan ESG Sustainable High Dividend Equal Weight ETF Securities Investment Trust Fund account.	6,614,843	1.11%

Names of Substantial Shareholders	Shares Held	Shareholding Ratio
The First Insurance Co., Ltd.	6,403,000	1.08%
JPMorgan Chase Bank N.A., Taipei Branch as custodian of Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	5,519,340	0.93%
JP Morgan Chase Bank Taipei Branch as custodian of Vanguard Total International Stock Index Fund Investment Account, a series of Vanguard Star Funds	5,358,624	0.90%
China General Terminal & Distribution Corporation	5,290,482	0.89%
JP Morgan Chase Bank Taipei Branch is entrusted with the investment account of Advanced Trust Co., Ltd.'s legal person Total International Stock Market Index Trust II.	2,813,540	0.47%

(III) Dividend policy of the company and its implementation

1. Dividend policy stipulated in the Company's Articles of Incorporation

If the Company records a net income after taxes (NIAT) as indicated in its final annual accounts for the current fiscal year, the Company shall use its NIAT to cover cumulative loss in the previous fiscal year. If there is remaining balance, ten (10) percent of this balance has to be set aside as statutory reserves, while the rest shall be regarded as distributable profit. This distributable profit shall then be combined with undistributed earnings that has been accumulated in previous fiscal years. Part of this combined amount shall be recognized as or transferred to special reserves as required by the law or the competent authority, while the remaining balance shall be regarded as cumulative distributable profit. The Board of Directors shall propose a profit distribution plan which is then submitted to the Shareholders' Meetings for approval. The Shareholders' Meeting shall retain all or part of the Company's profit based on its business performance.

In regards to the resolution on profit distribution, it has been decided that, due to the fact that the industry to which the Company belongs is in the maturity stage, and taking in account R&D needs and business diversification, dividends paid to shareholders shall not be less than ten (10) percent of distributable profit in the current fiscal year, where cash dividends shall not be less than ten (10) percent of the total dividends. However, no dividend shall be distributed if the distributable profit per share in the current fiscal year is less

than NT\$0.1.

2. Dividend distribution to be proposed to the shareholders' meeting:

Cash dividends: The allocation of NT\$148,435,979 from undistributed earnings at the end of 2024 for the distribution of cash dividends, where a dividend of NT\$0.25 will be paid for every share, has been proposed. The proposal is still pending approval at the Annual General Meeting before the Chairman of the Board is given the authority to set the date for the distribution of cash dividends.

3. Any expected material changes to the dividend policy shall be further explained: Not applicable.

(IV)Effect on the Operating Performance and Earnings per Share of Distribution of Stock Dividends Proposed or Adopted in the Most Recent Shareholders' Meeting:

No financial forecast was prepared for 2025. Therefore, there is no need to disclose forecast information.

Item		Year	2025 (Estimated)
Beginning paid-in capital			NT\$ 5,937,439,190
Distribution of stock and cash dividends in the current fiscal year	Cash dividends per share		NT\$ 0.25
	Number of shares distributed per share held due to capital increase from surplus earnings		-
	Number of shares distributed per share held due to capital increase by capital reserves		-
Changes in Business Performance	Operating Income		N/A
	Percentage of increase (decrease) in operating profit over the same period in the previous fiscal year		
	Net income after taxes (NIAT)		
	Percentage of increase (decrease) in NIAT over the same period in the previous fiscal year		
	Earnings per share:		
	Percentage of increase (decrease) in EPS over the same period in the previous fiscal year		
	Annual average return on investment (reciprocal of average annual price/earnings ratio)		

Item			Year	2025 (Estimated)
Pro forma earnings per share and price/earnings ratio	If capital increase from surplus earnings is entirely replaced by distribution of cash dividends	Pro forma earnings per share		
		Pro forma average annual return on investment		
	If capital reserves are not used for capital increase	Pro forma earnings per share		
		Pro forma average annual return on investment		
	If capital reserves are not used for capital increase and capital increase by retained earnings is replaced by cash dividend distribution	Pro forma earnings per share		
		Pro forma average annual return on investment		

Note: Distributions of dividends in 2024 is based on the earnings distribution plan approved by the Board of Directors on March 5, 2025.

1. The Company shall explain the basic assumptions for estimates and planned information.
2. Proforma earnings per share if capital increase by retained earnings is entirely replaced by cash dividend distribution

$$= [\text{Net income after tax} - \text{interest expense on imputed cash dividends}^* \times (1 - \text{tax rate})] / [\text{Total number of shares outstanding at the end of the year} - \text{number of shares allotted from surplus}^{**}]$$

Interest expense arising from cash dividends* = Amount of capital increase from surplus earnings \times one-year general loan interest rate
Number of shares in earnings appropriation**: The number of increased shares from the earnings appropriation in the previous year
3. Annual average price-to-earnings ratio = Annual average market price per share/Earnings Per Share reported in the annual financial statements

(V) Remuneration of employees, Directors and Supervisors:

1. Percentage or range of the remuneration of employees and directors as set forth in the Articles of Incorporation:
 - (1) Employee rewards: Employee rewards shall not be less than one (1) percent of the Company's profit in the current fiscal year. The above mentioned employee compensation can be distributed in the form of shares or cash. Compensation could be distributed to employees of the Company's subordinate companies when they meet certain conditions. Such conditions shall be set by the Board of Directors.
 - (2) Director rewards: Director rewards shall not exceed one (1) percent of the Company's profit in the current fiscal year.
2. The basis for estimating the amount of employee and director remunerations, for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:
 - (1) Basis for estimating employee rewards: To be calculated based on the condition that employee rewards shall not be less than one (1) percent of the Company's profit in the current fiscal year.
 - (2) Basis for calculating the number of shares to be distributed as employee rewards: N/A
 - (3) Accounting treatment for discrepancies between the actual and estimated distribution amount: Handled according to changes in accounting estimates.
3. Distribution of rewards approved by the Board of Directors:
 - (1) Rewards for employees and directors shall be distributed in the form of cash or shares. If there is any discrepancy between the above mentioned amount and estimated

amount of recognized expenses for the current fiscal year, the amount, causes and treatment of such discrepancy shall be disclosed:

Due to the lack of profit in 2024, the Company will not distribute employee compensation or director remuneration.

There was no discrepancy between the amount of rewards to be distributed as approved by the Board of Directors and the recognized amount of rewards for employees and directors.

- (2) The amount of any employee remuneration distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial statements or individual financial statements for the current period and the total employee remuneration:

Not applicable as employee rewards were not distributed in the form of shares.

4. If there is any discrepancy between the actual amount of rewards distributed to employees and directors (including number and dollar amount of shares distributed, as well as share price) and the recognized amount of rewards for employees and directors in the previous fiscal year, the amount, causes and treatment of such discrepancies shall be stated:

- (1) Employee Compensation: The shareholders' meeting resolved to distribute employee compensation in the amount of NT\$1,467,450, to be paid in cash.
- (2) Directors' remuneration: None
- (3) If there is any discrepancy between the actual amount and the recognized amount of remuneration for employees and directors in the previous fiscal year, the amount, causes and treatment of such discrepancy shall be noted:

There was no discrepancy between the actual amount and recognized amount of rewards distributed to employees and directors.

(VI) Repurchase of the Company's Own Shares: None

II. Issuance of Corporate Bonds: None

III. Preferred Shares: None.

IV. Overseas Depositary Receipt: None

V. Issuance of Employee Stock Options: None

VI. New Restricted Employee Shares: None

VII. Status of New Share Issuance in Connection with Mergers and Acquisitions: None

VIII. Capital Utilization Plan and Its Implementation: None

Chapter 4 Operations Overview

I Business Activities

(I) Scope of Business

1. Main content and proportion of businesses

- (1) Manufacture, processing and sale of low-density polyethylene (LDPE).
- (2) Manufacture, processing and sale of medium-density polyethylene (MDPE).
- (3) Sale of high-density polyethylene (HDPE).
- (4) Sale of linear low-density polyethylene (LLDPE).
- (5) Manufacture, processing and sale of ethylene vinyl acetate (EVA) copolymer resins. Ethylene vinyl acetate copolymer.
- (6) Manufacture and sale of degradable plastic materials.
- (7) Machinery wholesaling.
- (8) Investment industry.
- (9) Trading of plastic raw materials.

In 2024, the Company's sales of low-density polyethylene resins accounted for 36% of its overall turnover while its sales of ethylene vinyl acetate resins accounted for approximately 64%.

The main business of its subsidiary, USI Trading (Shanghai) Co., Ltd is plastic raw material trading, and the revenue of this subsidiary is included in the operating income reported in the consolidated financial statements.;On the other hand, its other subsidiaries including APC (BVI) Holding Co., APC Investment Corporation and USI International Corp. engage mainly in investments, and their revenues are included in the non-operating income reported in the consolidated financial statements.

2. Current products:

Low-density polyethylene resins: film-grade, injection molding-grade and laminating film-grade products, as well as products for other uses (low crystallization point, microfiber or foaming).

Ethylene vinyl acetate resins: film-grade, foaming-grade, laminating film-grade, electric cable-grade and photovoltaic-grade products.

3. Plans for new product development:

High-performance EVA foam grade, high-adhesion pre-coated film grade, hot melt adhesive grade, special cable materials, and other specialty grades of ethylene-vinyl acetate copolymer products.

(II) Industry Overview

1. Current state and development of the industry:

APC's LDPE/EVA production volume in 2024 was 131,105 metric tons which was a decrease of 1,136 metric tons from the 132,241 metric tons in 2023. The total sales volume was 135,885 metric tons which was an increase of 4,922 metric tons from the 130,963 metric tons in 2023.

In 2024, the overall performance saw a decrease in the average selling price compared to last year, while the cost of ethylene raw materials increased, leading to a decline in gross profit. In March of 2024, the EVA market reached its peak. However, in the second quarter, with the release of new EVA production capacity in Mainland China, the demand for EVA photovoltaic adhesive films fell short of expectations. Additionally, the traditional off-season for foaming and cable demand in China led to a lack of purchasing enthusiasm, resulting in a decline in prices. The EVA market showed a weak trend in the second half of the year, with prices briefly rising in the third quarter as major photovoltaic film manufacturers restocked. However, prices then softened and remained low through the end of the year. In response to the significant price increase caused by the shortage of LDPE coating materials in the Chinese market starting at the end of the second quarter, we will flexibly adjust and increase the production of LDPE coating materials in the second half of the year. In 2024, LDPE sales reached over 45,000 metric tons, an increase of more than 12,000 metric tons compared to the previous year, primarily driven by a significant rise in coating-grade LDPE sales. However, EVA sales totaled 90,000 metric tons, a decrease of more than 7,700 metric tons compared to the previous year.

2. Relationship between upstream, mid-stream and downstream companies:

At present, the Company mainly sources its ethylene and vinyl acetate from CPC Corporation and Dairen Chemical Corp. Hence, the Company not only continues to maintain good relationships with these companies but also continuously develops overseas supply channels in order to ensure stable supply of ethylene and reasonable cost control for the Company. In terms of sales, we shall maintain parity with two domestic competitors and improve the sales and marketing of niche product to satisfy the demand of domestic and foreign customers. We shall also expand niche and high-value products to continue the expansion of operations and Company profits.

3. Product development trends and competition:

The competition for general purpose LDPE raw materials remains fierce, as the Company is moving toward product differentiation to widen the profit margin, the sales price and sales volume of LDPE in the domestic market have been maintained. In the EVA market, demand in Mainland China continues to grow. However, as new EVA production capacity is gradually being released in Mainland China, the overall supply and demand dynamics are shifting. While our Company's solar-grade and foaming-grade EVA products have brand advantages and can be priced slightly higher than the general market rates, we are facing increased price competition from domestically produced goods in Mainland China. In response, we are intensifying efforts to expand into markets outside of Mainland China, with the goal of increasing the market share of coating-grade EVA. Additionally, we are developing high-performance foaming-grade and specialty cable-grade EVA products to reduce our reliance on the solar and general foaming markets in Mainland China. Furthermore, we are adjusting our production mix flexibly based on market conditions to increase the production of coating-grade LDPE, thereby enhancing our operational advantages.

In the future, new EVA production capacity will continue to be launched in Mainland China. In addition to closely observing the impact of this pandemic on the EVA market, the Company will continue to expand the non-China market to diversify risks, and continue to attach importance to the development of high-value differentiated products while actively seeking low-cost raw material sources, to maintain competitiveness in cost. Thus, the Company can adjust its production and sales arrangement flexibly in response to changes in market supply and demand, to give full play to the advantages of small but strong production lines, to reduce the impact of low-price competition in the industry, and strive to break through the status quo and open up new opportunities.

(III) Overview of Technologies and R&D Work

1. Research and development (R&D) expenses in the most recent year up to the date of publication of the Annual Report
2024: NT\$ 4,107 thousand.
As of March 2025: No R&D expenses.
2. Successfully developed technologies or products in the most recent fiscal year up to the publication date of this annual report
 - Development of batch production technologies for low crystallization point coating-grade EVA product V18161

- Development of batch production technologies for low crystallization point coating-grade high-speed laminating film-grade EVA product V18251
 - Development of production technology for hot melt adhesive grade EVA products V8085, V19150 and V19400
3. R&D projects in the most recent fiscal year
- (1) Item: Develop high VA, low MI EVA products.
 - (2) Current progress of uncompleted R&D projects: 30%
 - Develop high VA, low MI EVA products EVA MI: 05 - 07; VA: 33%
 - (3) The estimated additional expenses for research and development are approximately NT\$2,000 thousand
 - (4) Estimated time for the completion of mass production: Completed in the fourth quarter of 2025
 - (5) Main factors affecting the success of R&D in the future:
 - * Cultivation of R&D talents and technological inheritance.
 - * Ample market intelligence (such as quality requirements, product usage and price acceptance).
 - * Additional necessary equipment.

