

Stock Code: 1308

# ASIA POLYMER CORPORATION

## 2025 Annual Report

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

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

Date of Publication: March 31, 2026

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Title: Sales Director

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Name: Chang, Sheng-Chuan

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Address: 6F, No. 17, Lane 120, Section 1, Neihu Road, Neihu District, Taipei City

Joint Stock Affairs Website: <https://www.usig.com/USIGStockHome.aspx>

Phone: (02) 2650-3773

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

Accounting Firm: Deloitte Taiwan

Address: 20F, No. 100, Songren Road, Xinyi District, Taipei City, Taiwan

Website: <https://www2.deloitte.com/tw>

Tel: (02)2725-9988

V. Overseas Securities Listing Exchange and Information: None.

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



# ASIA POLYMER CORPORATION

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## Chapter 1 Letter to Shareholders

Dear Shareholders,

The Company's 2025 consolidated net operating revenue was NT\$ (same hereunder) 5.743 billion, a decrease of \$0.288 billion compared to 2024. The budget achievement rate was 93%. The consolidated loss before tax amounts to approximately NT\$1.041 billion, an increase of NT\$0.12 billion compared to 2024. The net loss after tax is NT\$1.045 billion.

### **I 2025 Business Report:**

#### **Sales and Marketing:**

At the beginning of the year, strong demand from the photovoltaic sector drove the EVA market to rebound from its trough in the first quarter. In early April, the United States suddenly announced a reciprocal tariff policy, causing the downstream supply chains for footwear materials and photovoltaics to temporarily halt and adopt a wait-and-see approach. In addition, China added two new production lines of 200,000 metric tons each in the first half of the year, further intensifying the oversupply pressure in the EVA market. In early June, the Israel-Iran war broke out. Concerned that crude oil and petrochemical product prices might rise accordingly, downstream customers actively replenished inventories, allowing EVA prices to stabilize. In early August, as photovoltaic demand recovered strongly, EVA prices rebounded again. By the fourth quarter, however, the start-up of new production capacities in South Korea and China once again placed downward pressure on the market. By contrast, at the beginning of the year, the market circulated rumors that Yanshan Petrochemical, a major supplier in China, would not resume operations after its maintenance shutdown at the end of May. Amid such speculation, coating-grade LDPE prices in China were even pushed up to around US\$1,400 per metric ton at one point. Although prices declined in the second quarter along with EVA and other petrochemical products, relatively limited supply helped the market remain generally stable at around US\$1,100 to US\$1,200 per metric ton for most of the period after the second quarter. In view of the substantial EVA capacity expansion in China and the relatively limited new capacity targeting coating-grade LDPE, the Company has gradually shifted part of its production capacity

toward coating-grade and microfiber applications to mitigate the impact of newly added EVA capacity. The total annual sales volume of LDPE/EVA reached 137,000 metric tons, with a budget achievement rate of 99%, an increase of 1% compared to 2024. The average selling prices also decreased by 7% and 5% respectively.

**Materials and cost:**

In 2025, crude oil prices fluctuated downward, leading to lower prices for the Company's ethylene and VAM feedstocks. As a result, the average raw material cost per metric ton decreased by 12% compared with 2024.

**Production, research and development:**

The development of high VA and low MI products has been completed, and we have reached the quantitative commercial production stage. We are gradually promoting market applications to align with the group's sales strategy and enhance the flexibility of future production combinations. The annual production of LDPE/EVA is approximately 140,000 metric tons, an increase of 6% compared to 2024. The budget achievement rate is 103%.

**Social Responsibility:**

Guided by the USI Group's core philosophy of "create and cohere sustainable value for a sustainable society", the Company has actively implemented its ESG strategies to address environmental and social challenges. In terms of corporate governance, the Company was ranked in the top 6% to 20% of listed companies in the "11th Corporate Governance Evaluations" and received the "Taiwan Top 100 Sustainable Companies Award" and the "Platinum Award for Sustainability Report" at the 18th TCSA Taiwan Enterprise Sustainability Award in 2025, demonstrating robust governance mechanisms and transparency. In terms of social responsibility, the Company was recognized in 2025 by the Proactive Evaluation of the Occupational Safety and Health Performance as an Outstanding Enterprise, highlighting its strong commitment to employee health. In terms of environmental sustainability and energy saving and carbon reduction, the Company has actively promoted the circular economy by developing recycled plastics, and in February 2025 obtained



SGS ISO 14021 material certification and the Green Mark label. In 2025, the average electricity-saving rate reached 1.91%, exceeding the 1.5% requirement set by the Energy Administration. At the same time, the Company purchased 2.515 million kWh of solar green electricity, in compliance with the requirement that green power account for 10% of contracted capacity. In addition, the Company was recognized by CommonWealth Magazine as an outstanding enterprise aligned with the 1.5°C temperature control target under the Paris Agreement.

**Comprehensive Annual Operating Performance:**

Looking at the overall operating results for the year, the decline in raw material costs exceeded the decline in selling prices, resulting in widened product spreads. However, due to rising electricity tariffs and the imposition of carbon fees, the Company recorded only NT\$3 million in consolidated operating income in 2025, representing an improvement of NT\$113 million from the operating loss recorded in 2024. The net expenses from non-operating revenue and expenses were NT\$1.044 billion, mainly due to recognized losses from investments using the equity method.

**II 2026 Business Plan outline and future development strategies:**

Looking ahead to 2026, tariff conflicts have increased uncertainty in the global economic outlook, while the impact of the Russia-Ukraine war and the situation in Iran on oil prices will also require close monitoring. Driven by recent Middle Eastern geopolitical tensions, increased volatility in global oil markets has pushed up ethylene/VAM costs and freight charges. Although this has supported higher LDPE/EVA market prices, it has simultaneously led to tighter supply. Therefore, the LDPE/EVA market will likely continue to track raw material fluctuations, with its trend depending heavily on the geopolitical developments in the region. As for the EVA market, substantial new production capacity in China will continue to come on stream, making EVA oversupply pressure unavoidable. To avoid the intensely competitive foam-grade and photovoltaic-grade EVA red-ocean markets, the Company will continue to optimize its product mix and expand its advantage products, including coating-grade EVA, coating-grade LDPE, and other specialty application markets such as

microfiber. After assessing market competition and future industrial development, the Company has set an annual LDPE/EVA sales target of about 138,000 tons. In response to the increasingly volatile market environment, the Company will continue to strengthen predictive equipment maintenance and make good use of artificial intelligence (AI) to optimize production processes and improve operating efficiency, thereby ensuring product homogeneity, continuity, and stability in production while deepening the integration of production, sales, R&D, and applications to align precisely with market demand. In addition, the Company will continue to reinforce inventory and supply chain management, further strengthen occupational safety, environmental protection, and production stability, and promote the steady growth of the Company's operating performance.

I wish you all good health and good fortune

Chairman

Wu I-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, 2026

Title (Note 1)	Nationality or Place of Registration	Name	Gender Age (Note 2)	Date of election (appointment)	Term	Date First Appointed (Note 3)	Shares held when elected		Shares currently held		Spouse & Minor Shareholding		Shares Held in the Name of Other Persons		Experience (Education) (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Managerial Officers, Directors or Supervisors Who Are Spouses or Relatives within the Second Degree of Kinship			Remark(s) Note (Note 5)
							Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %			Title	Name	with the Issuer	
Chairman and Chief Executive Officer	Republic of China	Union Polymer Int'l Investment Corp.	—	2025.05.28	3 years	2001.06.18	214,245,822	36.08%	214,245,822	36.08%	—	—	0	0%	Chairman, USI	(Note 6)	None			(Note 5)
	Republic of China	Representative: Wu, I-Kuei	Male 71 - 75 years old			1997.02.28	—	—	0	0%	—	—	0	0%						
Director and President	Republic of China	Union Polymer Int'l Investment Corp.	—	2025.05.28	3 years	2001.06.18	214,245,822	36.08%	214,245,822	36.08%	—	—	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 7)	None			None
	Republic of China	Representative: Wu Pei-Chi	Male 56-60 years old			2019.06.24	—	—	0	0%	0	0%	0	0%						
Directors	Republic of China	APC Investment Corporation	—	2025.05.28	3 years	2022.05.27	1,714,180	0.29%	1,714,180	0.29%	—	—	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%						
Directors	Republic of China	Taiwan Union International Investment Co., Ltd.	—	2025.05.28	3 years	2010.06.15	14,311,014	2.41%	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 8)	None			None
	Republic of China	Representative: Pi Shu-Chien	Female 61-65 years old			2024.03.01	—	—	0	0%	0	0%	0	0%						



Title (Note 1)	Nationality or Place of Registration	Name	Gender Age (Note 2)	Date of election (appointment)	Term	Date First Appointed (Note 3)	Shares held when elected		Shares currently held		Spouse & Minor Shareholding		Shares Held in the Name of Other Persons		Experience (Education) (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Managerial Officers, Directors or Supervisors Who Are Spouses or Relatives within the Second Degree of Kinship			Remark(s) Note (Note 5)
							Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %			Title	Name	with the Issuer	
Directors	Republic of China	APC Investment Corporation	—	2025.05.28	3 years	2022.05.27	1,714,180	0.29%	1,714,180	0.29%	—	—	0	0%	Army and Navy Academy, U.S.  General Manager of Worldteck Electronics Co., Ltd. Store Manager, Telemarketing Retail Operations, U.S. Shopping Malls	Director and General Manager, Worldteck Electronics Co., Ltd.	None			None
	Republic of China	Representative: Wu Hung-Tai	Male 46–50 years old			2025.05.28	—	—	153	0%	0	0%	0	0%			0	0%		
Independent Directors	Republic of China	Shen Shang- Hung	Male 66–70 years old	2025.05.28	3 years	2016.06.08	0	0%	0	0%	0	0%	0	0%	MBA from Emory University, Department of Electrical Engineering of National Taiwan University AT&T Manager	(Note 9)	None			None
Independent Directors	Republic of China	Zhang Li-Chiu	Male 71-75 years old	2025.05.28	3 years	2025.05.28	0	0%	0	0%	0	0%	0	0%	Department of Risk Management and Insurance of National Chengchi University, National Taxation Bureau Team Leader of Securities and Exchange Commission, Ministry of Finance, General Manager of Grand Cathay Securities Corporation Chairman of Yuanta Securities Co., Ltd.	(Note 10)	None			None
Independent Directors	Republic of China	Cheng Tun- Chien	Male 61–65 years old	2025.05.28	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 11)	None			None
Independent Directors	Republic of China	Chen Chien- Ping	Male 61–65 years old	2025.05.28	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	(Note 12)	None			None