(IV) Long-term and short-term business development plans

Short-term plans:

1. As for LDPE, because USI Corporation and Formosa Plastics have not produced LDPE for a long time, the Company is the only domestic supplier of LDPE and it is mainly sold domestically. Due to the low ratio of supply to total domestic demand and the reputable domestic market for various products, we are able to satisfy our customers' demand for materials with reasonable profit margin. In addition, we will continue to develop various value-added industrial markets for domestic and overseas sales.
2. In terms of EVA, the Company will continue to develop high-viscosity EVA laminating film materials and expand the sales volume of differentiated high-end foaming EVA products in the future, and will actively expand the market in other regions outside mainland China to diversify risks. In addition, developing high unit price hot melt EVA material to improve the technical level of products, while the existing production capacity to the best.

Long-term plans:

1. The Company will stabilize and continuously enhance the quality and specificity of its LDPE/EVA products so as to solidify and expand the market for such products, as well as increase its sales and profitability.
2. The Company will continue to seek opportunities for integration with upstream and downstream sectors and establish a strategic alliance with USI to gain more control over upstream materials and costs and expand the integrated upstream and downstream sales strategy.

II Analysis of Market and Production and Marketing Situation

(I) Market Analysis

1. Sales regions for major products:

Our Company, USI Corporation, and Formosa Plastics Corporation are the main producers of low-density polyethylene (LDPE) and ethylene vinyl acetate resin (EVA) among the domestic manufacturers of polyethylene (PE) plastic raw materials. Additionally, USI Corporation and Taipower Company also produce high-density polyethylene (HDPE) and linear low-density polyethylene (LLDPE) raw materials.

At present, domestic sales still dominate the sales of LDPE raw materials manufactured by the Company (accounting for approximately 68% of the overall LDPE sales this year), whereas the Company's EVA raw materials are mainly exported (accounting for approximately 97% of the overall EVA sales this year).

In 2024 the proportion of domestic sales to export sales was 24% to 76%, and the product were exported across China/Hong Kong, Vietnam, India, Cambodia, Indonesia, Bangladesh, Europe and the United States.

LDPE represents around 14% of the total export quantity, while EVA accounts for approximately 86%. In terms of domestic sales, LDPE comprises 93% of the sales, with EVA making up the remaining 7%.

2. Market share:

Formosa Plastics Corporation and USI do not produce LDPE, and domestic LDPE demand depends on the Company and supply from sources of imports. LDPE domestic market of the Company accounted for 19.5%, USI Corporation accounted for 2.4%, and by the Company's OEM, Formosa Plastics Corporation accounted for 3.5%, other import materials accounted for 74.6%; The domestic market of EVA is 8% for our Company, 41% for USI, 26% for Formosa Plastics, and 25% for imported materials. Since the total production volume of EVA and EVA among

three domestic manufacturers have exceeded domestic demand, the Company not only continues its efforts to enhance its domestic market share, but also needs to enhance its expansion into the export market to achieve a balance between production and sales.

3. Supply and demand in the market and possible future growth:

In recent years, domestic demand for LDPE and EVA has nearly reached saturation. Aside from short-term factors such as the pandemic, the overall demand for LDPE and EVA in the domestic market has remained stable. In international markets, LDPE continues to be primarily used in packaging, consumer goods, and other general products, with demand growth largely following global GDP growth. Meanwhile, in mainland China, the petrochemical industry has been rapidly expanding EVA production capacity in recent years, leading to an oversupply situation. Although from 2019 to 2023, China's EVA demand grew at a compound annual growth rate of over 10%, the recent addition of 450,000 metric tons of new capacity from Baofeng Energy and Jiangsu Hongjing in 2024 has significantly increased the self-sufficiency rate for EVA to about 70 to 80%. As various segments of the supply chain reduce inventory, apparent demand for EVA has begun to shrink for the first time. It is anticipated that by the end of 2025, over 1 million metric tons of new capacity will come online, with additional new petrochemical plants under construction or planned to increase EVA production capacity. In response to the recent surge in EVA production capacity expansion in Mainland China, our Company has actively developed differentiated products in recent years. At the same time, we are focusing on exploring emerging markets such as Southeast Asia and India to address this significant challenge.

4. Competitive niches:

As the Company's business philosophy is "Solid Operation, Professional Management, Seeking Excellence and Serving the Society," our quality management focuses on non-stop improvement of product quality and continuous enhancement of service quality in order to provide customers with satisfactory operational quality. At present, the Company's specific strategies are to not only obtain stable supply of ethylene from the Middle East, China, and even the United States over the long term in order to compensate for inadequate supply of ethylene from CPC Corporation, but also continuously maintain the strategic alliance with USI Corporation in order to provide product support to each other, as well as actively develop

high-value LDPE/EVA products in order to achieve the goal of sustainable development.

5. Favorable and unfavorable factors affecting the Company's development prospects and corresponding countermeasures:

Favorable Factors:

- (1) The Company has been deeply cultivating the domestic market as well as the markets in Mainland China and Southeast Asia for the long term. Our relationships with customers are excellent, leading to high customer loyalty and brand recognition.
- (2) The Company's production lines involve autoclave-type processes, and are able to produce high-end LDPE/EVA products to meet customized requirements for a small quantity of diverse products in the market.
- (3) The Company has accumulated excellent experience in new product development.
- (4) The Company has formed a strategic alliance with USI to provide mutual support for insufficient products so as to maximize the benefits of its production capacity.
- (5) The Company's EVA production equipment upgrade is almost complete.
- (6) The Company focuses on its own main business and R&D of new products to expand the market.

Unfavorable factors:

- (1) Some of the raw material ethylene is insufficient and must be purchased externally. The price of ethylene is fluctuated in line with the international market, thus are difficult to manage.
- (2) The low production capacity of the production line increases unit production costs.
- (3) Low import tariffs for LDPE/EVA products in Taiwan have resulted in competition from low-priced imported materials from new production capacities in foreign countries. Not only has the market been divided, the sales price of LDPE/EVA products will also be indirectly affected and cannot be increased.
- (4) For LDPE/EVA, Taiwan has not joined the ASEAN free trade zone, and countries have signed the RCEP agreement with each other. The resulting trade barriers and unfair competition in the export market will severely affect sales volume and prices.

Response strategy:

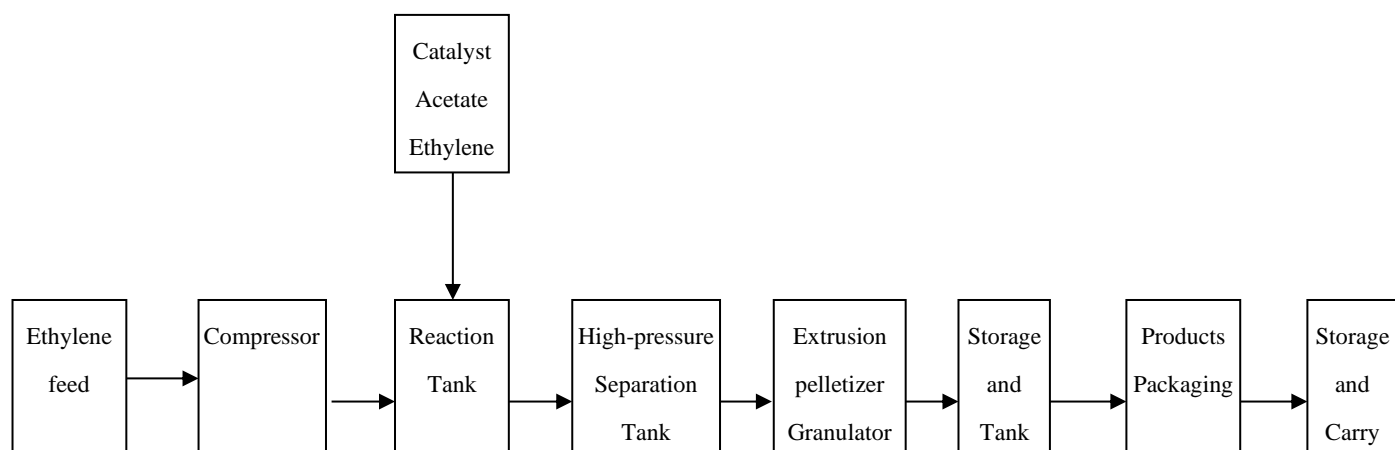
In order to keep abreast of the stable and low-cost sources of ethylene and the ethylene transportation and inventory turnover, the Company will invest in Gulei Petrochemical's project and the supporting facilities for ethylene storage tanks and underground pipelines of the Port of Kaohsiung Intercontinental Container Terminal Phase II Petrochemical Oil Center. In addition, the Company will continue to improve the stability and operation rate of the existing production equipment to improve product production and quality to reduce production costs, to win over the market. Furthermore, it is committed to the reasonableness of product prices and customer services, while developing high value-added products in line with market trends and expanding the export markets of new developing countries, with a view to gaining a stable long-term client base, thereby increasing operating benefits.

(II) Usage and Manufacturing Processes for Main Products

1. Important uses of major products

The Company's low-density polyethylene (LDPE) plastic pellets can be divided into the following categories according to their applications - film-grade, injection molding-grade and laminating film-grade. Film-grade LDPE plastic pellets are mainly used for processing various packaging films, whereas injection molding-grade LDPE plastic pellets are mainly used for processing and manufacturing artificial flowers, various types of household plastic products and electronic components and parts. On the other hand, laminating film-grade LDPE plastic pellets are mainly used as a laminating film for various types of packaging films, as well as various types of protective films. Another product, ethylene vinyl acetate (EVA) copolymer resin, is mainly used in the production of foam shoes, sports equipment, various types of films, solar cell packaging films, hot-melt adhesives, pre-coating film, protective films, as well as wire and cable insulation shields due to its high toughness and flexibility.

2. Production processes for major products LDPE and EVA



(III) Supply Situation for Major Raw Materials

1. Ethylene

The Company has signed an ethylene purchase contract with CPC Corporation. However, CPC Corporation's supply of ethylene is inadequate as the contract is not able to meet the Company's demand for ethylene. USI Corporation has been commissioned to import ethylene in order to compensate for the shortfall in the ethylene supply.

2. Vinyl Acetate Monomer (VAM)

As the Company produces ethylene vinyl acetate copolymer resins, the Company purchases vinyl acetate monomers (VAM) from Dairen Chemical Corp. on a regular basis while importing some from abroad

(IV) Name of customers who account for more than ten percent of the total purchases (or sales) of goods and their amount and proportion of purchases (or sales) of goods in any one of the most recent two fiscal years, and reasons for the increase or decrease in purchases or sales of goods

1. List of suppliers with purchase amount exceeding 10% of total purchase, the purchase amount and proportion, and reasons for increase or decrease

List of Major Suppliers in the Most Recent 2 Years

Unit: NT\$1,000

Item	2024				2023				2025 up to the end of the first quarter (Note 2)			
	Name	Amount	Proportion to Net Purchase for the Year (%)	Relationship with the Issuer	Name	Amount	Proportion to Net Purchase for the Year (%)	Relationship with the Issuer	Name	Amount	Percentage to net purchase in the year up to the first quarter (%)	Relationship with the Issuer
1	CPC Corporation	2,043,440	49.25	None	CPC Corporation	1,542,956	38.76	None	CPC Corporation	682,773	62.13	None
2	Fujian Gulei Petrochemical Co., Ltd.	501,628	12.09	Recognition of Joint Venture under the Equity Method	Fujian Gulei Petrochemical Co., Ltd.	662,247	16.64	Recognition of Joint Venture under the Equity Method	Mitsubishi	142,262	12.94	None
3	Others	1,603,942	38.66	-	Dairen Chemical Corporation	526,471	13.23	None	Dairen Chemical Corporation	124,100	11.29	None
4	-	-	-	-	Others	1,248,633	31.37	-	Others	149,909	13.64	-
	Net purchase	4,149,010	100.00	-	Net purchase	3,980,307	100.00	-	Net purchase	1,099,044	100.00	-

Note 1: List the name of suppliers who account for more than ten (10) percent of the total purchases of goods and their amount and proportion of purchase of goods in the most recent two fiscal years. However, if the name of suppliers or counter parties who are individuals or non-related persons cannot be revealed due to contractual agreements, their codes shall be indicated.

Note 2: Before the date of publication of the annual report, if there is any financial data for the most recent period of a company whose shares are listed on a stock exchange ("listed company") or whose shares have been approved for trading on an over-the-counter market and attested or reviewed by a CPA, the financial data shall also be disclosed therewith.

Reasons for Increase or Decrease: In 2024, the Company's purchase amount from CPC Corporation increased, which was due to the increase in purchase volume.

In 2024, the Company's purchase amount from Dairen Chemical Corporation and Fujian Gulei Petrochemical Co., Ltd. decreased, mainly due to the decrease in the volume of procurement.

2. List of customers with sales amount exceeding 10% of total sales, the sales amount and proportion, and reasons for increase or decrease:

List of Sales Customers in the Most Recent 2 Years

Unit: NT\$1,000

	2024				2023				2025 up to the end of the first quarter (Note 2)			
Item	Name	Amount	Proportion to Net Sale for the Year (%)	Relationship with the Issuer	Name	Amount	Proportion to Net Sale for the Year [%]	Relationship with the Issuer	Name	Amount	Percentage to net Sale in the year up to the first quarter (%)	Relationship with the Issuer
1	No customers with sales amount exceeding 10% of total sales				Customer A	813,645	12.11	Note 3	Customer A	No customers with sales amount exceeding 10% of total sales		
2					Others	5,903,483	87.89	-	Others			
					Net sales	6,717,128	100.00	-	Net sales			

Note 1: Listed the name of the customers and the gross sales amount and ratio for those that take up more than 10% of the total sales amount in the most recent two years. However, for customers whose name are not permitted to be disclosed due to contract or the counterparts is an individual who is not an interested party, a code may be used.

Note 2: Before the date of publication of the annual report, if there is any financial data for the most recent period of a company whose shares are listed on a stock exchange (“listed company”) or whose shares have been approved for trading on an over-the-counter market and attested or reviewed by a CPA, the financial data shall also be disclosed therewith.

Note 3: Client A is the parent company of a main shareholder and an affiliate with the same chairman. The sales amount to Client A decreased in 2024 because of the reduction of the sales volume.

III The employee data for the last two fiscal years and up to the publication date of the annual report

March 31, 2025

Year		2024	2023	For the year ended March 31, 2025
Employees	Indirect Labor	88	90	87
	Operator	151	149	150
	Total	239	239	237
Average Age		44.65	44.65	44.21
Average Service Year		13.48	13.48	13.29
Qualification	Doctor	0.42%	0.42%	0.42%
	Master's	16.74%	16.74%	16.46%
	University	69.04%	68.20%	69.20%
	High School	13.80%	14.22%	13.92%
	Below high school	0.00%	0.42%	0.00%

IV Disbursements for Environmental Protection

- (I) Total amount of losses (including compensation and violations of environmental protection regulations in the results of environmental protection audits, the date of the penalty, penalty document number, articles in regulations violated, contents of violation, and contents of penalties) in the most recent fiscal year and up to the publication date of the annual report, and the estimated amount arising both at present and in the future and the corresponding countermeasures:

Date of Disposal	Unit of Disposal	No. of Disposals	Date of Violation	Laws violated	Disposals Amount	Facts of Violation
2024.11.01	Kaohsiung City EPA	Kaohsiung City Environmental Protection Bureau Official Letter No. 20-113-110001	2024.5.24	Paragraph 1, Article 20 of the Air Pollution Control Act	150 thousand	On May 24, 2024, the Environmental Protection Bureau conducted an inspection of the volatile organic compound leakage concentration of equipment components involved in the low-density polyethylene chemical manufacturing process (M01). The results indicated a total of one point, with the leakage net inspection value exceeding the "Kaohsiung City Standards for the Control and Emission

						of Volatile Organic Compounds from Equipment Components.”
2024.11.01	Kaohsiung City EPA	Kaohsiung City Environmental Protection Bureau Official Letter No. 20-113-110002	2024.5.24	Paragraph 1, Article 20 of the Air Pollution Control Act	150 thousand	On May 24, 2024, the Environmental Protection Bureau conducted an inspection of the volatile organic compound leakage concentration of equipment components involved in the low-density polyethylene chemical manufacturing process (M02). The results indicated a total of three points, with the leakage net inspection value exceeding the “Kaohsiung City Standards for the Control and Emission of Volatile Organic Compounds from Equipment Components.”
2024.11.01	Kaohsiung City EPA	Kaohsiung City Environmental Protection Bureau Official Letter No. 20-113-110003	2024.5.24	Paragraph 1, Article 20 of the Air Pollution Control Act	150 thousand	On May 24, 2024, the Environmental Protection Bureau conducted an inspection of the volatile organic compound leakage concentration of equipment components involved in the low-density polyethylene chemical manufacturing process (M03). The results indicated a total of one point, with the leakage net inspection value exceeding the “Kaohsiung City Standards for the Control and Emission of Volatile Organic Compounds from Equipment Components.”
2024.11.21	Kaohsiung City EPA	Kaohsiung City Environmental Protection Bureau Official Letter No. 20-	2024.10.11	Item 1, Paragraph 1, Article 32 of the Air Pollution	225,000	On October 11, 2024, during the startup of the Low-Density Polyethylene Chemical Manufacturing Process

		113-110045		Control Act		(M03), steam was used to purge residual polymer from the pipeline. An instantaneous pressure surge caused gas to be released from the separator's pressure relief valve, which was then discharged into the waste gas combustion tower for incineration. However, incomplete combustion occurred, leading to a sudden and significant emission of visible particulate pollutants (black smoke), resulting in air pollution.
2025.3.25	Kaohsiung City EPA	Kaohsiung City Environmental Protection Bureau Official Letter No. 20-114-030019	2024.6.1~7	Paragraph 2, Article 23 of the Air Pollution Control Act	150 thousand	On September 19, 2024, the Environmental Protection Bureau conducted an inspection of the fixed pollution source at our facility, specifically the low-density polyethylene chemical manufacturing process (M01) and the exhaust gas combustion tower (A001) to verify compliance with regulations. The inspection revealed that from June 1, 2024, to June 7, 2024, our facility utilized the exhaust gas combustion tower; however, the operational process did not comply with Article 5 of the "Air Pollution Control and Emissions Standards for the Volatile Organic Compounds", which stipulates that "the weight ratio of steam to exhaust gas should be between 15% and 50%."

(I) Corresponding countermeasures (including improvement measures) and possible expenditures:

1. Enhanced Equipment Component Inspection:
 - (1) Patrol inspections will be conducted weekly by on-site personnel according to the division of responsibility areas within the jurisdiction
 - (2) Irregular infrared scanning inspections.
 - (3) Monthly equipment component supervision sampling will be conducted by the Environmental Protection Division.
 - (4) Every quarter, the Company engages an approved testing company from the Ministry of Environment to perform a thorough inspection of the entire factory.
 - (5) Replace high leakage risk valves with low leakage types.
2. Adjustment of Waste Gas Combustion Tower Operations
 - (1) The control room system is set to maintain the steam-to-exhaust gas weight ratio between 15% and 50%.
 - (2) Strengthen control over operational procedures during valve opening. When purging the process pipeline with nitrogen or steam, reduce the purging pressure to prevent pressure buildup within the system, which could lead to the sudden release of the pressure relief valve.
3. Major environmental expenditure in the most recent year and as of the publication of the annual report:

Unit: NT\$ 1,000

Pollution Prevention Equipment Installed or Expenditure Content	2024 Fiscal year
Installation of integrated equipment for mixed direct-fired boilers	67,764
Establishment of Emergency Discharge System for Reactor Line 1	139,264
2024 CUI inspections and insulation project	8,762
Expanded Temporary Storage Area for Waste	1,111
Replace old Pump D/E at Line 1 startup with new ones	827
Energy-saving Project for the Addition of Conveyor Compressor C-3504 (Line 4)	632
Purchasing spare motors for Reactors Line1 and 2	6,045
Total	224,405

4. The Company's expected environmental protection expenditures in 2025 are as follows:

Unit: NT\$ 1,000

Proposed Pollution Prevention Equipment or Expenditure	2025 Fiscal year
Replacement of the Line 2 Initiator Pump	33,500
Replacement of the Flare System and Fuel Pipeline	2,790
Installation of Ethylene Recovery Pipeline in Section Line 1 and 2 of the Secondary Compressor	2,450
Total	38,740

- (II) The Company's response to the implementation of Restriction of Hazardous Substances Directive (RoHS) in European Union:

The Company's products are tested according to the FDA inspection standards in the U.S., and the Company performs other food safety inspections according to customer requirements. In other words, the Company applies stricter requirements to its products than RoHS. However, in order to comply with European Union's requirements, the Company sent its products to undergo such testing, and has successfully obtained RoHS compliance and certification.

V Labor Relations

- (I) Employee Benefit Plans, Continuing Education, Training, and Retirement Systems and the Status of Their Implementation, and the Status of Labor-management Agreements and Measures for Preserving Employees' Rights and Interests:

1. Employee benefits

- (1) In addition to labor insurance and health insurance, the Company also purchases group insurance for employees including their families, as well as travel insurance for employees who often engage in business travels, so as to adequately meet employees' needs for various types of insurance.
- (2) The Company organizes regular health checkups for its employees and pays close attention to their health.
- (3) An employee welfare committee has also been established to set up and promote various welfare measures including annual staff trips, marriage and funeral allowances, lunar new year benefits, birthday gifts, club activities, and other welfare measures. The Employee Welfare Committee is responsible for the custody and use of the employee welfare fund.

- (4) According to the Company's Articles of Incorporation, if the Company posts a net profit in the current year, employee rewards shall not be less than one percent of the Company's net profit for the current year, while performance bonus and year-end bonus shall also be distributed based on the Company's operating performance and individual performance.

2. Employee education and training

- (1) The Company has always paid serious attention to employee education and training. Thus, the Company has formulated a set of standards for employee training procedures, as well as implemented various learning methods, including pre-employment training, on-the-job training, work instructions, or online learning based on the training needs of individual employees and departments in order to enhance employees' qualities and skills.
- (2) In order to combine both employee training and promotion, the Company has specifically established general education courses for promotion in order to motivate employees to learn and study actively. Employees must complete the prescribed courses before they can be officially promoted.
- (3) For employees who demonstrate a strong willingness to learn and develop their potential, the Company provides grants for further education in domestic universities, which are supplemented with career adjustments in their respective positions in order to cultivate leaders required by enterprises.
- (4) Employee training is well documented and each employee shall attend at least eight hours of training a year, which is taken into account in the performance appraisal.
- (5) Employee feedback surveys and review reports are conducted at the end of each course. Additionally, a satisfaction survey is conducted at the end of the fiscal year to gather opinions and suggestions on employee training. This survey serves as a reference for improving training operations.
- (6) The Company's employee training expenditure in the most recent fiscal year: The training programs for the year 2024 are listed in the attached table, with a total expenditure of NT\$2,005 thousand.

Training Name	Training Participant	Training Name	Training Participant
The [Rejuvenation of Enterprise] Course	General Colleagues	Training Related to Standard Specifications	General Colleagues
[Health Promotion] The Impact of Winter Temperature Variations on Blood Vessels and M Acne	General Colleagues	Assembly, Disassembly, and Maintenance Operation Standards of Transport Blowers	Machine Repair Section
[Health Seminar] Long-Term Care 2.0 Program	General Colleagues	Training on Coating Thickness Measurement	Inspection Department

Training Name	Training Participant	Training Name	Training Participant
Understanding Gout and Hyperuricemia (Health Seminar)	General Colleagues	[ISO 45001 and TOSHMS Differences] Training Session	Relevant Colleagues
2024 Training for Underground Pipeline Emergency Response and Inspection Personnel	Relevant Colleagues	[Carbon Capture, Utilization, and Storage (CCUS)] Workshop	Chiu, Ming-Huan
2024 Labor Education and Training	Colleagues of Linyuan Plant	[Successful Leadership (Part 2) - The Path to Talent Development]	Relevant Colleagues
2024 Annual Test of Industrial Piping Emergency Response Capability and Mobilization Effectiveness	Relevant Colleagues	[Integrity Seminar - Workplace Ethics: Stop, Look, and Listen] Course	General Colleagues
2024 Explanation of Government Electricity Price Adjustments	Relevant Colleagues	[Implementation of the Thermal Recovery Power Generation System for Process Saturated Hot Water] Case Sharing	Lin, Chun-Hsu/Chiu, Ming-Huan
2024 Radiation Safety Training	Colleagues of Electrical and Instrument Section	[Waste Heat and Waste Cold Recovery Technology Demonstration Application Subsidy] Application Promotion Briefing	Relevant Colleagues
Labor Law Seminar on February 21	Hsu, Wen-Ching	04/30 Smart Petrochemical Seminar	General Colleagues
2024 First Half of the Year Southern Plant EHS (Environmental, Health, and Safety) Training	Occupational Safety Office	2024 [Factory Safety Critical Equipment Selection Practices] Training	Kuo, Hao-Sheng/Hsu, Peng-Yu
Underground Pipeline Maintenance (Monitoring) Personnel Training and Emergency Response Drill	Relevant Colleagues	2024 [Taiwan Industry Innovation Platform Program_Talent Recharging Program] Course	Hu, Chen-Ti
Supervisor's Understanding of Workplace Illegal Infringements - Integrity Lecture	General Colleagues	Observation Activity for the Linyuan Industrial Park Chemical Disaster Emergency Response and Regional Mutual Aid Drill in the First Half of 2024	Yen, Sheng-Chung
AI Skills Training - Ethylene Purification Process Simulation and Optimization (Software Education Training)	Synthesis Section	2024 Industrial Pipeline Training - Technical Level	Relevant Colleagues
Training on Basic Maintenance of Aventus Packaging Machine	Manufacturing Section	2024 Industrial Pipeline Training - Basic Level	Relevant Colleagues
Assembly, Disassembly, and Maintenance Operation Standards of the C-1101&1201 Second Compressor cylinder	Machine Repair Section	2024 Annual Organic Solvent Operation Hazard Prevention and Awareness Seminar	Yen, Sheng-Chung
Detecting Abnormalities or Deviations in CCD Testing Components and Interpretation	First Division of Quality Control	2024 Continuing Education Series on Protection Against Ionizing Radiation	Relevant Colleagues