- Note 1: For corporate shareholders, their names and representatives shall be stated (if acting as the representatives of corporate shareholders, the names of the corporate 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: 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, 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 7: 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 8: Chairman: Zhenjiang UPC Chemicals, Zhongshan UPC Chemicals, Zhuhai UPC Chemicals, Taizhou 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
- Director: Asia Polymer Corporation, 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 9: 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., AcroCyte Therapeutics, Inc., Darjiun Ventrue Corporation, United Aluminum Technology Co., Ltd.
- Independent Director: Mercuries Data Systems Ltd., Partner Tech Corporation
- Supervisor: Ta Ho Engineering, Co., Ltd., Taiwan Consulting Group
- Note 10: Chairman: Panion & BF Biotech, Shun Tian International Investment Consulting Co., Ltd., Herbiotek Co., Ltd., Cheng Fong Chemical Co., Ltd., Ho Tung Chemical Corp., YH Bio Co., Ltd., T3EX Global Holdings Corp., Viarich Biotechnology Co., Ltd., Sun Ten Pharmaceutical Co., Ltd.
- Chief Executive Officer: Sun Ten Pharmaceutical Co., Ltd.
- Director: TriKnight Capital Corporation, FOCl Fiber Optic Communications, Inc., Formosan Union Chemical Corp., Anti-Microbial Savior BioteQ Co., Ltd., Repurgenesis Co., Ltd.
- Independent Director: Taiwan Hopax Chemicals, Compal Electronics
- Note 11: Chairman: TGVest Capital Inc., TriKnight Capital Corporation,
- Director: FuSheng Precision Co., Ltd., Advanced Energy Solution Holding Co., Ltd., AcSiP Technology Corp.
- Independent Director: EMC, SunWay Biotech Co. Ltd.
- Note 12: Chairman: He Hsin Construction
- Directors: Fengbao Asset Management, Fengbao Development and Construction, Qingtian Investment, and Heliao Investment



Table 1: Major shareholders of corporate shareholders

March 30, 2026

Name of Juristic Person Shareholder (Note 1)	Major Shareholders of Institutional Shareholders (Note 2)	
Union Polymer International Investment Corp.	USI CORPORATION	100%
USIFE Investment Co., Ltd.	USI CORPORATION	100%
Taiwan Union International Investment Co., Ltd.	UPC Technology Corporation	100%

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

Note 2: Fill in the name of the major shareholders of these corporate shareholders (include top 10 major shareholders by shareholding percentage) and their shareholding percentages. If the major shareholder is a juristic person, his/her name should be filled in Table 2 below.

Note 3: For juristic person 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."

Table 2: Main shareholders of institutional shareholders

March 30, 2026

Name of Juristic Person (Note 1)	Major shareholders of institutional shareholders (Note 2)	
USI CORPORATION	Shing Li Enterprises (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.	31.93%
	Synnex Technology International Corporation	5.18%
	Lin, Kao-Huang	2.25%
	Mei An Investment Co., Ltd.	1.96%
	Yi Yuan Investment Co., Ltd.	1.62%
	Liberty Stationery Corporation	1.55%
	Tsu Feng Investment Co., Ltd.	1.31%
	MiTac International Corp.	1.22%
	Citibank (Taiwan) as custodian of Polunin Emerging Market Fund Company Investment Account	1.15%
Tung Ta Investment Co., Ltd.	1.09%	

Note 1: If the major shareholder of corporate 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 juristic person 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, 2026

Criteria Name	Professional Qualification and Work Experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Wu, I-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 under any of the categories stated in Article 30 of the Company Act.	N/A	N/A
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. (1) Not under any of the categories stated in Article 30 of the Company Act.		
Li Kuo-Hung	(2) The former general manager of the company, with professional fields of chemical industry required by the company. (2) Not under any of the categories stated in Article 30 of the Company Act.		
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. (1) Not under any of the categories stated in Article 30 of the Company Act.		



Criteria Name	Professional Qualification and Work Experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Wu Hung-Tai	(2) Serves as Director and General Manager of Worldteck Electronics Co., Ltd., with expertise in corporate operations and management. (2) Not under any of the categories stated in Article 30 of the Company Act.		
Shen Shang-Hung	(1) At present, he serves as the chairman of many companies such as Ta Ya Electric Wire & Cable (Stock) Company, and has professional fields of company operation management (1) Not under any of the categories stated in Article 30 of the Company Act.	Two years before the appointment and during the term of office, there is no matter described in	2
Zhang Li-Chiu	(1) Currently serves as the chairman of several companies such as T3EX Global Holdings Corp. and has professional fields of company operation management. (2) Not under any of the categories stated in Article 30 of the Company Act.	Item 1, Article 3 of “Measures	2
Cheng Tun-Chien	(1) Currently serves as the chairman and chief executive officer of Hongding Capital, with professional fields of investment and accounting. (2) Not under any of the categories stated in Article 30 of the Company Act.	for setting up and Matters to be Followed by Independent	2
Chen Chien-Ping	(1) The former chairman of Ta Chong Commercial Bank, with professional fields of corporate operation management and financial management. (2) Not under any of the categories stated in Article 30 of the Company Act.	Directors of public offering Companies”.	0

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:None.

Note 3: For disclosure, please refer to the best practice examples on the Taiwan Securities Exchange.

### 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 Best Practice 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 goals of corporate governance, the Board of Directors shall possess the following abilities:

- 1.1 Ability to make sound business judgment.
- 1.2 Ability to conduct accounting and financial analysis.
- 1.3 Business management ability.
- 1.4 Objection handling ability
- 1.5 Knowledge of the industry.
- 1.6 An understanding of international markets.
- 1.7 Leadership skills.
- 1.8 Decision-making ability.

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. At present, 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:

Although Independent Directors Shen Shang-Hong and Cheng Tun-Chien have each served more than three consecutive terms as independent directors of the Company, they possess extensive practical experience and expertise in finance, corporate management, and sustainable development, which have been highly beneficial to the Company in areas such as financial planning, risk management, and energy saving and carbon reduction. 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, 2 between 71 and 80 years, and 1 over 80 years. The directors of the company are not related to each other by spousal relationship or second cousin.

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

March 30, 2026

Title (Note 1)	Nationality	Name	Gender	Date of election (appointment)	Shareholding		Shares Held by Spouse and Minors		Shares Held in the Name of Other Persons		Experience (Education) (Note 2)	Current positions held in other companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Remark(s)
					Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %			Title	Name	with the Issuer	
Chief Executive Officer	Republic of China	Wu, I-Kuei	Male	2009/09/01	0	0%	—	—	0	0%	Chairman, 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	None
Deputy General Manager of Business	Republic of China	Wu Ming-Tsung	Male	2021/07/01	0	0%	0	0%	0	0%	Master in Chemical Engineering, National Taiwan University	Directors: China General Terminal & Distribution Corporation, 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	Chen, Jian-Hong (Note 7)	Male	2026/02/26	0	0%	0	0%	0	0%	Master's Degree, Chemical Engineering, National Cheng Kung University	None	None	None	None	None

Title (Note 1)	Nationality	Name	Gender	Date of election (appointment)	Shareholding		Shares Held by Spouse and Minors		Shares Held in the Name of Other Persons		Experience (Education) (Note 2)	Current positions held in other companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Remark(s)
					Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %			Title	Name	with the Issuer	
Director of Linyuan Plant	Republic of China	Hsieh Wang-Chuan (Note 7)	Male	2023/03/01	0	0%	0	0%	0	0%	School of Mechanical Engineering, Sun Yat-sen University	None	None	None	None	None
Corporate Governance Officer	Republic of China	Chen Yung-Chih	Male	2019/05/09	0	0%	0	0%	0	0%	PhD in Law, Ludwig Maximilian University of Munich, an attorney of Winkler Partners, an arbitrator of Chinese Arbitration Association, Taipei	(Note 6)	None	None	None	None
Accounting Manager	Republic of China	Chang Sheng-Chuan	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	2024/09/01	0	0%	—	—	0	0%	Graduated from Dept. of Accounting, Soochow University	None	None	None	None	None
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
Sales Director	Republic of China	Tseng Gwo-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

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, 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: Directors: China General Terminal & Distribution Corp., 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 Management 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, Global Green Technology Corporation, Taiwan VCM Corporation, Cerebra Technologies Co., Ltd. and FiduciaEdge Technologies Co., Ltd. Head of Corporate Governance: USI Corporation, CGPC Corporation, Taita Chemical Co., Ltd., Acme Electronics Corporation

Note 7: On February 26, 2026, Hsieh, Wang-Chuan, the former Director of Linyuan Plant, was transferred from his position, and Chen, Jian-Hong has assumed the role.