Training Name	Training Participant	Training Name	Training Participant
Upgrade Educational Training for CCD Film Defect Detection Equipment	First Division of Quality Control	2024 Energy Saving Promotion Workshop and Matching Conference	Chiu, Ming-Huan
CR-1001 Crane Instrumentation and Electrical Maintenance Training	Electrical Section	2024 Mobile Emergency Response Alarm Module Operation Training by the Bureau of Industrial Park, Ministry of Economic Affairs	Yen, Sheng-Chung
Daily Analysis Report Check Interpretation Training	Second Division of Quality Control	2024 Old Labor Pension Act and Contribution Practices, and Labor Standards Act Briefing Session	Liao, Chun-Chin/Liao, Wen-Shih
Assembly, Disassembly, and Maintenance Operation Standards of the ET-1101&1201 Hot Melt Extruder	Machine Repair Section	2024 Specific Chemical Hazard Prevention Awareness Seminar	Lin, Shih-Wei
ET-1301 Quick Switch Device Report	Machine Repair Section	2024 Educational Training on Industrial Park Occupational Safety Accident Prevention Awareness	Yen, Sheng-Chung
Assembly, Disassembly, and Maintenance Operation Standards of the ET-1301 Hot Melt Extruder	Machine Repair Section	2024 Chemical Process Engineer Professional Training - Process Safety Interlocks and Instrumentation Systems Control	Chiu, Chin-Hui/Wang, Wei-Lien
GC8890 SCD Education and Training	First Division of Quality Control	2024 Chemical Process Engineer Professional Training Course - AI and Rotating Equipment Maintenance	Relevant Colleagues
HART 475 Planner Usage Instruction	Electrical Section	2024 Chemical Process Engineer Professional Training Course - Instrument Heater Design and Selection of Rotary Equipment	Relevant Colleagues
Training on Detecting Abnormalities or Deviations in IT Testing Components and Interpretation	First Division of Quality Control	2024 Chemical Process Engineer Professional Training - Introduction to Instruments and the Installation of Explosion-Proof Electrical Equipment in Petrochemical Plants	Relevant Colleagues
Training on Correct Procedure for Cleaning LINE3 M-3401-M-3404 Silo	Manufacturing Section	2024 Corporate Sustainability Elite Training Program - Introductory Course (Deloitte Taiwan Session) - January 22	Pan, Hsin-Hung
Training on Detecting Abnormalities or Deviations in MI Instrument Testing Components and Interpretation	First Division of Quality Control	API 585 - Investigation of Pressure Equipment Integrity Incidents	Relevant Colleagues
Modification Project for PL-1301A/B Pelletizer	Machine Repair Section	CPR and AED First Aid Education and Training Course	General Colleagues
Training for PSM Compliance Auditors	Environmental Protection Division	Training on IFRS S1/S2 Sustainability Disclosure Standards	Relevant Colleagues

Training Name	Training Participant	Training Name	Training Participant
RTO Equipment Abnormal Emergency Response Drill	Colleagues of Linyuan Plant	ISO 14001:2015 Clause Interpretation Training Course	Relevant Colleagues
RTO Furnace Training (Principles and Theory), Emergency Response, Practical Drills, and Paper-Based Testing	Colleagues of Linyuan Plant	ISO 14021 Recycling and Reuse Management System Training Seminar	Relevant Colleagues
VA%-IR Method Analysis Training	Quality Control Division	ISO 14067 Product Carbon Footprint Calculation Training	Environmental Protection Division
Introduction to Primary and Secondary Reaction Motors	Electrical Section	ISO 45001:2018 Standard Interpretation Training Course	Relevant Colleagues
Safety and Health Education and Training and the Introduction and Operation of Firefighting Equipment	Colleagues of Linyuan Plant	ISO 9001:2015 Quality Management System Lead Auditor IRCA International Registration Course	Lu, Chung-I
Internal Awareness Training for the Occupational Safety and Environmental Protection Division	Relevant Colleagues	ISO 9001:2015 Standard Interpretation Training Course	Relevant Colleagues
Industrial Instrument Design and Maintenance - Training on LINE3 Guided Wave Radar Level Transmitter	Electrical Section	Educational Training on Lambda 850+ UV-Vis Spectrometer Manufacturer	Relevant Colleagues
Product Description for Kung Hai pump/Educational Training	Machine Repair Section	LDS Application Practices and Localized Small Leak Detection Technology Development	Inspection Department
Explanation of the Differences in the TASC Density Analysis Method	Quality Control Division	Key Points of the PSM Cross-Plant Audit Briefing Meeting	Environmental Protection Division
Explanation and Training on Recycled Material Grade and ISO 14021 Certification	First Division of Quality Control	Acetylene Operator On-the-job Training	Machine Repair Section
Successful Leadership (Part 1) - How to Accurately Identify Talent	Plant Manager Office	Training Course on Level B Boiler Operator	Lin, Kuan-Cheng
Training on the A-Line Automated Storage Packaging Machine	Electrical Section	Operators of Fixed Cranes Three Metric Tons and Above Training Course	Synthesis Section
Training on Automated Storage and Retrieval System Abnormal Troubleshooting and Maintenance	Electrical Section	Mitsubishi PLC Q Series Basic Course (1)	Wang Wei-Lien
Training on Automated Storage Mettler Toledo Metal Detector	Electrical Section	Female Workers' Maternal Health Protection Advocacy Conference	Relevant Colleagues
Practical Application of Explosion-Proof Electrical Equipment	Electrical Section	Industrial Pipeline Emergency Response - Command Level Training	Wu, Yu-Ting
Quality Control Division Emergency Response Procedures and Firefighting Facilities Explanation	Quality Control Division	Internal Trainer Training - Teaching Activation Techniques (Practical Exercises)	Relevant Colleagues

Training Name	Training Participant	Training Name	Training Participant
Training on Hydrogen Detector for Cylinder Cabinets in the Quality Control Division	First Division of Quality Control	Chemical Process Engineer Professional Training Course	Huang, Chun-Jung/Wu, Meng-Yen
Type 1 Pressure Vessel (Refresher Training) - A Safety Awareness Seminar on Pressure Vessel Operations	Manufacturing Section	Seminar on Smart Applications of Chemical Process and Equipment Safety	Hu, Chen-Ti
Fluid Transport Design - Pipeline Pressure Loss Calculation	Synthesis Section	Chemical Thermodynamics	Huang, Po-Hao
Policy for Improving Dietary Habits	General Colleagues	Basic Design of Chemical Storage Tanks and Basic Design of Heat Exchangers	Huang, Po-Hao/Liu, Yu-Chih
Vibration Analysis Training Course and Practical Sharing	Engineering Department	Reaction Engineering	Huang, Po-Hao
Training for Manufacturers of Desktop Hot Press Molding Machines	First Division of Quality Control	Class A Occupational Safety and Health Business Manager	Lin, Shih-Wei
Fire Commanders Skills Training Course	Relevant Colleagues	Briefing on the Classification, Labeling, and General Safety Measures for Hazardous Chemicals	Yen, Sheng-Chung
Training on Density Meter and Viscosity Meter Manufacturer	First Division of Quality Control	Hazardous Area Classification Application Software Briefing	Huang, Po-Hao
Interpreting Data from Additive Standard Solutions in GC Analysis Training	First Division of Quality Control	Emergency Response Function Group Training for Underground Pipeline Bundles - Introduction to Chemical Disaster Response Equipment	Occupational Safety Office
Standard Operating Procedures for the Disassembly, Assembly, and Maintenance of Single Suction Centrifugal Pumps	Machine Repair Section	Refresher Training for Organic Solvent Operations Supervisor	Relevant Colleagues
Group PSM Training - PSM Auditor	Wang Wei-Lien	Training Course for Fire Management Personnels	Yen, Shang-Hsing/Yen, Sheng-Chung
Group Plant Technical Case Presentation Conference	Plant Manager Office	Explosion-Proof Hazard Area Classification and Application Software Briefing Session	Huang, Po-Hao
New OMS Testing and Certification	Huang, Po-Hao	Analysis of Contractor Management and Legal Cases	Liao, Wen-Shih
Training on New Topas Automatic Packaging Machine Operation	Manufacturing Section	Training for Personnel Responsible for Air pollution Prevention and Control	Hsu, Chun-Wei/Chen, Cheng-Te
Training on the Introduction, Operation, and Cleaning Procedures of the New Online COD Detection Tank for Wastewater (2 hours/person)	Manufacturing Section	Non-Destructive Testing Technology Training Course - UT Beginner Level (Including Qualification Certification)	Li, Meng-Tse

Training Name	Training Participant	Training Name	Training Participant
New Employee Training	Relevant Colleagues	Non-Destructive Testing Training Course - VT Intermediate (Written Examination and Practical Assessment)	Guo, Hao-Sheng
New Employee On-the-Job Training (Work Rules, Management Systems, Information Security Awareness, Occupational Health and Safety Education)	Relevant Colleagues	91st Session of the Security Inspector Training Course (Kaohsiung Class)	Occupational Safety Office
Training on the Application of Pipeline ISO and 3D Modeling Reverse Engineering Software	Plant Manager Office	Continuing Education Training Course for Emergency Responders (Refresher Course)	Li, I-Ta
Use and Maintenance of Precision Measuring Instruments	Inspection Department	Training Course for First Aid Personnel Training	Huang, Yu-Ling
Training on the Use and Maintenance of Precision Measuring Instruments - Operation of the Leeb Hardness Tester and Coating Thickness Gauge	Inspection Department	Toxic and Concerned Chemical Substances Professional Response Personnel Training	Relevant Colleagues
Training on Emergency Generator Operation	Electrical Section	Design of Fluid Transport Pipelines, Basic Pump Design, and Pressure Loss Calculation of Control Valves	Manufacturing Technique Section
Training on Process Abnormality Response (Simulation Drills and Study for Emergency Situations, such as Power Interruptions)	Manufacturing Section	Renewal of the NACE CP II Certification for Cathodic Protection Technicians by the National Association of Corrosion Engineers	Lin Shih-Chuan
Understanding the Properties of Pumps and Their Terminology	Huang, Po-Hao	On-the-Job Training for Supervisors of Specific Chemical Substances Operations	Huang, Chun-Jung/Li, I-Ta
Training on Suspended Solids Detectors for Wastewater Monitoring Stations	Electrical Section	On-the-Job Training for Supervisors of Dust Operations	Li, I-Ta
DAM Integration Platform (AMC)	Huang, Yuan-Hung	Certification Refresher Training for Supervisor of Oxygen-Deficient Operations	Liao, Wen-Shih
Safety Management Technology for Existing Industrial Pipelines in Kaohsiung City	Li, Meng-Tse	Kaohsiung Industry Net Zero Alliance Lecture [Achieving Net Zero Living through Urban Carbon Footprint Assessment]	Hsu, Chun-Wei
High-pressure Gas-specific Equipment Operation	Relevant Colleagues	Training for Personnel Responsible for Health Risk Assessment	Hsu, Chun-Wei
Attend the Confined Space Hazard Prevention and Notification System Revision Awareness Seminar	Lin, Shih-Wei	Problem Analysis and Solving Workshop	Relevant Colleagues
Training for On-the-Job Forklift Operation	Relevant Colleagues	Introduction to On-Site Instruments and Planning for the Installation of Explosion-Proof Electrical Equipment in Petrochemical Plants	Huang, Po-Hao

Training Name	Training Participant	Training Name	Training Participant
Briefing on Industry Energy Efficiency Index Reporting	Hu, Chen-Ti	Value-Added Activities for Industry Intelligence and Safety Knowledge (Southern Kaohsiung)	Huang, Chun-Jung
A Safety Awareness Seminar on Pressure Vessel Operations	Relevant Colleagues	Innovation Seminar - Moving Forward with Courage, Surviving Adversity	General Colleagues
The basic design of a single-phase container and liquid-gas separation does not allow for the compatibility of the two liquid phases in the separation design	Huang, Po-Hao	Seminar on the Amendment of the Volatile Organic Compounds (VOC) Air Pollution Control and Emission Standards Regulations	Chen, Cheng-Te
Nitrogen sealing, exhaust treatment safety, and the design practices of a secure production chain	Relevant Colleagues	Training Course for Dengue Fever Specialists	Huang, Yung-Neng
Program Control	Manufacturing Technique Section	Computer Simulation Implementation of Procedures	Manufacturing Technique Section
Internal Carbon Pricing Training for the Group (Southern Region Session)	Relevant Colleagues	Greenhouse Gas Inventory Foundation Class	Pan, Hsin-Hung
Energy conservation and carbon reduction technologies	Relevant Colleagues	Integrity Seminar - No-Fault Product Liability!?	General Colleagues
Laboratory Measurement and Calibration Management - Basic Course	Wu, Yu-Ting	Training on Risk Assessment Functions for the Management of Three Risks - Multiple Pipeline Corrosion Detection Techniques	Relevant Colleagues
Bundle Three Pipeline Maintenance Group Training - Dissimilar Pipe Inspection Methods	Relevant Colleagues	Distillation Column/Heater - Introduction to Boiler Chemical Unit Control Strategies, Advanced Control, and Strategy Formulation	Relevant Colleagues
Training on Process Safety Management (PSM) Auditing	Relevant Colleagues	Process and Mechanical Flow Diagrams, Instrumentation and Instrument Control (Control Systems)	Relevant Colleagues
Introduction to the Process Wastewater Zero Discharge and Full Recycling System Course	Relevant Colleagues	Training for Personnel Responsible for Wastewater Treatment	Hsu, Chun-Wei
Priority Management of Chemical Operations Management Briefing	Yen, Sheng-Chung	Introduction to Pressure Vessel Heat Regeneration and Design, Rotating Machinery Design and Selection	Huang, Po-Hao
Boiler and High-Pressure Gas Specific Equipment Hazard Prevention Awareness Seminar	Ho, Sung-Lin/Lin, Wen-Min	Continuing Education Training Course for Boiler Operator (Refresher Course)	Relevant Colleagues
Group Product Overview - Glass Wool Building Materials and PVC Eco-friendly Materials	General Colleagues	Smart Petrochemical Seminar	Chuang, Chia-Fang

Training Name	Training Participant	Training Name	Training Participant
Group Product Knowledge - Discussion on Corporate Rejuvenation	General Colleagues	Labor Law Seminar	Chuang, Chia-Fang
General Labor Safety and Health On-the-Job Training Course	Lin, Chia-Huei	CWLC Online Course	Chuang, Chia-Fang

3. Pension system and its implementation

The retirement of employees of the Company shall be handled in accordance with regulations of Labor Standards Act. The retirement reserve shall be deposited into a special account of the Bank of Taiwan at a monthly rate of 10% of the total payroll expense, and a labor retirement reserve supervision committee shall be set up to manage and supervise. In addition, according to the Provisions of the Workers' Pensions Ordinance, the Company will contribute 6% of the total salary of employees under the new system to individual pension accounts every month.

4. Labor-management agreements and measures for preserving employees' rights and interests

In order to maintain good labor relations, the Company is ready to communicate with industrial union cadres, and set a suggestion box, so that employees can fully reflect their opinions.

5. Financial information transparency related personnel, who have obtained relevant licenses specified by the authority:

Department	Name	Related Certification
Accounting Division	Chang, Sheng-Chuan	Passed the Accountant Examination in the 2007 Advanced Examination for Professional and Technical Personnel held by the Ministry of Examination Certificate number: (96) Chuan Kao Hui Tzu No. 000147
		Accounting Research and Development Foundation - Continuing Training Class for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges Registration Stamp(2024.9.19-2024.9.20)
Auditing Division	Lin, Chia-Huei	Certified Internal Auditor (CIA) Certificate number: Chi Hsieh Cheng Tzu No. 1060022
		Internal Audit Association of the Republic of China Certificate number: Chi Hsieh Bei Cheng Fa Tzu Letter No. 1137181
		Internal Audit Association of the Republic of China Certificate number: Chi Hsieh Bei Cheng Fa Tzu No. 1135256

Department	Name	Related Certification
Auditing Division	Chuang,	Internal Audit Association of the Republic of China Certificate number: Chi Hsieh Bei Cheng Fa Tzu Letter No. 1135056
		Internal Audit Association of the Republic of China Certificate number: Chi Hsieh Bei Cheng Fa Tzu No. 1131070
	Chia-Fang	Internal Audit Association of the Republic of China Certificate number: Chi Hsieh Bei Cheng Fa Tzu No. 1131070
		Internal Audit Association of the Republic of China Certificate number: Chi Hsieh Bei Cheng Fa Tzu No. 1131070

6. Employees' code of conduct or ethics

In accordance with the Labor Standards Act and relevant laws, employees' work rules and various management systems (described below) have been established in order to maintain workplace discipline and order among employees.

- (1) Every employee is given an Employee Work Rules Handbook which specifies the behavior or work ethic of employees, including employment, dismissal, working hours, vacation, leave, rewards and punishments, performance appraisal, retirement and welfare.
- (2) Pre-employment training for new employees covers basic education on ethics, environmental protection, occupational safety and health management.
- (3) This document establishes employees' commitment towards maintaining the confidentiality of information regarding the Company's tangible and intangible operating assets, and prevents employees from infringing on the interests of the Company.
- (4) The Codes of Ethical Conduct for Directors and Managerial Officers are disclosed on the Company's website.

Please refer to the Company's website for the Employee Work Rules at <http://www.apc.com.tw> in the Investor Relations section of the Corporate Governance unit.

7. Protective measures for the work environment and the personal safety of employees

- (1) The Company upholds the spirit of continuous improvement and the pursuit of perfection. Apart from continuously investing in hardware facilities to enhance pollution prevention and fire safety equipment so as to directly reduce pollutant emissions and increase production safety, the Company has also incorporated an environmental management system (ISO 14001) and an occupational health and safety management system (ISO 45001) to set up an excellent management system through Plan, Do, Check and Act (PDCA), thereby providing employees with a safe and healthy work environment. With regard to the legal environment, the Company has actively initiated the

certification procedures for the new Occupational Safety and Health Management System to strengthen occupational safety and health management, enhance corporate image, pay attention to and comply with international development trends, and respond to increasingly rigorous legal requirements. We have implemented actions for improving occupational safety and health management performance and reducing risks.

- (2) With regard to employees' personal safety protection, the Company not only provides employees with personal protective equipment such as goggles, earplugs and earmuffs, as well as vertical fall arresters, but also continuously offers training related to employee safety, with hopes that manufacturing equipment can run safely in plants, thereby achieving production goals in a smooth manner

- (II) List the losses suffered due to labor disputes in the most recent fiscal year up to the publication date of this annual report, and disclose the estimated amount for current and possible future occurrences, and response measures. If the amount cannot be reasonably estimated, clarify the reason:

Labor relations in the Company are harmonious. As of the publication date of this annual report, there has been no labor disputes and losses arising. Such incidents are not expected to happen in the future as well.

VI Information security management:

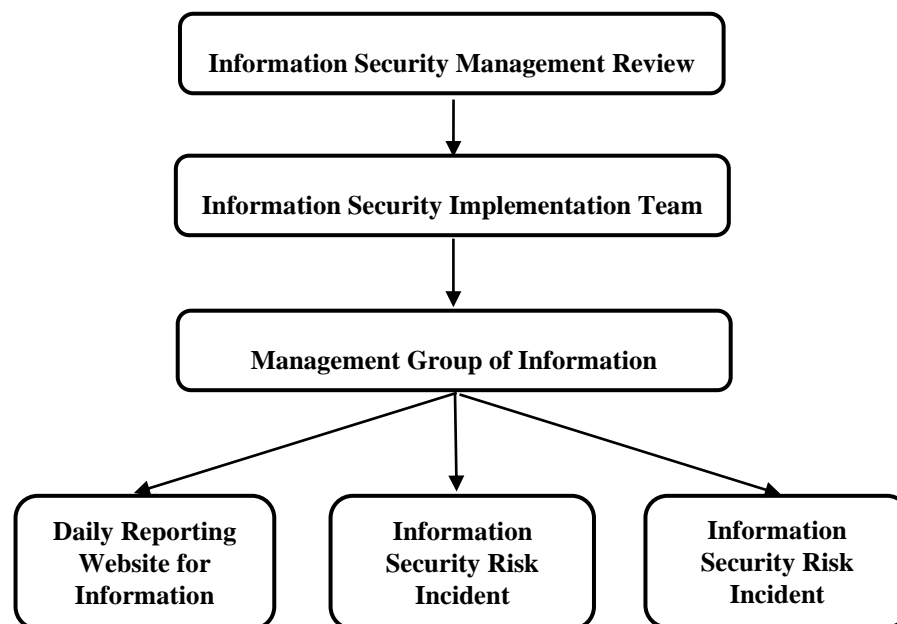
- (I) Please provide an overview of the framework for managing information and communication security risks, including the policies, management plans, and allocated resources for information and communication security management.

1. Information security risk management structure:

- (1) Enterprise Information Security Governance Organization:

The "Information Security Management Review Committee" is convened annually to adjudicate the six major input items of the security management system: the status of past management review proceedings, changes related to internal and external issues concerning the information security management system, feedback on information security performance, feedback from stakeholders, the status of risk assessment results and risk treatment plans, and opportunities for continuous improvement. It also determines the two major output items of the security management system: decisions related to continuous improvement opportunities and any needs for changes to the information security management system, in order to achieve

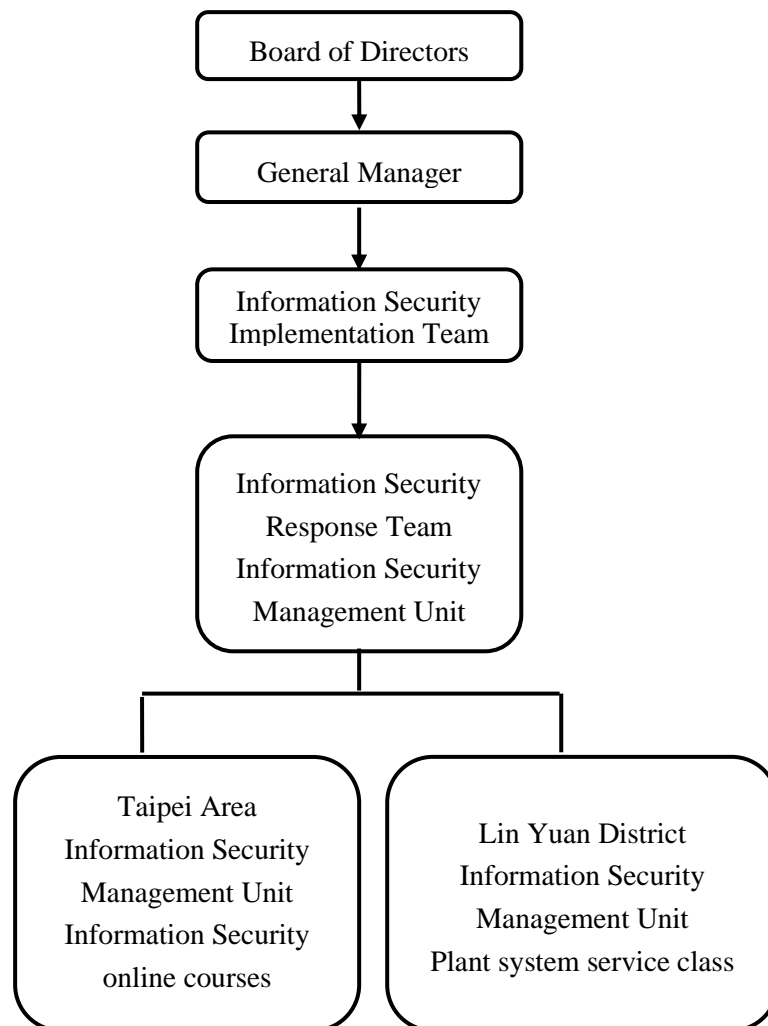
the objectives of the information security management system. Organizational Chart of the Information Security Management Review Committee is as follows:



(2) Enterprise Information Security Organizational Structure:

According to the provisions in the standard operating procedure (SOP) of the Company "Setting Standards of Information Security Promotion Organization", an "Information Security promotion team" has been set up to supervise the operation of Information Security management within the group and define the roles and responsibilities of each promotion organization. The meeting is held once a year. If there is a major Information Security incident, it can be held immediately. The Director of the Information Department serves as the convener of the team, responsible for organizing and facilitating the meetings of the Information Security Promotion Team. They also make decisions and mediate discussions during the meetings. The department heads of the Information Department are members of this team. In the event of a material Information Security incident, the Director of the Information Technology Department shall report to the General Manager or heads of related departments.

Organization chart of the Information Security Initiative Group



Responsibilities of Information Security Promotion Team:

- Establishment of Information Security Risk Management Framework and Information Security Policy
- Information Security Risk Assessment and Measures to Be Taken in Response
- Information Security maintenance and implementation
- Confirm the validity of information security execution

2. Information Security policy:

(1) Information Security management strategy and framework:

- ISO 27001 Information Security system:

ISO/IEC 27001 established since 2013: In 2014, the information security management system will continue to operate and promote, and the British Standards Institution Taiwan Branch (BSI), an external professional

information security inspection and certification company, will be engaged to carry out the review every year. It has been certified for 10 consecutive years (the current certificate is valid from July 4, 2023, to October 31, 2025).

- NIST CSF Information Security Management Framework:

Incorporated into the Information Security Framework (CSF) developed by the National Institute of Standards and Technology (NIST).

(2) Information Security and risk management framework

Based on the ISO 27001 Information Security management system, supplemented by the NIST CSF Information Security management framework, it strengthens risk management and control, improves Information Security resilience, and has the ability to withstand, contain and quickly recover from Information Security incidents, so as to continue to provide key operational services.