Note 8: Former Sales Director, Tseng Gwo-Lung, 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) A 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)

(In Thousands of New Taiwan Dollars)

Title	Name	Directors' remuneration								Sum of items A, B, C and D to NLAT 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 loss after taxes (Note 10)		Remuneration paid to Directors from investees other than the Company's subsidiaries or parent company (Note 11)		
		Remuneration (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 remuneration (G) (Note 6)						
		The Company	All the 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 the Companies in the Financial Report (Note 7)	The Company	All the Companies in the Financial Report	The Company	All the Companies in the Financial Report (Note 7)	The Company	All companies in the Financial Report (Note 7)	Cash Amount	Stock	Cash Amount	Stock		The Company	All the Companies in the Financial Report
Chairman	Wu, I-Kuei	0	0	0	0	0	0	24	24	24 (0.00%)	24 (0.00%)	4,262	4,262	0	0	0	0	0	0	4,286 (0.41%)	4,286 (0.41%)	22,526
Directors	Wu Pei-Chi	0	0	0	0	0	0	24	24	24 (0.00%)	24 (0.00%)	4,358	4,358	0	0	0	0	0	0	4,382 (0.42%)	4,382 (0.42%)	5,973
Directors	Li Kuo-Hung	1,000	1,000	0	0	0	0	148	148	1,148 (0.11%)	1,148 (0.11%)	0	0	0	0	0	0	0	0	1,148 (0.11%)	1,148 (0.11%)	0
Directors	Wu, Hung-Chu (Note 12)	0	0	0	0	0	0	66	66	66 (0.01%)	66 (0.01%)	0	0	0	0	0	0	0	0	66 (0.01%)	66 (0.01%)	0
Directors	Wu Hung-Tai (Note 12)	1,000	1,000	0	0	0	0	82	82	1,082 (0.10%)	1,082 (0.10%)	0	0	0	0	0	0	0	0	1,082 (0.10%)	1,082 (0.10%)	0
Directors	Pi Shu-Chien	0	0	0	0	0	0	144	144	144 (0.01%)	144 (0.01%)	0	0	0	0	0	0	0	0	144 (0.01%)	144 (0.01%)	66
Independent Directors	Shen Shang-Hung	1,200	1,200	0	0	0	0	172	172	1,372 (0.13%)	1,372 (0.13%)	0	0	0	0	0	0	0	0	1,372 (0.13%)	1,372 (0.13%)	0
Independent Directors	Chen Ta-Hsiung (Note 12)	0	0	0	0	0	0	74	74	74 (0.01%)	74 (0.01%)	0	0	0	0	0	0	0	0	74 (0.01%)	74 (0.01%)	890
Independent Directors	Cheng Tun-Chien	1,200	1,200	0	0	0	0	168	168	1,368 (0.13%)	1,368 (0.13%)	0	0	0	0	0	0	0	0	1,368 (0.13%)	1,368 (0.13%)	0
Independent Directors	Chen Chien-Ping	1,200	1,200	0	0	0	0	168	168	1,368 (0.13%)	1,368 (0.13%)	0	0	0	0	0	0	0	0	1,368 (0.13%)	1,368 (0.13%)	0
Independent Directors	Zhang Li-Chiu (Note 12)	1,200	1,200	0	0	0	0	94	94	1,294 (0.12%)	1,294 (0.12%)	0	0	0	0	0	0	0	0	1,294 (0.12%)	1,294 (0.12%)	40

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. Independent Directors do not receive other remuneration except for the fixed remuneration.

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 corporate shareholders, the name of corporate 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, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel cost 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, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel cost 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 compensations 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 also be included. The Company has assigned automotive vehicles, and the associated fuel expenses totaled NT\$179,000.
- 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: Director Wu Hung-Chu and Independent Director Chen Ta-Hsiung were dismissed on May 28, 2025, while Director Wu Hung-Tai and Independent Director Zhang Li-Chiu assumed office on the same date.

\* 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)

(In Thousands of New Taiwan Dollars)

Title	Name	Salary (A) (Note 2)		Severance Pay and Pension (B)		Bonuses and special expenses (C) (Note 3)		Dollar Amount of Employee Rewards (D) (Note 4)				Proportion of the sum of A, B, C, and D (%) to NLAT (Note 8)		Remuneration paid to Directors from investees other than the Company's subsidiaries or parent company (Note 9)
		The Company	All the Companies in the Financial Report (Note 5)	The Company	All the Companies in the Financial Report (Note 5)	The Company	All the Companies in the Financial Report (Note 5)	The Company		All companies in the consolidated financial statements (Note 5)		The Company	All the Companies in the Financial Report	
								Cash Amount	Stock	Cash Amount	Stock			
Chief Executive Officer	Wu, I-Kuei	3,839	3,839	0	0	423	423	0	0	0	0	4,262 (0.41%)	4,262 (0.41%)	22,526
General Manager	Wu Pei-Chi	1,637	1,637	0	0	2,721	2,721	0	0	0	0	4,358 (0.42%)	4,358 (0.42%)	5,973
Deputy General Manager	Wu Ming-Tsung	1,199	1,199	0	0	856	856	0	0	0	0	2,055 (0.20%)	2,055 (0.20%)	3,388

\* Regardless of titles, remunerations of employees with position equivalent to General Manager and Deputy General Manager (such as president, CEO, 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, his/her name and the amount of remuneration paid to him/her shall be listed in Table (1-1) or (1-2-1) and (1-2-2) above.
- 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, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel cost 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 compensations 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 also 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):

(In Thousands of New Taiwan Dollars)

Title	Name	Salary (A) (Note 2)		Severance Pay and Pension (B)		Bonuses and special expenses (C) (Note 3)		Dollar Amount of Employee Rewards (D) (Note 4)				Proportion of the sum of A, B, C, and D (%) to NLAT (Note 6)		Remuneration paid to Directors from investees other than the Company's subsidiaries or parent company (Note 7)
		The Company	All the Companies in the Financial Report (Note 5)	The Company	All the Companies in the Financial Report (Note 5)	The Company	All the Companies in the Financial Report (Note 5)	The Company		All companies in the consolidated financial statements (Note 5)		The Company	All the Companies in the Financial Report	
								Cash Amount	Stock	Cash Amount	Stock			
Chief Executive Officer	Wu, I-Kuei	3,839	3,839	0	0	423	423	0	0	0	0	4,262 (0.41%)	4,262 (0.41%)	22,526
General Manager	Wu Pei-Chi	1,637	1,637	0	0	2,721	2,721	0	0	0	0	4,358 (0.42%)	4,358 (0.42%)	5,973
Deputy General Manager	Wu Ming-Tsung	1,199	1,199	0	0	856	856	0	0	0	0	2,055 (0.20%)	2,055 (0.20%)	3,388
Special Assistant to the General Manager	Chen, Jian-Hong	1,780	1,780	201	201	1,264	1,264	0	0	0	0	3,245 (0.31%)	3,245 (0.31%)	0
Director of Linyuan Plant	Hsieh Wang-Chuan	1,759	1,759	106	106	1,177	1,177	0	0	0	0	3,042 (0.29%)	3,042 (0.29%)	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, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel cost 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 compensations 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 also be included. The rental fees of NT\$133,000 and NT\$227,000 for the vehicles provided to the Special Assistant to the General Manager and the Director of the Linyuan Plant, respectively, have been included in the aforementioned bonuses and special expenses. The Company also provides transportation and fuel expenses amounting to NT\$193,000.

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, 2025

(In Thousands of New Taiwan Dollars)

	Title (Note 1)	Name (Note 1)	Stock	Cash Amount	Total	Percentage of total compensations to NIAT (%)
Managerial Officer	Chief Executive Officer	Wu, I-Kuei				
	General Manager	Wu Pei-Chi				
	Deputy General Manager of Business	Wu Ming-Tsung				
	Director of Linyuan Plant	Hsieh Wang-Chuan				
	Corporate Governance Officer	Chen Yung-Chih	0	0	0	0%
	Accounting Manager	Chang Sheng-Chuan				
	Finance Manager	Shih Ju-Hsuan				
	Sales Director	Tseng Gwo-Lung (Note 5)				
	Sales Director	Huang Ko-Ming (Note 5)				

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 taxes refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after taxes refers to net income after taxes recorded in the parent company-only or individual 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 Finance Department
- (5) Head of Accounting Department
- (6) Other personnel authorized to manage company operations 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: Former Sales Director, Tseng Gwo-Lung, 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:

(In Thousands of New Taiwan Dollars)

Category \ Item	The Company				All the Companies in the Financial Report			
	2025		2024		2025		2024	
	Total Amount	Proportion of Net Loss After Tax	Total Amount	Proportion of Net Loss After Tax	Total Amount	Proportion of Net Loss After Tax	Total Amount	Proportion of Net Loss After Tax
Remuneration for General Directors (excluding compensation for concurrent employee roles)	2,488	(0.238%)	2,440	(0.325%)	2,488	(0.238%)	2,440	(0.325%)
Remuneration for Independent Directors (excluding compensation for concurrent employee roles)	5,476	(0.524%)	5,440	(0.725%)	5,476	(0.524%)	5,440	(0.725%)
Remuneration for General Directors (including compensation for concurrent employee roles)	11,108	(1.063%)	11,002	(1.466%)	11,108	(1.063%)	11,002	(1.466%)
Remuneration for Independent Directors (including compensation for concurrent employee roles)	5,476	(0.524%)	5,440	(0.725%)	5,476	(0.524%)	5,440	(0.725%)
General Manager and Deputy General Manager's remuneration	10,675	(1.022%)	10,599	(1.412%)	10,675	(1.022%)	10,599	(1.412%)
Net income (loss) after taxes	(1,044,503)	-	(750,500)	-	(1,044,503)	-	(750,500)	-



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) The manager’s remuneration shall be handled in accordance with the relevant personnel regulations and Article 31 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, cross-functional experience, 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 40% of the total weighting, with at least 15% 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 six (6) meetings (A) were held by the Board of Directors in the most recent fiscal year (2025). The attendance of the members of the Board are as follows:

Title	Name	1st 2025.3.5	2nd 2025.4.8	3rd 2025.5.5	Fourth meeting 2025.6.2	Fifth meeting 2025.8.7	Sixth meeting 2025.11.7	Attendance in Person	Attenda nce by proxy	Attendance in person rate (%) [B/A] (Note 2)	Remark(s)
Chairman	Wu, I-Kuei (representative of Union Polymer Int'l Investment Corp.)	◎	◎	◎	◎	◎	◎	6	0	100	
Director and General Manager	Wu Pei-Chi (Representative of USIFE Investment Co., Ltd.)	◎	◎	◎	—	—	—	6	0	100	
	Wu Pei-Chi (Representative of Union Polymer International Investment Corp.)	—	—	—	◎	◎	◎				
Directors	Li Kuo-Hung (representative of Union Polymer International Investment Corp.)	◎	◎	◎	—	—	—	6	0	100	
	Li Kuo-Hung (representative of USIFE Investment Co., Ltd.)	—	—	—	◎	◎	◎				
Directors	Pi Shu-Chien (representative of Taiwan Union International Investment Co., Ltd.)	◎	◎	◎	◎	◎	◎	6	0	100	



Title	Name	1st2025.3.5	2nd 2025.4.8	3rd 2025.5.5	Fourth meeting 2025.6.2	Fifth meeting 2025.8.7	Sixth meeting 2025.11.7	Attendance in Person	Attenda nce by proxy	Attendance in person rate (%) [B/A] (Note 2)	Remark(s)
Directors	Wu Hung-Tai (Representative of USIFE Investment Co., Ltd.)	—	—	—	◎	◎	◎	3	0	100	Newly elected, required to attend 3 meetings
Independent Directors	Shen Shang-Hung	◎	◎	◎	◎	☆	◎	5	1	83.33	
Independent Directors	Zhang Li-Chiu	—	—	—	◎	◎	◎	3	0	100	Newly elected, required to attend 3 meetings
Independent Directors	Cheng Tun-Chien	◎	◎	◎	◎	◎	◎	6	0	100	
Independent Directors	Chen Chien-Ping	◎	◎	◎	◎	◎	☆	5	1	83.33	
Directors	Wu Hung-Chu (Representative of USIFE Investment Co., Ltd.)	◎	☆	☆	—	—	—	1	2	33.33	Existing, required to attend 3 meetings
Independent Directors	Chen Ta-Hsiung	◎	◎	◎	—	—	—	3	0	100	Existing, required to attend 3 meetings

Note 1: For directors and supervisors who are juristic persons, the name of corporate 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: ☆.