3. Specific Management Plan:

- Vulnerability scan detection: Perform server operating system vulnerability scan detection regularly to identify potential risks for system correction or propose compensatory measures to improve information security. It has been carried out for 9 consecutive years.
- Information asset management and control: Establish an information asset management platform, log in information assets, note asset items, usage status and maintenance records, and regularly inspect and maintain them.
- Firewall and Industrial Control Equipment (OT): Adopt Palo Alto Networks 3220, with the new 7-layer firewall system, improve the efficiency of filtering incoming and outgoing packets, effectively reduce the risk of system vulnerability exposure.
- Critical Server (SEVER): deploy Crowd Strike, use artificial intelligence (AI) and machine learning (ML) modes of non-feature comparison, to analyze attack behaviors in real time, and block known and unknown potential threats.
- Email: Implement the Microsoft Office 365 solution and enhance it with advanced threat protection (ATP) service mechanism to strengthen the ability to defend against unknown malicious program links and phishing emails. By migrating the mail server to the cloud and gradually reducing the number of AD and DC (Domain Controller) hosts, we can minimize the potential attack surface.

- Office equipment (IT): Use Trend Micro anti-virus software to detect abnormal network usage behaviors, such as monitoring the behavior of users' computers to log in to AD (Active Directory) hosts, enabling immediate blocking of attacks.
 - Each year, a routine information security inspection is carried out on the group's external network laptops to ensure compliance with the latest information security policies. This process helps to promptly identify and address potential security vulnerabilities, effectively reducing the risk of external malicious threats or attacks.
 - Personnel Information Security management: Prevent hacking or data leakage; information personnel receive at least four hours of Information Security education and training every year.
 - Social engineering exercises: at least twice a year, we will entrust external professional information security consultants to conduct social engineering exercises to enhance staff's awareness of information security and protect data security from external intrusion and theft.
4. Input the resources of information security management:
- Ensuring information security has become a crucial concern for the company's operations. The following outlines the corresponding plans for managing information security and allocating resources:
- Responsible Personnel: The Company has established a dedicated corporate organization, known as the Information Security Network Department, which includes a dedicated Information Security Supervisor and Information Security Officers. This department is responsible for the planning, implementation of technology, and auditing related to information security. Its main objective is to ensure the continuous improvement and maintenance of information security.
 - Certification: We have successfully passed the ISO27001 information security certification for 10 consecutive years without any significant security audit deficiencies.
 - Customer Satisfaction: There have been no major information security incidents and no complaints regarding customer data loss.
 - Education and Training: All IT personnel have successfully completed two annual sessions of information security education and training, including assessments. A total of 212 employees took part in two annual drills to test their susceptibility to social engineering phishing emails.
 - Investment in information security funds: Approximately \$705 thousand

- Information Security notices: 8 notices were issued.

(II) Information Security Risks and Response Measures

1. Risks of information technology security:

The maintenance and operation management of factories is crucial to the manufacturing industry. The production processes and procedures are primarily controlled and managed by operational technology (OT) systems, including distributed control systems (DCS) and supervisory control and data acquisition (SCADA) systems. Legacy systems, also known as systems that are not upgraded or updated after installation due to requirements like production stability, often lack sufficient information security protection compared to general information technology systems such as ERP, CRM, and OA software and hardware.

2. Information technology security management measures:

- Internal audit shall be conducted regularly by the Company's internal audit department and external professional information and security consultants. For external audit, British Standards Institution Taiwan branch (BSI), an internationally renowned certification company, is invited to conduct ISO 27001 certification audit every year. In addition to the audit of Information Security risk management framework, the Company also carries out the prevention coaching and Information Security risk assessment analysis for the internal and external issues.
- The Group's email system has implemented a Multi-Factor Authentication (MFA) mechanism to enhance security. This mechanism includes a password verification as the first step and an additional identity verification through other tools as the second step.
- Industrial Control Equipment (OT) adopts the Palo Alto Networks 3220, with the new 7-layer firewall system, improve the efficiency of filtering incoming and outgoing packets, effectively reduce the risk of system vulnerability exposure.
- Enhance control over external devices connected to industrial control equipment by limiting USB access to prevent data leakage and external information security threats, while ensuring no disruption to the production line.
- External Storage Media Health Check: Perform a thorough examination of external storage media to minimize the risk of data loss and concealed information security threats. This entails regular virus scanning, inspection, and inventory management of external devices.

- For the operating system of server host and other equipment, an external professional information security consultant shall be commissioned to scan the weaknesses every year to find out the potential risks and make system corrections or propose compensatory measures.
 - Strengthen personnel Information Security management, prevent hacking or data leakage; information personnel receive at least four hours of Information Security education and training every year.
3. Significant Information and Communication Security Incident:
- Specify in the most recent fiscal year and up to the publication date of the annual report, the losses incurred, potential impacts, and response measures due to significant information security incidents. If unable to reasonably estimate, explain the fact of inability to reasonably estimate:
- Loss resulting from labor-management relations in the current fiscal year up to the date of publication of the annual report: None.

VII Important Contracts

Type of Contract	Contracting Party	Contract Start and End Date	Contract Content	Restrictive Provisions
Material Purchase Contract	CPC Corporation	2025/01/01~2025/12/31	Annual contract volume and pricing for ethylene and propylene supply.	None
Material Purchase Contract	Dairen Chemical Corporation	2025/01/01~2025/12/31	The annual contract quantity and pricing method for supplying vinyl acetate.	None
Joint Venture Contract	Companies such as Ho Tung Chemical Corporation, LCY Group, USI, Hsintay Petroleum Co., Ltd., Chenergy Global Co., Ltd., Lien Hwa International Corporation, CTCI Corporation, Fubon Financial Holding Co., Ltd., and Hung Fu Investment Co.,Ltd.	2019.12.18	Our Company has collaborated with nine other businesses to invest in the production of petrochemical products at the Gulei Industrial Park in Zhangzhou, Fujian Province, China.	Restrictions on share transfer and pledge.
Long-Term Loan Agreement	DBS Bank (Taiwan)	2024/08/06~2027/08/06	APC is fortifying its financial structure while enhancing its operational capital.	None
Long-Term Loan Agreement	First Bank	2024/11/15~2027/11/15	APC is fortifying its financial structure while enhancing its operational capital.	None
Long-Term Loan Agreement	Taishin International Bank	2025/01/06~2027/11/30	APC is fortifying its financial structure while enhancing its operational capital.	Maintain a certain financial ratio

Type of Contract	Contracting Party	Contract Start and End Date	Contract Content	Restrictive Provisions
Long-Term Loan Agreement	Mizuho Bank	2023/08/30~ 2026/08/30	APC is fortifying its financial structure while enhancing its operational capital.	None
Long-Term Loan Agreement	Yuanta Bank	2023/10/13~ 2026/10/13	APC is fortifying its financial structure while enhancing its operational capital.	Maintain a certain financial ratio
Long-Term Loan Agreement	Cathay United Bank	2021/10/15~ 2027/12/15	APC is supporting the funding needs for the second phase of the Kaohsiung InterContinental project.	None
Long-Term Loan Agreement	Bank of China, Taipei Branch	2023/10/28~ 2026/10/27	APC is fortifying its financial structure while enhancing its operational capital.	Maintain a certain financial ratio

Chapter 5. Review and Analysis of Financial Position and Financial Performance

I. Financial Position

Comparative Analysis of Financial Position

Unit: NT\$ thousand

Item \ Year	End of 2024	End of 2023	Difference	
			Amount	%
Current Assets	\$3,294,702	\$3,335,197	(40,495)	(1.21)
Long-term Investment	5,471,037	7,148,658	(1,677,621)	(23.47)
Property (with the investment), Plant, and Equipment	4,122,933	3,966,897	156,036	3.93
Other Assets	709,918	560,937	148,981	26.56
Total Assets	13,598,590	15,011,689	(1,413,099)	(9.41)
Current Liabilities	1,101,984	1,028,661	73,323	7.13
Other Liabilities	1,012,914	643,944	368,970	57.30
Total Liabilities	2,114,898	1,672,605	442,293	26.44
Share Capital	5,937,438	5,937,438	0	0.00
Capital Surplus	38,130	37,559	571	1.52
Retained Earnings	5,698,855	6,695,769	(996,914)	(14.89)
Other Equity	(190,731)	668,318	(859,049)	(128.54)
Total Equity	11,483,692	13,339,084	(1,855,392)	(13.91)
<p>1. The main reasons for major changes in assets, liabilities and equity in the most recent two years (variance of 20% and exceeding NT\$ 10 million between periods):</p> <p>(1) Long-term investment: mainly due to the measurement of financial assets at fair value through other comprehensive income and a decrease in investments accounted for using the equity method.</p> <p>(2) Other Assets: mainly due to the recognition of deferred income tax assets.</p> <p>(3) Other liabilities and total liabilities: mainly due to an increase in the repayment of long-term liabilities due within one year and long-term loans.</p> <p>2. Impact: No major impact</p> <p>3. Future response plan N/A</p>				

II. Financial Performance

(I) Comparative analysis of financial performance

Unit: NT\$ thousand

Item \ Year	2024	2023	Change, by Amount	Percentage of change (%)
Net Revenue	6,031,266	6,717,128	(685,862)	(10.21)
Operating Costs	5,896,273	5,571,131	325,142	5.84
Gross Profit	134,993	1,145,997	(1,011,004)	(88.22)
Operating Expenses	244,435	222,161	22,274	10.03
Net Operating Income (Loss)	(109,442)	923,836	(1,033,278)	(111.85)
Total Non-operating Revenue and Expenses	(810,910)	(772,704)	(38,206)	4.94
Net Income (Loss) before Tax	(920,352)	151,132	(1,071,484)	(708.97)
Income Tax (Profit) Expense	(169,852)	34,848	(204,700)	(587.41)
Net Income (Loss)	(750,500)	116,284	(866,784)	(745.40)
Other Comprehensive Income (Loss) for the Year	(838,278)	(275,732)	(562,546)	204.02
Total Comprehensive Income (Loss) for the Year	(1,588,778)	(159,448)	(1,429,330)	896.42
<p>1. The main reasons for significant percentage of changes in the most recent two years:</p> <p>(1) Gross profit: mainly due to the average selling price decreasing and the cost of raw materials increasing, resulting in a narrowing of the price difference.</p> <p>(2) Operating margin: mainly due to the decrease in gross profit.</p> <p>(3) Profit before tax and net profit for the year: mainly due to the decrease in non-operating revenue and gross profit.</p> <p>(4) Income tax: mainly due to the decrease in profit before tax.</p> <p>(5) Other comprehensive income for the current year: The increase is mainly due to the recognition of unrealized fair value losses on financial assets measured at fair value through other comprehensive income, resulting from a decline in market prices.</p> <p>(6) Total comprehensive income for the year: Mainly caused by the decrease in net loss and other comprehensive income for the year.</p> <p>2. Projected sales volume in the following year and its basis: The sales target for 2025 is approximately 138,400 metric tons and sales of niche products shall be prioritized.</p> <p>3. Impact on the Company's future financial business: No significant impact.</p> <p>4. Future response plan: Not applicable.</p>				

(II) Analysis of changes in gross profit:

Unit: NT\$ thousand

	Changes in numbers between the previous and current periods	Reason for the difference		
		Difference in selling price	Difference in cost	Difference in quantity
Gross Profit on Sales	(1,011,004)	(815,047)	(198,528)	2,571
Reason for Discrepancy	The average selling price has decreased by approximately 13.5% compared to last year, while the cost of raw material has increased by approximately 3.8% compared to last year.			

III. Cash Flows

Unit: NT\$ thousand

Year	Initial Cash Balance	Net cash flow from operating activities for the year	Net cash flow from investment activities for the year	Net cash flow from financial activities for the year	Effect of Exchange Rate	Cash Surplus (Deficiency) Amount	Remediation for Insufficient Cash
2024	1,152,991	339,577	(391,984)	358,261	10,111	1,468,956	N/A

1. Analysis of changes in cash flow during the year
 - (1) Operating Activities: The net cash inflow from operating activities is NT\$339,577 thousand mainly consisting of annual loss plus depreciation expense and other adjustments.
 - (2) Investment Activities: The net cash outflow from investment activities was NT\$391,984 thousand, primarily due to equipment purchases and dividend receipts.
 - (3) Financing Activities: The net cash inflow to financing activities was NT\$ 358,261 thousand, mainly due to increase in long-term loans.
2. Remediation for Insufficient Cash and Liquidity Analysis: Not applicable
3. Liquidity analysis for the following year

Unit: NT\$ thousand

Initial cash balance	Projected annual net cash flow from operating activities	Estimated other cash inflows (outflows) during the year	Estimated balance of cash surplus (shortage)	Remediation for Insufficient Cash
1,468,956	473,000	(368,000)	1,573,956	N/A

IV. Impact of major capital expenditures on financial operations in the most recent year:

To ensure adequate supply of ethylene raw material, an estimated NT\$ 1.02 billion will be spent on the construction of ethylene storage tanks and underground pipelines.

Capital expenditure shall be paid in advance with its own funds, and at the same time, capital market financing costs shall be assessed at any time for timely adjustment.

V. Investment policy in the most recent year, main reasons for its profit or loss, improvement plans and investment plan for the coming year:

(I) Investments whose amounts exceed five (5) percent of paid-in capital at the end of 2024:

Item	Description	Amount (NT\$ thousands)	Policy	Major reasons for profit or loss	Improvement plan	Other investment plans in the future
USI Corporation		1,089,573	Stable cash dividends	Stable performance	None	—
CTCI Corporation		557,620	Investment diversification	Overall performance steady	None	—
Ever Conquest Global Ltd		1,767,006	Petrochemical investments	Early stages of business transformation	None	—
China General Plastics Corporation		705,215	Investment diversification	Steady average performance over the years	None	—
China General Terminal & Distribution Co.		302,831	Investment diversification	Overall performance steady	None	—

(II) Investment plans for the following year: None

VI. Risk Analysis and Evaluation

Risk management organizational structure Major Risk Evaluation Item		Implementation and responsible units	Supervision unit
(I)	Effects of interest rates, exchange rate fluctuation and inflation on the Company's profit and loss, as well as future response measures	Finance Division	Auditing Division
(II)	Impact of interest rates and exchange rate fluctuations, as well as inflation on the Company's profit and loss, as well as future response measures	Finance Division	
(III)	Future R&D projects and estimated R&D expenditure	Technology Department of Linyuan Plant	
(IV)	Impacts of changes in local and overseas policies and laws on the Company's financial operations, and related response measures	Finance Division / Legal Division / Business Department	
(V)	Impacts of changes in technology and industry on the Company's financial operations, and related response measures	Sales and Marketing Division	
(VI)	Impact of changes in corporate image on the Company's risk management, and response measures	Human Resource Division	
(VII)	Expected benefits and possible risks of mergers and response measures	Finance Division	
(VIII)	Expected benefits and possible risks to expand the plants and the countermeasures	Linyuan Plant	
(IX)	Risks resulting from consolidation of purchasing or sales operations and response measures	Procurement and Logistics Division / Business Department	
(X)	Impact and risks resulted from major equity transfer or replacement of Directors, Supervisors, or shareholders holding more than 10% of the Company's shares, and related response measures	Finance Division	
(XI)	Impact, risk, and response measures related to any change in governance rights in the Company	Board of Directors	
(XII)	Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: involve the Company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10%, and/or any company or companies controlled by the Company; and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the Company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report.	Legal Division	
(XIII)	Other significant risks and response measures	General Manager Office	

Risk management policy

(I) Effects of interest rates, exchange rate fluctuation and inflation on the Company's profit and loss, as well as future response measures:

1. Interest Rate:

The idle funds will be placed in bank deposit, money market fund beneficiary certificate, bond (bills) with repurchase transaction and REITs (domestic real estate investment trust fund) to reduce the risk of interest rate fluctuations.

Based on short-term and medium-to-long-term funding needs, we will arrange and plan financial institution quotas and corporate bonds, ensuring that the quota utilization rate does not exceed 50% to maintain liquidity and flexibility in fund allocation. Additionally, we will monitor interest rate trends and adjust the proportion of floating and fixed interest rate quotas as needed, managing the Company's funding costs while maintaining a stable financial structure.

2. Exchange Rate:

Hedging is carried out according to the net foreign currency position generated by the Company's business. In addition to closely observing the trend of the international foreign exchange market, we also timely hedge the risks through spot selling and undertaking forward foreign exchange contracts.

3. Inflation:

The main cost of the Company is the cost of raw materials. Product price move in the same direction as the raw material cost. Continuously assess the impact of interest rate fluctuations on the assets and liabilities of the Company.

(II) Policies regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and future countermeasures to be taken:

1. Engaging in high-risk, highly-leveraged investment and lending funds to other parties:

The Company's "Procedures for Acquisition and Disposition of Assets" stipulates that it does not engage in high-risk, highly-leveraged investments. There is also the "Procedures for Lending Funds to Others". However, this operation has not yet been carried out.

2. Endorsements/guarantees:

In accordance with the Company's "Endorsement and Guarantee Procedures." However, this operation has not yet been carried out.

3. Derivatives transactions:

The purpose of the Company's derivatives trading is to hedge the risks arising from the Company's business operation. The trading products are mainly forward exchange, and no engagement is made in speculative operations. The counter parties for hedging transactions are reputable financial institutions to avoid credit risks. In addition, the trading object needs to choose the financial institution with better conditions to deal in order to avoid credit risk.

(III) Future R&D projects and estimated R&D expenditure:

1. Future R&D Plan:

- New product development (V3307/V3305).
Trial production plan and prototype manufacturing
- Meets customer usage specifications.

2. Estimated R&D Expenses: A total of approximately NT\$2,000 thousand.

(IV) Impacts of changes in local and overseas policies and laws on the Company's financial operations, and related response measures:

1. Impacts of changes in major domestic and overseas policies and regulations on Company's finance and business within the most recent year up to the publication date of this report are not significant.

2. Response measures:

The Company has established the Legal Division to assess legal risks and formulate countermeasures, review important contracts and legal documents in advance, identify potential risks, and provide legal advance to handle legal affairs where necessary to protect the Company's interests and reduce the risk of breaches and losses. In addition, the accounting division evaluates the impacts of changes in accounting and tax-related laws and regulations on the financial operations of the Company at all times and come up with action plans. It would discuss with CPAs to make prior planning for the relevant changes.

(V) Impacts of changes in technology and industry on the Company's

financial operations, and related response measures:

Please refer to Chapter IV (Operational Overview), subsection I (Business Content), point 2 (Industry Overview), for information on the impact of technological changes and industry trends on the company's financial operations and the corresponding measures. Please refer to Chapter 5 (Operational Overview), subsection IV (Information Security Management), for information on the impact of information security risk on the company's financial operation.

- (VI) Impact of changes in corporate image on the Company's risk management, and response measures:

The Company has always uphold the professional and integrity of the operating principles, paid attention to corporate governance, corporate social responsibility, therefore, there is no foreseeable risk associated with changes in corporate image.

- (VII) Expected benefits and possible risks of mergers and response measures:

The Company does not carry out mergers and acquisitions.

- (VIII) Expected benefits and possible risks to expand the plants and the countermeasures:

Construction of ethylene storage tanks and underground pipelines

Expected benefits: Ensuring sufficient ethylene raw material supply to maintain stable production and to enhance the connection with existing customers.

Possible risks: Increase in supply, thereby leading to the product's price to drop.

Response measures: Develop products of high quality and niche products to avoid price competition

- (IX) Risks resulting from consolidation of purchasing or sales operations and response measures:

Purchases: The Company purchases approximately 54% of the Company's overall material from CPC Corporation, Taiwan. However, we signed a contract with CPC to ensure the supply of ethylene. Shortages may be supplemented by imports of CPC or the Company.

Sales: Most of our customers are SMEs, so there is no concentration risk.

- (X) Impact and risks resulted from major equity transfer or replacement of Directors, Supervisors, or shareholders holding more than 10% of

the Company's shares, and related response measures:

There was no major exchange or transfer of shares by directors, supervisors or shareholders with over 10% of shares in the Company as at the date of publication of the report. Thus, there was no impact on the Company's operation.

- (XI) Impact, risk, and response measures related to any change in governance rights in the Company:

There has been no changes in management control at the Company in the most recent fiscal year up to the publication date of this annual report.

- (XII) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: involve the Company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10%, and/or any company or companies controlled by the Company; and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the Company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report:

Concluded or pending major litigious, non-litigious or administrative disputes in the most recent year and as of the date of report:

- (1) The Company: None.
- (2) Directors, Supervisors, General Managers, persons with actual responsibility in the Company, and major shareholders holding more than 10% of the Company's shares: None.
- (3) Investee companies using equity method:

With regard to the gas explosions in the evening on July 31, 2014, where the Company's investee company accounted for using the equity method China General Terminal & Distribution Corporation (CGTD) was contracted by LCY Chemical Corp. (LCY) to operate the propene pipelines, the criminal part of the gas explosion case was also dismissed on appeal by the Supreme Court on September 15, 2021, and all three of CGTD's employees were acquitted.

CGTD arrived at an agreement with the Kaohsiung City Government on February 12, 2015, pledging certificates of bank deposits of NT\$ 234,785 thousand, interests included, to the Kaohsiung City Government as collateral for the loss caused by the gas explosion. The Kaohsiung City Government also filed civil procedure requests in succession against LCY Chemical Corp., CGTD and CPC Corporation, Taiwan ("CPC"). In addition, Taiwan Power Company Limited separately applied to the court on August 27, 2015 and November 26, to execute a provisional attachment on the assets of CGTD. CGTD has deposited a cash amount of NT\$ 99,207 thousand with the court, thereby avoiding the provisional attachment. Similarly, Taiwan Water Corporation also separately applied to the court on February 3, 2017 and March 2, to execute a provisional attachment on the assets of CGTD. At the end of March 31, 2025, the bank deposit seized from CGTD was worth NT\$ 6,401 thousand.

As for the victims, CGTD, LCY Chemical Corp. and the Kaohsiung City Government signed a tripartite agreement for the compensation of the 32 victims' families on July 17, 2015. Each victim's family received \$12,000 thousand, and the compensation was \$384,000 thousand in total, which was paid in four annual payments by LCY Chemical Corp. LCY paid the compensation first and also represented the three parties in the settlement negotiation and the signing of settlement agreements with the family of the deceased. CGTD, according to the trilateral agreement, shall pay NT\$157,347 thousand to the LCY Chemical Corp. on August 10, 2022, based on the first-instance judgment of this case, attributing 30% of the negligence liability. Subsequent adjustments will be made in accordance with the determined liability ratio after the civil litigation is finalized. As for the seriously injured, CGTD, LCY Chemical Corp. and the Kaohsiung City Government signed a tripartite agreement for the compensation of the 65 seriously injured victims' families on October 25, 2017. Compensation was paid by CGTD and the Kaohsiung City Government, and CGTD was in charge of negotiating the compensation with the seriously injured victims' families and signing the settlement agreement on behalf of the three parties with the 64 seriously injured victims' families.

As of March 31, 2025, victims, injured parties, or their relatives affected by the Kaohsiung gas explosion incident have filed civil (including criminal - related civil) lawsuits claiming

compensation from LCY Chemical Corp., CGTD and CPC Corporation, among others. In order to reduce litigation costs, CGTD has reached a settlement regarding a claim amounting to NT\$ 46,677 thousand, settling for a compensation amount of NT\$4,519 thousand. The total amount of compensation sought in the ongoing litigation and the settlement amount agreed upon for the deceased and severely injured individuals, as mentioned earlier, is approximately NT\$ 3,831,211 thousand. The first-instance judgments of some of the above mentioned civil cases (with a total amount of compensation of approximately NT\$ 1,467,830 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY Chemical Corp. and CGTD is 4:3:3 in most judgments. The total amount of compensation that CGTD, LCY Chemical Corp. and the other defendants should pay is about NT\$ 401,979 thousand, of which CGTD was exempted for NT\$ 6,194 thousand.

For the civil cases where the first-instance judgement has been issued but no settlement has been reached, CGTD has appealed to the second instance, and judgements have been gradually announced since July 10, 2024. As of March 31, 2025, 9 cases in the second instance related to compensation claims filed by the Kaohsiung City Government (with a claimed compensation amount of approximately NT\$1,137,677 thousand) have been ruled. Among these, 8 cases determined that CGTD, together with LCY Chemical Corp., should bear 10% (5 cases) or 20% (3 cases) of the liability for negligence, totaling NT\$79,726 thousand in joint compensation. In one case, it was determined that CGTD alone should bear 10% of the liability, with a compensation amount of NT\$297 thousand. Additionally, in the second-instance rulings for compensation claims filed by Taiwan Power Company (with a claimed amount of NT\$265,822 thousand) and the National Health Insurance Administration (with a claimed amount of NT\$35,688 thousand), CGTD, along with LCY Chemical Corp., was found liable for a total joint compensation of NT\$108,835 thousand. In the aforementioned case that has been adjudicated in the second instance, aside from those cases that cannot be appealed to the third instance, CGTD has filed an appeal for the third instance. The remaining cases are still under review in the first-instance court, with the requested compensation amounting to approximately NT\$1,860,557 thousand.

The proportion of liability for negligence determined in relation to this gas explosion incident, according to the relevant rulings is used to estimate the amount of settlement for victims and seriously injured and the civil litigation compensation amount (including settled cases). The maximum amount of the insurance compensation was deducted to calculate the amount payable by CGTD and the NT\$ 136,375 thousand has been included in the estimate on the account. However, the actual settlement and compensation amount described above can only be verified after the proportion of fault liability is determined in the civil judgments.

(XIII) Other significant risks and response measures:

Risk management policy:

The Audit Committee and the Board of Directors adopted risk management policies and procedures in December 2020 in order to strengthen corporate governance, reduce risks that may be faced by operations and ensure sound operation and sustainable development of the Company. The measures mainly include risk management policy, risk management organization, risk management process, risk management categories and mechanisms, etc. Effectively control risks arising from business activities according to this method, and report to the Audit Committee and the Board of Directors at least once a year on the current year's risk management operation. The most recent report was submitted to the Audit Committee and the Board of Directors in November 2024.