Note 4: Directors (including four Independent Directors) were re-elected at the Annual General Meeting held on May 28, 2025.



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 directors from voting due to conflict of interests, the name of the directors, the agenda, reasons for recusal due to conflict of interests and voting outcomes shall be stated:

Name of Director	Agenda	Reason for Recusal	Voting results	Remark(s)
Wu, I-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.	Did not participate in voting	1st meeting, 2025 2025.3.5
Zhang Li-Chiu Shen Shang-Hung Cheng Tun-Chien	Appointment of the three Independent Directors, namely Zhang, Li-Chiu, Shen, Shang-Hung, and Cheng, Tun-Chien, to be the members of the Remuneration Committee.	They had a conflict of interest with this proposal as Directors.	Did not participate in voting	4th meeting, 2025 2025.6.2
Cheng Tun-Chien Shen Shang-Hung Chen Chien-Ping	Appointment of the three Independent Directors, namely Cheng, Tun-Chien, Shen, Shang-Hung, and Chen, Chien-Ping, to be the members of the Sustainable Development Committee.			

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 2025:

Evaluation cycle (Note 1)	Period of evaluation (Note 2)	Scope (Note 3)	Method (Note 4)	Evaluation Content (Note 5)
Once three year	January 1, 2025, to December 31, 2025	Performance Evaluation of the Board of Directors	Engagement of External Professional Institutions	The scope of the Board Performance Evaluation encompasses four key dimensions: <ol style="list-style-type: none"> <li>1. Board professional competence (Board composition and structure, director nomination and continuing education),</li> <li>2. Board decision-making effectiveness (level of participation in company operations, enhancement of Board decision-making quality),</li> <li>3. Board oversight of internal control (level of emphasis on and supervision of internal control).</li> <li>4. Board commitment to sustainable development.</li> </ol>
Once every year	January 1, 2025, to December 31, 2025	Performance Evaluation of the Board of Directors	Board of Directors Internal self-evaluation	The Board Performance Evaluation shall encompass the following five key aspects: <ol style="list-style-type: none"> <li>1. Participation in Company operations</li> <li>2. Improvement of the quality of the Board of Directors' decision making</li> <li>3. Composition and structure of the Board of Directors</li> <li>4. Election and continuous education of directors</li> <li>5. Internal control</li> </ol>
Once every year	January 1, 2025, to December 31, 2025	Performance evaluation of individual directors	Board of Directors Self evaluation	The self-performance evaluation of individual Board members shall encompass the following six key aspects: <ol style="list-style-type: none"> <li>1. Understanding of the Company's goals and tasks</li> <li>2. Understanding of the director's roles and responsibilities</li> <li>3. Participation in Company operations</li> <li>4. Internal relationship management and communication</li> <li>5. Expertise and continuing education of the directors</li> <li>6. Internal control</li> </ol>
Once every year	January 1, 2025, to December 31, 2025	Performance Evaluation for Functional Committees (the Audit Committee, Remuneration Committee, and Sustainable Development Committee)	Self-evaluation of the members of functional committees	The Performance Evaluation for Functional Committees shall encompass the following five key aspects: <ol style="list-style-type: none"> <li>1. Level of participation in Functional Committees</li> <li>2. Understanding of duties of Functional Committees</li> <li>3. Enhancement of Functional Committee decision-making quality</li> <li>4. Composition of Functional Committees and selection of members</li> <li>5. Internal control</li> </ol>



- \* The results of performance evaluation for the Board of Directors and functional committees for 2025 have been reported to the 1st meeting of the Board of Directors in 2026 (March 10, 2026) 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, 2025 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: It shall at least include the degree of participation in the Company's operations, the quality of decision-making of the Board of Directors, the composition and structure of the Board of Directors, the selection and continuous learning of directors, and internal control.
- (2) Evaluation of individual Directors' performance: It shall at least include the knowledge about the Company's objectives and tasks, the understanding of Director duties, the participation in the Company's operations, the internal relationship management and communication, Directors' specialties and continuous learning, 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 2025 is as follows:

Title	Name	Course date	Organizer	Course Title	Training Hours
Chairman	Wu, I-Kuei	2025/7/29	Securities and Futures Institute	Industry Experience in Smart Manufacturing and Digital Decision-Making	3
		2025/10/16	Securities and Futures Institute	Outlook on U.S.–China Economic Relations and Taiwan's Industrial Development Following the U.S. Presidential Election	3
Director and President	Wu Pei-Chi	2025/7/29	Securities and Futures Institute	Industry Experience in Smart Manufacturing and Digital Decision-Making	3
		2025/7/31	Taiwan Stock Exchange (TWSE)	2025 Summit on Strengthening Taiwan's Capital Markets	3
Directors	Li Kuo-Hung	2025/7/29	Securities and Futures Institute	Industry Evidence of Smart Manufacturing and Digital Decision-Making	3
		2025/10/16	Securities and Futures Institute	Outlook on U.S.–China Economic Relations and Taiwan's Industrial Development Following the U.S. Presidential Election	3



Title	Name	Course date	Organizer	Course Title	Training Hours
Directors	Pi Shu-Chien	2025/7/9	Taiwan Stock Exchange (TWSE)	2025 Cathay Sustainable Climate Change Summit Forum	6
Directors	Wu Hung-Tai	2025/8/26~2025/8/27	Securities and Futures Institute	Practical Training Program for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers – Taipei Session	12
Independent Directors	Shen Shang-Hung	2025/7/10	Taiwan Institute of Directors	Artificial Intelligence Trends and Application Scenarios	3
		2025/7/29	Securities and Futures Institute	Industry Evidence of Smart Manufacturing and Digital Decision-Making	3
		2025/10/2	Taiwan Institute of Directors	Innovative Applications and Business Opportunities of AI and Big Data in Energy Optimization	3
Independent Directors	Zhang Li-Chiu	2025/8/12	Securities and Futures Institute	Trump 2.0 and the Disruption of the Global Economic Order: Impacts and Response Strategies	3
		2025/11/11	Taipei Foundation of Finance	How AI Enhances Operational Efficiency and Service Quality: AI Transformation Case Studies	2
		2025/12/5	Taipei Foundation of Finance	Mastering ESG in One Hour: A Starter Course in Corporate Sustainability	1
Independent Directors	Cheng Tun-Chien	2025/4/30	Taiwan Independent Director Association	Strategic Analysis of Sustainable Enterprises: The Case of Renewable Energy	3
		2025/7/30	Securities and Futures Institute	The Importance of AI Applications in Enterprises: Practical Case Studies	3
Independent Directors	Chen Chien-Ping	2025/7/29	Securities and Futures Institute	Industry Evidence of Smart Manufacturing and Digital Decision-Making	3
		2025/10/16	Securities and Futures Institute	Outlook on U.S.–China Economic Relations and Taiwan’s Industrial Development Following the U.S. Presidential Election	3
Corporate Governance Officer	Chen Yung-Chih	2025/2/13	Taiwan Institute for Sustainable Energy	39th TCCS Council Meeting and CEO Lecture	2
		2025/4/24	Taiwan Institute for Sustainable Energy	40th TCCS Council Meeting and CEO Lecture	2
		2025/5/16	Securities and Futures Institute	2025 Insider Trading Prevention Seminar	3
		2025/7/9	Taiwan Stock Exchange (TWSE)	2025 Cathay Sustainable Finance and Climate Change Summit Forum	6

Title	Name	Course date	Organizer	Course Title	Training Hours
		2025/7/25	Securities and Futures Institute	Workshop on Equity Trading Compliance for Insiders in 2025	3
		2025/7/29	Securities and Futures Institute	Industry Evidence of Smart Manufacturing and Digital Decision-Making	3
		2025/8/22	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2025 TS Holdings Net Zero Summit	3
		2025/8/29	Taiwan Stock Exchange (TWSE)	Enhancing Climate-Related Disclosures to Strengthen Corporate Climate Resilience	3
		2025/9/12	Taiwan Institute for Sustainable Energy	2025 SDG ASIA: The 4th Hydrogen Forum	2
		2025/10/3	Securities and Futures Institute	2025 Insider Trading Prevention Seminar	3
		2025/10/16	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	6
		2025/10/16	Securities and Futures Institute	Outlook on U.S.–China Economic Relations and Taiwan’s Industrial Development Following the U.S. Presidential Election	3
		2025/10/17	Taiwan Institute for Sustainable Energy	41st TCCS Council Meeting and CEO Lecture	2
		2025/10/28	Taiwan Corporate Governance Association	202510 Fubon Insurance: AI Applications and Corporate Governance Seminar	3
		2025/11/21	Securities and Futures Institute	Workshop on Equity Trading Compliance for Insiders in 2025	3
		2025/12/5	Securities and Futures Institute	New Perspectives on Corporate Hedging: Addressing Foreign Exchange Challenges and Asset Management Trends	3
Accounting Manager	Chang Sheng-Chuan	2025/7/29	Securities and Futures Institute	Industry Evidence of Smart Manufacturing and Digital Decision-Making	3
		2025/10/16	Securities and Futures Institute	Outlook on U.S.–China Economic Relations and Taiwan’s Industrial Development Following the U.S. Presidential Election	3
Finance Manager	Shih Ju-Hsuan	2025/7/29	Securities and Futures Institute	Industry Evidence of Smart Manufacturing and Digital Decision-Making	3



Title	Name	Course date	Organizer	Course Title	Training Hours
		2025/10/16	Securities and Futures Institute	Outlook on U.S.–China Economic Relations and Taiwan’s Industrial Development Following the U.S. Presidential Election	3

Following the re-election of directors in 2025, all directors have fulfilled the required training content and hours in compliance with Article 14, Paragraph 3 of the “Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board’s Exercise of Powers” and the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies.” The Company has also completed the required disclosures of the relevant information.