VII. Other Important Matters: the Company's key performance indicators

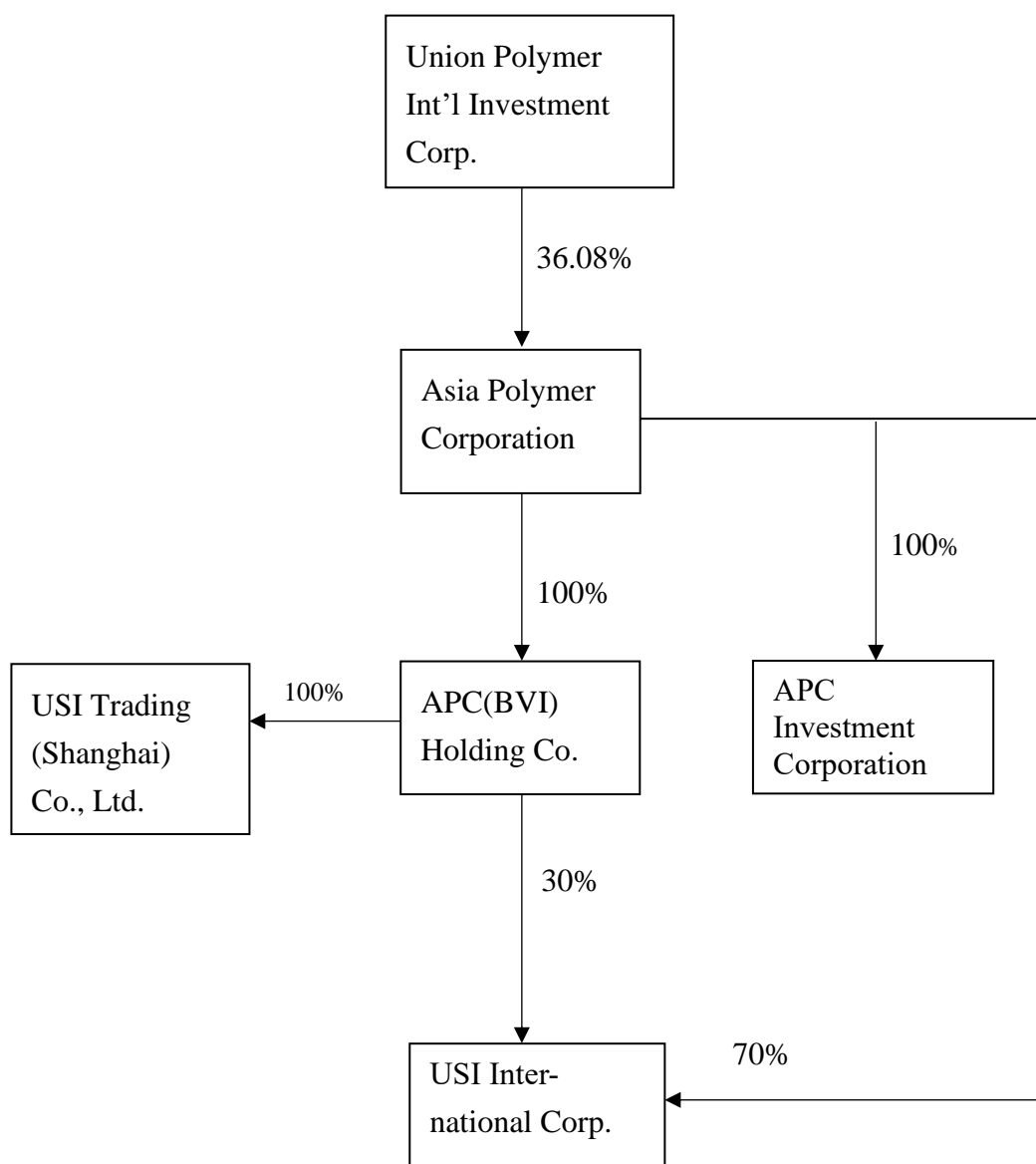
- (I) Disaster-free working hours: The Company's Linyuan plant is in high temperature and high pressure production environment, and pays special attention to work safety and environmental protection. As of December 31, 2024, the total number of disaster-free hours is 497,182.
- (II) Equipment operation rate: The equipment operation rate of the company in 2024 reaches 97.70%.

Chapter 6. Special Notes

I. Information on Affiliates

(I) Consolidated Business Report of Affiliated Enterprises

1. Organizational Structure of Affiliated Companies (December 31, 2024)



2. Basic information of affiliates

December 31, 2024

Unit: NT\$ thousand

Name of Affiliate	Date of Founding	Address	Paid-in capital	Main Business or Production Items
APC (BVI) Holding Co., Ltd.	1997.04.10	Citco Building, Wickham Cay, P. O. Box 662, Road Town, Tortola, British Virgin Islands	371,867	Reinvestment
USI International Corporation	2002.09.20	TrustNet Chambers, P.O.Box3444,Road Town,Tortola, British Virgin Islands	98,355	Investment
APC Investment Co., Ltd.	2007.12.20	10F, No. 39, Jihu Road, Neihs District, Taipei City	200,000	Investment
USI Trading (Shanghai) Co., Ltd.	2006.03.13	Room 6A, No. 1358, Yan'an West Road, Shanghai City	81,963	Sale of chemical products and equipment

3. Information of shareholders with corporate governance power while working in the company: None.

4. Business of affiliates and their relationships

Industry code	Name of Affiliates	Business relationship with other affiliated companies
Holding Company	APC (BVI) Holding Co., Ltd.	None
Investment	USI International Corporation	None
Investment	APC Investment Co., Ltd.	None
Trading	USI Trading (Shanghai) Co., Ltd.	Purchases from APC

5. Information regarding the Directors, supervisors and general managers of affiliated companies

December 31, 2024

Unit: NT\$ thousand; share; %

Name of Affiliate	Title	Name or Representative	Number of shares held/Shareholding percentage	Number of shares held by juristic persons represented /Shareholding percentage
APC (BVI) Holding Co., Ltd.	Director	Wu, Yi-Kuei	0/0%	—
	Director	Wu, Pei-Chi	0/0%	
	Director	Pi Shu-Chien	0/0%	
	Director	Huang Ya-I	0/0%	

Name of Affiliate	Title	Name or Representative	Number of shares held/Shareholding percentage	Number of shares held by juristic persons represented /Shareholding percentage
USI International Corporation.	Director	Wu, Yi-Kuei	0/0%	—
	Director	Wu, Pei-Chi	0/0%	
	Director	Yang Wen-Li	0/0%	
	Director	Huang Ya-I	0/0%	
APC Investment Corporation	Chairman	Wu, Yi-Kuei (assigned Asia Polymer Corporation)	0/0%	20,000,000/100
	Director	Wu, Pei-Chi (Appointed by Asia Polymer Corporation)	0/0%	
	Director	Huang Ya-I (Appointed by Asia Polymer Corporation)	0/0%	
	Supervisor	Chen Yung-Chih (Appointed by Asia Polymer Corporation)	0/0%	
	General Manager	Huang Ya-I	0/0%	—
USI Trading (Shanghai) Co., Ltd.	Chairman	Wu, Pei-Chi (Appointed by APC (BVI) Holding Co., Ltd.)	0/0%	USD2,500,000/100
	Vice Chairman	Wu Chiao-Feng (Appointed by APC (BVI) Holding Co., Ltd.)	0/0%	
	Director	Huang Ya-I (Appointed by APC (BVI) Holding Co., Ltd.)	0/0%	

Name of Affiliate	Title	Name or Representative	Number of shares held/Shareholding percentage	Number of shares held by juristic persons represented /Shareholding percentage
	Director	Wu Ming-Tsung (Appointed by APC (BVI) Holding Co., Ltd.)	0/0%	
	Supervisor	Yang, Wen-Li (appointed by APC (BVI) Holding Co., Ltd.)	0/0%	
	General Manager	Wu, Pei-Chi	0/0%	—

6. Operating status of affiliates

Unit: NT\$ thousand

Name of Affiliate	Capital	Total assets	Total liabilities	Net value	Operating revenue	Operating income (loss)	Profit or loss for the current period (after taxes)	Earnings per share (NT\$) (after tax)
APC (BVI) Holding Co., Ltd.	371,867	693,500	-	693,500	-	(137)	28,370	2.50
USI International Corporation.	98,355	104,434	5,146	99,288	-	(953)	(2,341)	(0.78)
APC Investment Co., Ltd.	200,000	142,124	121	142,003	-	(331)	(1,110)	(0.06)
USI Trading (Shanghai) Co., Ltd.	81,963	246,301	62,485	183,816	421,449	11,592	12,707	-

(II) Consolidated financial statements of affiliated enterprises

Declaration of Consolidated Financial Report of Affiliates

In 2024 (from January 1 to December 31, 2024), pursuant to “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises,” the Company’s entities that shall be included in preparing the Consolidated Financial Statements of Affiliates and the Parent-Subsidiary Consolidated Financial Statements for International Financial Reporting Standards (IFRS) 10 are the same. Moreover, the disclosure information required for the Consolidated Financial Statements of Affiliates has been fully disclosed in the aforementioned Parent-Subsidiary Consolidated Financial Statements; hence, a separate Consolidated Financial Statements of Affiliates will not be prepared.

Sincerely

Company Name: Asia Polymer Corporation



Representative: Wu, Yi-Kuei



March 5, 2025

(III) Reports on Affiliations

1. Declaration of affiliation report

Declaration of affiliation report

The 2024 Affiliation Report (from January 1 to December 31, 2024) prepared by your Company, in accordance with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises. No material inconsistency has been found between the information disclosed and the relevant information disclosed in the notes to the financial statements for the aforementioned period. The statement is attached in this letter.

Sincerely

Company Name: Asia Polymer Corporation



Representative: Wu, Yi-Kuei



March 5, 2025

Independent auditor's opinion on affiliation report

March 17, 2025 Chin Shen

Attn: Asia Polymer Corporation

Subject: We express our opinions on the Company's 2023 affiliation report that it does not contain any material inconsistency.

Description:

- I. Your Company has issued a statement on the 2024 Affiliation Report (from January 1 to December 31, 2024) prepared by your Company, on March 5, 2025 in accordance with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises. No material inconsistency has been found between the information disclosed and the relevant information disclosed in the notes to the financial statements for the aforementioned period. The statement is attached in this letter.
- II. We have compared the Notes to Financial Statements in the Company's 2024 Financial Statements with the Company's Related Company Report based on the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises," and have not found any material discrepancies in the aforementioned statements.

Deloitte Taiwan

CPA Chiu

Cheng-Chun



CPA

Chuang, Pi-Yu



2. Overview on the relationship between affiliates and holding company

Unit: Share; %

Controlling Company Name	Reasons for the Control	Shares held by the holding company and status of pledged shares			Directors, supervisors or managers appointed by the holding company	
		Shares Held	Shareholding Ratio	The Number of Pledged Shares	Title	Name
Shing Lee Enterprise (Hong Kong) Limited	The major shareholder and representative of USI was elected as the Chairman	0	0	0	None	
USI Corporation	The parent company of the major shareholder (Union Polymer Int'l Investment Corp.) and the same Chairman	0	0	0	None	
Union Polymer Int'l Investment Corp.	The major shareholder and the same Chairman	214,245,822	36.08%	0	Chairman Director	Wu, Yi-Kuei Li Kuo-Hung

3. Purchase and sales transactions

Unit: NT\$ thousand; %

Name of Controlling Company	Transaction Details between Control Companies				Transaction terms with the holding company		General Transaction Terms		Reason for the difference	Accounts and Notes Receivable (Payable)		Overdue Accounts Receivable			Remark
	Purchase (Sale)	Amount	Percentage to total purchases (sales)	Gross Profit on Sales	Unit Price (NTD)	Loan tenor	Unit Price (NTD)	Loan tenor		Cash balance	Percentage to total accounts/notes receivables	Amount	Actions Taken	Allowance for Doubtful Accounts	
USI Corporation	Sales Margin	394,661	6.78%	44,146	39~53	60 Days	35~69	30-90 Days	None	52,140	11.08%	0	None	0	—
	Purchases	143,556	3.61%	—	24~30	30 Days	23~30	30 Days	None	10,971	4.39%	—	—	—	—

4. Property transactions: None.

5. Status of financing: None.

6. Lease of assets

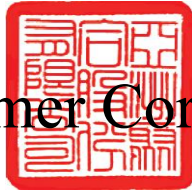
Unit: NT\$ thousand

Name of Controlling Company	Type of Transaction	Subject		Leases Term	Leases Nature	Determination Basis of Leasing Price	Collection Terms	Comparison with Normal Transactions	Total Rent for This Period	Collection Status for the Current Period	Other Stipulations
		Name	Location								
USI Corporation	Lessor	Office and Parking Spaces	9th and 10th Floor, No. 37, Jihu Road, Taipei City	2024.1.1-2024.12.31	Business Lease	Market price	Charged monthly	Quite	3,508	Normal	None
	Lessee	Office and Parking Spaces	12th Floor, No. 37, Jihu Road, Taipei City, Taiwan, R.O.C.	2024.1.1-2024.12.31	Business Lease	Market price	Charged monthly	Quite	2,325	Normal	None
Union Polymer Int'l Investment Corp.	Lessor	Office	10F., No. 37, Jihu Rd., Neihsu Dist., Taipei City	2024.1.1-2024.12.31	Business Lease	Market price	Charged monthly	Quite	1	Normal	None

7. Endorsements and guarantees: None.

- II.** Private placement of securities within the most recent year up to the publication date of this report: None
- III.** Other necessary supplementary notes to be included: None.
- IV.** Any Event which has a Material Impact on Shareholders' Rights and Interests or the Company's Securities as Prescribed in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act, that Have Occurred in the Most Recent Fiscal Year up to the Publication Date of this Annual Report Shall be Indicated Individually: None.

Asia Polymer Corporation



Chairman: Wu, Yi-Kuei