## (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 internal control systems.
- (1.3) Adoption or amendment, pursuant to Article 36-1 of the Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements 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) Appointments and dismissal of finance, accounting and internal audit managers.
- (1.10) Annual 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 major items required by other companies or the competent authority.

(2) The Audit Committee met five (4) times (A) in the most recent year (2025). The attendance of Independent Directors was as follows:

Title	Name	Number of Attendance in Person (B)	Attendance by proxy	Attendance in person rate (%) (B/A) (Note 1, Note 2)	Remark(s)
Independent Directors	Shen Shang-Hung	3	1	75	
Independent Directors	Chen Ta-Hsiung	2	0	100	Existing, required to attend 2 meetings
Independent Directors	Zhang Li-Chiu	2	0	100	Newly elected, required to attend 2 meetings
Independent Directors	Cheng Tun-Chien	4	0	100	
Independent Directors	Chen Chien-Ping	4	0	100	

Note 1: Note: Directors (including four Independent Directors) were re-elected at the Annual General Meeting held on May 28, 2025.

Note 2: 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 3: 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. The actual attendance rate (%) shall be calculated based on the number of meetings held during the member's term in the Audit Committee and the number of actual attendances of this member.



- (3) The key work items reviewed in the most recent year mainly included:
- (3.1) Distribute the annual financial statements and earnings and issue audit reports.
  - (3.2) Modification of the internal control system
  - (3.3) CPA fees.
  - (3.4) CPA appointment and independence evaluation.
  - (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 independent directors met exclusively with the CPAs and the internal audit to receive reports and conduct communications.
  - (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 5, 2025, the 11th audit committee of the third session and the first board of directors of 2025 on the same day reviewed and approved that reviewed and approved that Chiu Cheng-Chun 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 the directors but yet to be approved by the Audit Committee
3rd Term 11th 2025/03/05	1. For issuance of the Internal Control System Statement in 2024	Yes	None
	2. Preparation of the 2024 Account Book	Yes	None
	3. 2024 earnings distribution proposal	Yes	None
	4. Evaluation of the independence of appointed CPAs for 2025.	Yes	None
	5. Appointment of CPAs for 2025	Yes	None
	6. Proposed issuance of unsecured straight corporate bonds in the aggregate principal amount of NT\$4 billion.	Yes	None
	Audit Committee’s resolution: All members in attendance unanimously passed the proposal 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 the directors but yet to be approved by the Audit Committee
	The Company's actions in response to the opinions of the Audit Committee: All the directors present voted in favor of the resolution.		
3rd Term 12th Meeting 2025/05/05	Preparation of the Q1 2025 Consolidated Financial Report	Yes	None
	<p data-bbox="363 869 1402 949">Audit Committee's resolution: All members in attendance unanimously passed the proposal and submitted it to the Board of Directors for discussion.</p> <p data-bbox="363 949 1402 1077">The Company's actions in response to the opinions of the Audit Committee: All the directors present voted in favor of the resolution.</p>		
4th Term 1st Meeting 2025/08/07	1. Amendment to the Company's internal control system.	Yes	None
	2. Change of internal audit supervisor.	Yes	None
	3. Preparation of the Q2 2025 Consolidated Financial Report	Yes	None
	Audit Committee's resolution: All members in attendance unanimously passed the proposal and submitted it to the Board of Directors for discussion.		
	The Company's actions in response to the opinions of the Audit Committee: All the directors present voted in favor of the resolution.		
4th Term 2nd Meeting 2025/11/07	1. Amendment to the Company's internal control system.	Yes	None
	2. Reviewed the 2026 annual audit plan.	Yes	None
	3. Preparation of the Q3 2025 Consolidated Financial Report	Yes	None
	4. Proposal for compensation paid to the CPAs for 2025	Yes	None
	5. Amendment of the "Transaction Procedures with Related Parties, Specific Companies, and Companies of the Group".	Yes	None
	Audit Committee's resolution: All members in attendance unanimously passed the proposal and submitted it to the Board of Directors for discussion.		
	The Company's actions in response to the opinions of the Audit Committee: All the 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 conflicts of interest, the name of the Independent Director, the content of proposal, the reason of recusal, and the participation in the voting shall be stated: None.
- 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 Head of Internal Audit have maintained good communications.

Summary of communication between Independent Directors and the Company's head of internal audit in 2025:

Audit Committee	Key Communication Points	Suggestions and Results
3rd Term 11th 2025/03/05	Reviewed 2024 Internal Control System Statement.	No objections
4th Term 1st Meeting 2025/08/07	1. Review the summary of the amendments related to the internal control system of the Company. 2. Reasons for the change in the internal audit supervisor and a brief description of the education and experience of the incoming personnel.	No objections
4th Term 2nd Meeting 2025/11/07	1. Review the summary of the amendments related to the internal control system of the Company. 2. Review the annual internal audit plan for 2026.	No objections

- (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. 62 - 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 2025:

Audit Committee	Key Communication Points	Suggestions and Results
3rd Term 11th 2025/03/05	<ol style="list-style-type: none"> <li>1. The CPAs' audit status and report on the 2024 Consolidated and Parent Company Only Financial Statements reports (including key audit matters (KAM)).</li> <li>2. Evaluate the independence and suitability of the CPAs.</li> <li>3. Appointment of CPAs for 2025.</li> <li>4. Appointment for 2025 non-assurance services.</li> <li>5. The CPA has discussed and communicated with attendees on the questions they raised with regard to major legal amendments and their impact.</li> </ol>	No objections
4th Term 1st Meeting 2025/08/07	<ol style="list-style-type: none"> <li>1. CPAs' audit execution status and report for the consolidated financial statements for Q2 2025.</li> <li>2. CPAs discussed and communicated issues raised by the participants.</li> </ol>	No objections
4th Term 2nd Meeting 2025/11/07	<ol style="list-style-type: none"> <li>1. CPAs' audit execution status and report for the consolidated financial statements for Q3 2025.</li> <li>2. Report and communication of the 2025 audit plan report and key audit issues in the audit report.</li> <li>3. The CPA has discussed and communicated with attendees on the questions they raised with regard to major legal amendments and their impact.</li> </ol>	No objections

(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 2025 as follows:

Date	Attendee	Communication Item	Communication Results
2025/03/05 Individual Communication Meetings	Independent Directors Shen Shang-Hung Independent Directors Chen, Ta-Hsiung Independent Director Cheng Tun-Chien Independent Director Chen Chien-Ping CPA Chiu Cheng-Chun Chief Auditor Chuang Chia-Fang	CPA: 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. Chief Internal Auditor: 1. Internal audit business execution report and communication. 2. 2024 Report on Internal Control System Statement.	No objections
2025/05/05 Individual Communication Meetings	Independent Directors Shen Shang-Hung Independent Directors Chen, Ta-Hsiung Independent Director Cheng Tun-Chien Independent Director Chen Chien-Ping Chief Auditor Chuang Chia-Fang	Chief Internal Auditor: 1. Internal audit business execution report and communication.	No objections
2025/08/07 Individual Communication Meetings	Independent Director Shen Shang-Hung (proxy: Cheng Tun-Chien) Independent Director Zhang Li-Chiu Independent Director Cheng Tun-Chien Independent Director Chen Chien-Ping CPA Chiu Cheng-Chun Chief Auditor Chuang Chia-Fang	CPA: 1. CPAs' audit report for the consolidated financial statements for Q2 2025. 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.	No objections



Date	Attendee	Communication Item	Communication Results
	Auditor Kuo, Shih-Tuo	3. Reasons for the change in the internal audit supervisor and a brief description of the education and experience of the incoming personnel.	
2025/11/07 Individual Communication Meetings	Independent Directors Shen Shang-Hung Independent Director Zhang Li-Chiu Independent Director Cheng Tun-Chien Independent Director Chen Chien-Ping CPA Chiu Cheng-Chun Auditor Kuo Shih- Tuo	CPA: 1. CPAs' audit report for the consolidated financial statements for Q3 2025. 2. Report and communication of the 2025 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 2026.	No objections

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)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
I. 1. 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?	V		The Company has established its “Corporate Governance Best Practice Principles” in compliance with the “Corporate Governance Best-Practice Principles for TWSE or TPEX Listed Companies” to promote the implementation of corporate governance and disclosed the information on its 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?	V		(I) The Company has appointed specific personnel to take charge of such matters.	No material discrepancy
(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?	V		(II) The Company has maintained contact with its major shareholders and persons who have ultimate control over the major shareholders.	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	Abstract Illustration	
(III) Has the Company established and implemented risk control and firewall mechanisms among its affiliated companies?	V		(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?	V		<p>(IV) Measures for Preventing Insider Trading</p> <p>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.</p> <p>In 2025, training programs were held for current directors, managerial officers, and employees through online courses and assessments, totaling 433 participants and 433 training hours. Course titles and hours are as follows:</p> <p>[Online Courses and Tests] Group Employee Code of Conduct Test (including Prevention of Insider Trading) - 2 hours</p>	No material discrepancy



Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<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. 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. 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>	

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>In August 2024, the Board of Directors approved the amendment to the Company’s “Corporate Governance Guidelines.” In November 2022, the Board of Directors 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> <ul style="list-style-type: none"> <li>• Education and training: tests on the training management platform, [Integrity Seminar and Assessment] Code of Conduct for Employees (II): Incorporation of restrictions prohibiting directors from trading</li> </ul>	



Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
			<p>the Company’s shares during the blackout period prior to the release of financial reports. In 2025, a total of 433 persons participated in the above-mentioned training, with a total of 433 hours of training.</p> <ul style="list-style-type: none"> <li>• Notification: 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. 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</li> </ul>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
			<p>directors will be conveyed by the secretary of 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 5, 2025, to discuss the financial report for 2024. The announcement date for the financial report is set as the date of the Board meeting (March 5). Counting back 30 days (February 3) is the start date for the blackout period, with the blackout period for trading stocks being from February 3, 2025, to March 5, 2025. The Secretary Office of the Board of Directors has sent emails to all directors on January 22, 2025, informing them that the Company's</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
			<p>stocks cannot be traded during the closed period.</p> <p>(2) The Board of Directors convened on May 5, 2025, to discuss the financial report for 1Q 2025. 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 5, 2025. Accordingly, counting back 15 days, the blackout period for stock trading is set from April 20 to May 5, 2025. The Secretary Office of the Board of Directors has sent emails to all directors on April 16, 2025, informing them that the Company's stocks cannot be traded during the blackout period.</p> <p>(3) The Board of Directors convened on August 7, 2025, to discuss the financial report for Q2 2025. As key financial data were disclosed via a material information announcement on</p>	

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>the same day following the Board meeting, the announcement date of the financial report is designated as August 7, 2025. Accordingly, counting back 15 days, the blackout period for stock trading is set from July 23 to August 7, 2025. The Secretary Office of the Board of Directors has sent emails to all directors on July 16, 2025, informing them that the Company's stocks cannot be traded during the blackout period.</p> <p>(4) The Board of Directors convened on November 7, 2025, to discuss the financial report for Q3 2025. 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 7, 2025. Accordingly, counting back 15 days, the blackout period for stock trading is set from October 23 to November 7, 2025. The</p>	



Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>Secretary Office of the Board of Directors has sent emails to all directors on October 17, 2025, 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 closed period in 2025.</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 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 goals of corporate governance, the Board of Directors shall possess the following abilities:</p>	No material discrepancy

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>(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.</p> <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,</p>	



Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
			<p>international markets, law and environmental protection.</p> <p>II. Specific management objectives for board diversity The current Board of Directors was re-elected on May 28, 2025. Mr. Zhang Li-Chiu was newly appointed as an Independent Director. He previously served as General Manager of Grand Cathay Securities Corporation and Chairman of Yuanta Securities Co., Ltd. With extensive experience in the financial industry, he possesses expertise in finance and investment risk management, which will contribute to enhancing the Board's review of financial investment and financing proposals and further support the implementation of the Board diversity policy.</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 difficult to achieve the one-third</p>	

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>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 For details on the diversity of Board members, please refer to the table below:</p>	

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons																																																																																																																																											
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			<p>Ltd. and several other companies, and possesses professional expertise in corporate operations and management, operational risk control, and board effectiveness. Although he has served 3 consecutive terms as an independent director of the Company, he has consistently exercised independent professional judgment and provided constructive recommendations in both the functional committees and the Board of Directors. Accordingly, he is proposed to be nominated as a candidate for independent director in the current election.</p> <p>2. Mr. Cheng Tun-Chien currently serves as Chairman of TGVest Capital Inc. and previously held senior managerial officer positions at foreign investment banks. He possesses professional expertise in corporate investment, financial risk management, and board effectiveness. Although he has served 3 consecutive terms as an independent director of the Company, he has consistently</p>	



Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
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(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>exercised independent professional judgment and provided constructive recommendations in both the functional committees and the Board of Directors. Accordingly, he is proposed to be nominated as a candidate for independent director in the current election.</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 in accordance with the Sustainable Development Committee Charter with favorable performance.</p>	No material discrepancy
(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	V		<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. Implementation of External Evaluation of Board Performance and Evaluation Results</p>	No material discrepancy

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evaluations to the Board of Directors, and use them as a reference for individual Directors' remuneration and nomination and renewal?			<p>(1) To implement sound corporate governance, strengthen the functions of the Board of Directors, and enhance the overall effectiveness of board operations through clearly defined performance objectives, the Company has adopted the "Board Performance Evaluation Guidelines" as approved by the Board of Directors. Pursuant to the Policy, the Board Performance Evaluation shall be conducted at least once every three years by an external independent professional institution or a team of external experts and scholars.</p> <p>(2) The Company commissioned Taiwan Institute of Ethical Business (TIEB) to conduct the Board effectiveness evaluation. The evaluation was led by Attorney Chung, Shih-Min. The evaluation year was 2025, and the evaluation period was from January 1, 2025 to December 31, 2025. The institution and its evaluation committee members had no financial, business, or other relationships with the Company in the most recent year that</p>	



Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
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			<p>could affect their professional judgment or independence. They have not provided any other consulting or audit-related services to the Company, thereby ensuring the objectivity and impartiality of the evaluation process, and have issued a statement of independence. The effectiveness assessment of the Board of Directors is conducted based on four major dimensions, which include: the professional competencies of the Board of Directors, the decision-making effectiveness of the Board of Directors, the Board's emphasis on internal control and supervision, and the Board's attitude towards sustainable operation. The evaluation methods included a review of the Company's relevant internal policies and records, completion of evaluation questionnaires by Board members, and interviews with individual directors. The Company submitted the evaluation results to the Board of Directors on November 7, 2025.</p>	

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			<p>(3) The procedures for the external evaluation of Board performance are as follows:</p> <ul style="list-style-type: none"> <li>A. The external institution provides a list of required documents and evaluation questionnaires.</li> <li>B. The evaluated company provides the required documents and completes the evaluation questionnaires.</li> <li>C. The external institution conducts a documentary review of the materials provided by the evaluated company and, where necessary, may request additional information or clarification.</li> <li>D. The external institution conducts interviews with the Company's directors and relevant personnel to gain a deeper understanding of the actual operation of the Board of Directors.</li> <li>E. The external institution prepares and issues the Board effectiveness evaluation report.</li> </ul>	



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			<p>(4) Evaluation Results – Overall Observations and Conclusions</p> <p>A. Board members of the Company actively and thoroughly engage in discussions. Through coordination by the Corporate Secretariat, directors are able to fully familiarize themselves with the matters to be discussed in advance and provide relevant input during Board meetings, thereby contributing to more rigorous and comprehensive policy formulation.</p> <p>B. The Company places great emphasis on sustainable operations. The Board of Directors attaches significant importance to environmental sustainability issues, establishes specific policy objectives, and regularly monitors the effectiveness of their implementation. The Company also places importance on labor-related matters and has established internal communication channels</p>	

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			<p>to foster a friendly and supportive working environment.</p> <p>(5) Evaluation Results – Recommendations for Improvement</p> <p>A. Enhance the Board nomination policy and diversity of composition: The Company is advised to evaluate suitable candidates to establish a director talent pool, so as to ensure that the tenure of independent directors complies with applicable regulations, and to further enhance the diversity of the Board in terms of professional expertise and age. The Company may also consider establishing a Nomination Committee to enhance the Board’s understanding and oversight of the Company’s succession planning.</p> <p>B. Enhance the recording of directors’ remarks in Board meeting minutes:</p>	



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			<p>Based on interviews, it was noted that members of the Company's Board of Directors discuss the background of agenda items with the management team prior to meetings and also exchange views on such items through communication platforms. It is recommended that, where directors express significant views on material agenda items during meetings, such views be summarized and recorded in the Board meeting minutes to document the directors' diligent oversight.</p> <p>C. Enhance the independence of whistleblowing reporting channels: To enhance independence, it is recommended that the Audit Committee or independent directors be granted direct access to whistleblowing information, and that they designate appropriate personnel to conduct subsequent investigations. Alternatively, the Company may consider engaging an</p>	

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			<p>independent external institution to provide dedicated whistleblowing email channels or hotlines, thereby further strengthening the independence of the reporting function and encouraging greater willingness among internal whistleblowers to report concerns.</p> <p>D. Strengthen the integrated risk management framework and enhance the evaluation and discussion of development strategies: The Company has established provisions under which the Audit Committee is responsible for overseeing the management of existing and potential risks. Risk assessments are conducted by the respective responsible units, with overall coordination and supervision by the Office of the General Manager. It is recommended that the Company further strengthen the integration of group-wide risk identification and assessment, so as to enable the Board of</p>	

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			<p>Directors and its functional committees to benefit from more comprehensive and integrated risk analysis. In addition, in recent years the Company's operational strategy has expanded from a B2B to a B2C model. It is recommended that the Board increase its evaluation and discussion of key risks associated with such strategic development.</p> <p>E. Strengthen succession planning mechanisms: It is recommended that the Company establish a structured succession pipeline by implementing tiered talent pools and defining succession milestones. The Company should also design differentiated remuneration and retention programs and disclose clear promotion criteria to strengthen employee trust. In addition, the Company may consider appropriately engaging external professional consultants and establishing collaborative channels. Finally, succession planning</p>	

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			<p>mechanisms should be strengthened through appropriate oversight by the Board of Directors and its functional committees.</p> <p>F. The Company's Future Improvement Plans The Company will refer to the results of the external Board Performance Evaluation and the improvement recommendations provided therein to continuously enhance its Board operating mechanisms and corporate governance framework. Based on key areas for improvement, the Company has formulated the following enhancement measures:</p> <p>a. Enhance the Board nomination policy and diversity of composition: 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</p>	



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			<p>enhance the Company's sustainable competitiveness and further improve the functionality of the Board of Directors. As a long-term objective, the Company will evaluate the feasibility and functions of establishing a Nomination Committee, with a view to enhancing overall corporate governance effectiveness.</p> <p>b. Enhance the recording of directors' remarks in Board meeting minutes: The Company will, in accordance with the recommendations, ensure that when material agenda items are discussed at future Board meetings, any significant views expressed by directors are appropriately summarized and recorded in the meeting minutes, thereby documenting the directors' diligent oversight.</p>	

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			<p>c. Enhance the independence of whistleblowing reporting channels: 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. The Company will also provide multiple whistleblowing channels through which employees and external parties may report illegal, unethical, or dishonest conduct. Going forward, the Company will formulate additional measures, based on the recommendations, to further strengthen its whistleblowing reporting channels and enhance their effectiveness.</p> <p>d. Strengthen the integrated risk management framework and enhance the</p>	



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			<p>evaluation and discussion of development strategies:            In accordance with the recommendations, the Company will strengthen the integration of group-wide risk identification and assessment, and will regularly report the Company's transformation strategies to the Board. This will enable the Board of Directors and its functional committees to conduct more comprehensive, integrated risk analysis and enhance their discussion of risks associated with operating strategies, thereby strengthening operational resilience.</p> <p>e. Strengthen succession planning mechanisms:            The Company will continue to review the appropriateness of its existing performance evaluation and related</p>	

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			<p>supporting mechanisms to ensure alignment with its business strategies and talent development directions. The Board of Directors will continue to monitor the implementation of talent development and succession planning. Through institutionalized review and tracking mechanisms, it will ensure the effective implementation of relevant measures, thereby supporting the Company’s long-term stable operations and sustainable development.</p> <p>2. Performance evaluation results of the Board of Directors and individual members                      (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 2025 the Company plans to conduct the performance evaluation of the Board</p>	



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			<p>of Directors as a whole and individual Directors at the end of each year.</p> <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 2026 for the evaluation period from January 1 to December 31, 2025. The below summarizes the evaluation result:</p> <p>A. Overall performance of the Board of Directors</p>	

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			<p>market by optimizing its product portfolio and pursuing diversified business deployment. At the same time, it will actively promote energy conservation, carbon reduction, and process optimization to achieve its sustainable development objectives. The Board of Directors and the management team will closely monitor industry supply-demand cycles, prudently assess risks and opportunities, and drive the Company's steady growth.</p> <p>Note: Evaluation scores are on a scale of 0 to 5, with a maximum of 5 points.</p> <p><b>B. Performance of individual directors</b></p> <table border="1"> <thead> <tr> <th>Evaluation Item</th> <th>Score (Note)</th> <th>Evaluation results</th> </tr> </thead> <tbody> <tr> <td>Understanding of the Company's goals and tasks</td> <td>4.93</td> <td rowspan="3">The Director's self-evaluation result shows that the average score of the six aspects is above 4.8, which is a good evaluation result.</td> </tr> <tr> <td>Understanding of the director's roles and responsibilities</td> <td>4.95</td> </tr> <tr> <td>Participation in Company operations</td> <td>4.81</td> </tr> </tbody> </table>	Evaluation Item	Score (Note)	Evaluation results	Understanding of the Company's goals and tasks	4.93	The Director's self-evaluation result shows that the average score of the six aspects is above 4.8, which is a good evaluation result.	Understanding of the director's roles and responsibilities	4.95	Participation in Company operations	4.81	
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			<table border="1"> <tr> <td>Internal relationship management and communication</td> <td>4.89</td> <td rowspan="3"></td> </tr> <tr> <td>Expertise and continuing education of the directors</td> <td>4.93</td> </tr> <tr> <td>Internal control</td> <td>4.93</td> </tr> </table> <p>Note: Evaluation scores are on a scale of 0 to 5, with a maximum of 5 points.</p> <p>(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 2026.</p> <p>3. Performance Evaluation for the Audit Committee, Remuneration Committee, and Sustainable Development Committee</p> <p>The Company completed the performance evaluation of the Board of Directors in January 2026 for the evaluation period from January 1 to December 31, 2025. The below summarizes the evaluation result:</p>	Internal relationship management and communication	4.89		Expertise and continuing education of the directors	4.93	Internal control	4.93	
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Evaluation Item	Score (Note)	Evaluation results																										
Level of participation in the Remuneration Committee	4.83	According to the self-evaluation results of the Remuneration Committee, the average score of the four major aspects is above 4.8, and																										
Understanding of the Remuneration Committee's roles and responsibilities	5																											
Improvement in the Remuneration Committee's decision-making quality	5																											

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons															
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			<table border="1"> <tr> <td>Composition and member selection of the Remuneration Committee</td> <td>5</td> <td>the overall evaluation result is good.</td> </tr> </table> <p>Note: Evaluation scores are on a scale of 0 to 5, with a maximum of 5 points.</p> <p>(3) Sustainable Development Committee's performance</p> <table border="1"> <thead> <tr> <th>Evaluation Item</th> <th>Score (Note)</th> <th>Evaluation results</th> </tr> </thead> <tbody> <tr> <td>Level of participation in the Sustainable Development Committee</td> <td>4.8</td> <td rowspan="4">According to the self-evaluation results of the Sustainable Development Committee, the average score of the four major aspects is above 4.8, and the overall evaluation result is good.</td> </tr> <tr> <td>Understanding of the Sustainable Development Committee's roles and responsibilities</td> <td>5</td> </tr> <tr> <td>Improvement in the Sustainable Development Committee's decision-making quality</td> <td>5</td> </tr> <tr> <td>Composition and member selection of the Sustainable Development Committee</td> <td>5</td> </tr> </tbody> </table> <p>Note: Evaluation scores are on a scale of 0 to 5, with a maximum of 5 points.</p>	Composition and member selection of the Remuneration Committee	5	the overall evaluation result is good.	Evaluation Item	Score (Note)	Evaluation results	Level of participation in the Sustainable Development Committee	4.8	According to the self-evaluation results of the Sustainable Development Committee, the average score of the four major aspects is above 4.8, and the overall evaluation result is good.	Understanding of the Sustainable Development Committee's roles and responsibilities	5	Improvement in the Sustainable Development Committee's decision-making quality	5	Composition and member selection of the Sustainable Development Committee	5	
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Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
(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 2026.</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, and the audit quality indicators (AQIs), the Committee also assesses the five major dimensions of AQI indicators (including 13 indicators) according to the standards of the table below. 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.</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	Abstract Illustration							
			<p>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 the results of the financial certification. The latest annual appraisal result was discussed and approved by the audit committee on March 10, 2026, and reported to the board of directors on the same day to approve the appraisal of independence and eligibility of the accountant.</p> <p>CPA Independence Evaluation:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Evaluation results</th> <th>Whether the CPA is independent</th> </tr> </thead> <tbody> <tr> <td>1. As of the most recent assurance operation, no CPA has yet to be replaced for seven (7) years.</td> <td>Yes</td> <td>Yes</td> </tr> </tbody> </table>	Item	Evaluation results	Whether the CPA is independent	1. As of the most recent assurance operation, no CPA has yet to be replaced for seven (7) years.	Yes	Yes	
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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	Abstract Illustration	
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 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.)?	V		<p>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 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 2025:</p>	No material discrepancy

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>1. 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 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> <p>(2) Assist Directors, upon request, in understanding the regulations to be complied with in the execution of their business.</p> <p>(3) Provide corporate information required by the Directors and assist them with communication and interaction with supervisors in various business categories.</p> <p>(4) Assist Independent Directors in arranging meetings with the chief internal auditor or CPAs to understand the financial and business needs of the Company.</p>	



Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>(5) Assisted the Company in arranging at least 6 hours of continuing education courses for members of the Board of Directors.</p> <p>(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> <p>2. Procedures for Board of Directors meetings and the shareholders’ meetings and compliance regarding confirmation of resolutions:</p> <p>(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.</p> <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</p>	

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>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>3. 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 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>4. 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>	



Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons																				
	Yes	No																						
			<p>Directors' continuing education in 2025 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> <p>A newly appointed chief corporate governance officer shall complete a minimum of 18 CPE hours within the year from the person's appointment and a minimum of 12 CPE hours per year in each following year.</p> <p>In 2025, Mr. Chen Yung-Chih, the corporate governance officer of the Company, has completed 50 hours of continuing education after taking office. The details are as follows:</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Organizer</th> <th>Course Title</th> <th>Training Hours</th> </tr> </thead> <tbody> <tr> <td>2025/2/13</td> <td>Taiwan Institute for Sustainable Energy</td> <td>39th TCCS Council Meeting and CEO Lecture</td> <td>2</td> </tr> <tr> <td>2025/4/24</td> <td>Taiwan Institute for Sustainable Energy</td> <td>40th TCCS Council Meeting and CEO Lecture</td> <td>2</td> </tr> <tr> <td>2025/5/16</td> <td>Securities and Futures Institute</td> <td>2025 Insider Trading Prevention Seminar</td> <td>3</td> </tr> <tr> <td>2025/7/9</td> <td>Taiwan Stock Exchange (TWSE)</td> <td>2025 Cathay Sustainable Finance and Climate Change Summit Forum</td> <td>6</td> </tr> </tbody> </table>	Date	Organizer	Course Title	Training Hours	2025/2/13	Taiwan Institute for Sustainable Energy	39th TCCS Council Meeting and CEO Lecture	2	2025/4/24	Taiwan Institute for Sustainable Energy	40th TCCS Council Meeting and CEO Lecture	2	2025/5/16	Securities and Futures Institute	2025 Insider Trading Prevention Seminar	3	2025/7/9	Taiwan Stock Exchange (TWSE)	2025 Cathay Sustainable Finance and Climate Change Summit Forum	6	
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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	Abstract Illustration				
			2025/7/25	Securities and Futures Institute	Workshop on Equity Trading Compliance for Insiders in 2025	3	
			2025/7/29	Securities and Futures Institute	Industry Evidence of Smart Manufacturing and Digital Decision-Making	3	
			2025/8/22	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2025 TS Holdings Net Zero Summit	3	
			2025/8/29	Taiwan Stock Exchange (TWSE)	Enhancing Climate-Related Disclosures to Strengthen Corporate Climate Resilience	3	
			2025/9/12	Taiwan Institute for Sustainable Energy	2025 SDG ASIA: The 4th Hydrogen Forum	2	
			2025/10/3	Securities and Futures Institute	2025 Insider Trading Prevention Seminar	3	
			2025/10/16	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	6	
			2025/10/16	Securities and Futures Institute	Outlook on U.S.–China Economic Relations and Taiwan’s Industrial Development Following the U.S. Presidential Election	3	
			2025/10/17	Taiwan Institute for Sustainable Energy	41st TCCS Council Meeting and CEO Lecture	2	
			2025/10/28	Taiwan Corporate Governance Association	202510 Fubon Insurance: AI Applications and Corporate Governance Seminar	3	



Evaluation Item	Implementation Status (Note 1)				Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons		
	Yes	No	Abstract Illustration				
			2025/11/21	Securities and Futures Institute	Workshop on Equity Trading Compliance for Insiders in 2025	3	
			2025/12/5	Securities and Futures Institute	New Perspectives on Corporate Hedging: Addressing Foreign Exchange Challenges and Asset Management Trends	3	
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 2025 have been reported to the Board of Directors on March 10, 2026.</p> <p>URL for Stakeholder Engagement Zone:  <a href="https://www.apc.com.tw/ESG/zh-tw/ESG13.aspx">https://www.apc.com.tw/ESG/zh-tw/ESG13.aspx</a></p>			No material discrepancy	

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
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 shares-related affairs 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
(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		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	No material discrepancy



Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?			quarterly financial reports, monthly revenue, and endorsement and guarantee information in advance of the specified period.	
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 policies and the Company's purchase of liability insurance for its Directors and Supervisors)?	V		<ol style="list-style-type: none"> <li>1. The Company is committed to establishing a comprehensive employee well-being framework. In addition to providing professional psychological counseling and support through Employee Assistance Programs (EAPs), the Company regularly organizes wellbeing seminars and implements friendly workplace policies. The Company adopts a multi-faceted approach covering physical health (annual health check-ups and fitness facilities), psychological well-being (outdoor activities and counseling support), and life protection (group insurance). Through these initiatives, the Company actively supports employees in addressing challenges in both work and daily life, and promotes a healthy work-life balance.</li> <li>2. The Company has always been committed to the principle of equal opportunities, and recognizes the contribution of employees from different backgrounds.</li> </ol>	No material discrepancy

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>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>3. 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>4. The Company maintains a good relationship with major suppliers, and the supply status is normal.</p> <p>5. The Company maintains a good and stable relationship with its customers in order to generate profits.</p> <p>6. The Company encourages its directors to participate in continuing education. In addition to providing its 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>7. Purchase of liability insurance for the Company's Directors and Supervisors: The Group has purchased</p>	



Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>liability insurance for its Directors, Supervisors, and key employees. In 2025, the total amount of coinsurance was US\$35 million and the insurance policy was for the period from May 1, 2025 to May 1, 2026. Relevant information can be obtained from MOPS. Matters related to liability insurance have been included in the Board of Directors' report on May 5, 2025.</p> <p>8. Implementation of risk management policies and risk measurement standards: The Company has established operating procedures and internal control systems and possesses clear rules and regulations on authorized limits. The Company also implements internal audit for risk control. The audit supervisor 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 7, 2025.</p>	

Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>9. Implementation of consumer and customer protection policies: The Company has established a quality policy aimed at enhancing the quality of its products and services, and continuously strives to improve customer satisfaction. The Company also maintains its relationships with suppliers based on the principles of integrity and mutual benefit.</p> <p>10. The Company has established an intellectual property management system to strengthen its competitive advantage within the industry and to generate greater value through high-value products and services.</p>	



Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
<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 1.2) The Company’s Board of Directors approved amendments to certain provisions of the “Procedures for Transactions with Related Parties, Specific Companies, and Group Enterprises” on November 7, 2025. The amendments cover the management procedures for transactions such as purchases and sales, as well as the acquisition or disposal of assets.</p> <p>(Number 1.3) At the Annual Shareholders’ Meeting held on May 28, 2025, the Chairman, a majority of the directors, and the convener of the Audit Committee attended in person, and such attendance was duly recorded in the minutes of the meeting.</p> <p>(Number 1.5) The specific section for the “Corporate Value Enhancement Plan” has been reported to the Board of Directors and disclosed on the Market Observation Post System (MOPS).</p> <p>(Number 2.23) The implementation status and evaluation results of the 2025 external Board Performance Evaluation have been disclosed on the Company’s website at: <a href="https://www.apc.com.tw/zh-tw/dirServices/frmServices7.aspx">https://www.apc.com.tw/zh-tw/dirServices/frmServices7.aspx</a></p>				

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



(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, 2026

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 member also serves as a member of their remuneration committee
Independent Directors (Convener)	Zhang Li- Chiu	Currently serves as the Chairman of Panion & BF Biotech Inc. and Ho Tung Chemical Corp., and as the Chief Executive Officer of the Sun Ten Group., and has professional fields of company operation management and work experience in supervising financial manager, accounting manager and other positions.	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 Directors	Shen Shang- Hung	At present, he serves as the chairman of many companies such as Ta Ya Electric Wire & Cable (Stock) Company, and has professional fields of company operation 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	

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 member also serves as a member of their compensation committee
Independent Directors	Cheng Tun- Chien		Currently serves as the chairman and chief executive officer of Hongding Capital, with professional fields 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”.	2

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:None.

Note 4: For disclosure, please refer to the best practice examples on the Taiwan Securities Exchange.



## 2. Responsibilities of the Remuneration Committee:

The Remuneration Committee shall exercise the care of a good administrator, 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.

A total of 3 meetings were held during the year, and the key work items are summarized as follows:

- (1) Review of the remuneration of directors and managerial officers: The reasonableness of remuneration for directors and managerial officers is assessed based on the Company's remuneration policies, systems, standards, and structure, as well as performance evaluation results. Such assessment also takes into account factors including the median remuneration levels of industry peers, the time commitment and responsibilities of the individual, the achievement of individual performance objectives, remuneration for comparable positions, the Company's achievement of short-term and long-term performance targets, and its financial condition.
- (2) Review and revision of relevant regulations to ensure appropriateness and legal compliance, including: the Remuneration Committee Charter, the Remuneration Policies for Directors and Managerial Officers, the Board Performance Evaluation Guidelines, and the Managerial Officer Performance Evaluation Guidelines.
- (3) Conduct benchmarking of market remuneration for directors and managerial officers.
- (4) Review of the self-assessment results of the Remuneration Committee's performance evaluation.
- (5) Annual work plan planning.

## 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, 2025 to May 27, 2028. A total of three (3) meetings (A) were conducted by the Remuneration Committee in the most recent fiscal year, where the attendance of the members are as follows:

Title	Name	Number of Attendance in Person (B)	Attendance by proxy	Attendance in person rate (%) (B/A) (Note)	Remark(s)
Convener	Chen Ta-Hsiung	1	0	100%	Stepped down upon the expiration of the Board's term of office
Convener	Zhang Li-Chiu	2	0	100%	Newly Appointed
Commissioner	Shen Shang-Hung	2	1	67%	Reappointed upon the expiration of the Board's term of office, with reappointment effective on June 2, 2025.
Commissioner	Cheng Tun-Chien	3	0	100%	Reappointed upon the expiration of the Board's term of office, with reappointment effective on June 2, 2025.

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 9th Meeting 2025/3/5	1. Report on the distribution of directors' and employees' remuneration for 2024.	None
	2. Proposal for the 2024 special bonus for managerial officers.	None
	3. Reviewed the remuneration of the Directors and managers and the performance appraisal system.	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.	
6th Term 1st Meeting 2025/8/7	1. The Company's annual salary adjustment.	None
	2. Amended certain articles of the "Remuneration Committee Charter".	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.	
6th Term 2nd Meeting 2025/11/7	1. Amended certain articles of the "Remuneration Committee Charter".	None
	2. Review of the Company's "Remuneration Committee Charter."	None
	3. Establishment of the work plan of the Committee for 2026.	None
	Opinion of the remuneration committee: none	

Remuneration Committee	Resolution and Follow-up Actions	Dissenting opinions or qualified opinions of members of the Remuneration Committee
	<p>Resolution of the Remuneration Committee: All members in attendance unanimously passed the proposals and filed for discussion in the board meeting.</p> <p>The Company's actions in response to the opinions of the Remuneration Committee: All the Directors in attendance voted in favor of the resolution.</p>	

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.
  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. Rate of attendance in person (%) 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: N/A

(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	Abstract Illustration	
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 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. )	V		<p>(I) The vision and mission of the Company’s ESG policy designate the Board of Directors as the highest decision-making body for sustainability-related matters. In 2022, in accordance with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” announced by the Taiwan Stock Exchange, the Company renamed the “Corporate Social Responsibility Committee” under the Board to the “Sustainable Development Committee,” to assist the Board in continuously promoting and implementing sustainable development and sustainability 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 independent directors serves as the chairman and the general manager serves as the deputy chairman. The responsibilities of the Committee include:</p> <ol style="list-style-type: none"> <li>Determining the sustainable development policy.</li> </ol>	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
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			<p>2. Negotiation of sustainable development strategic plan, annual plan and project plans.</p> <p>3. Supervising the implementation of sustainability plans, annual plans and project plans, and evaluate the implementation.</p> <p>4. Reviewing and approving the sustainable report.</p> <p>5. Reporting the implementation results of sustainability to the Board of Directors every year.</p> <p>6. Other matters to be conducted by the committees based on resolutions of the Board of Directors.</p> <p>The Committee has three task groups, 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 sustainable development policies into the Company’s operations.</p> <p>(III) The Chairperson of the Sustainable Development Committee reports to the Board of Directors at least twice annually on the implementation results of sustainable development initiatives and future work plans. In 2025, a total of 2 meetings were held, 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
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			<p>reports were presented to the Board on March 5 and August 7, 2025.</p> <p>(IV) The oversight situation of the Sustainable Development Committee includes the following agenda items of the Committee in 2025:</p> <ol style="list-style-type: none"> <li>1. The report on the results of stakeholder negotiation includes stakeholder identification, issues concerned, communication channels and response methods.</li> <li>2. The results of the implementation of sustainable development and future goals include achievements in governance, environmental, and social aspects, descriptions of achievements in major issue targets, and an overview of the TCFD risk and opportunity assessment results.</li> <li>3. The progress and planning for the 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.</li> <li>4. Implementation of carbon reduction and energy-saving initiatives in 2024.</li> <li>5. Revision to the “Guidelines for Sustainable Development Practices.”</li> </ol>	

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	Abstract Illustration	
			<p>The execution results have been reported to the Board of Directors and it has been handled based on the resolutions 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, material issue management target setting, greenhouse gas inventory and verification, etc. The Board of Directors must evaluate the possibility of success of these strategies. The progress of the strategy must be regularly reviewed and the management team must be urged to make adjustments when needed.</p>	
II. Does the company conduct risk assessments on environmental, social and corporate governance issues related to the business operations and formulate relevant risk management policies or strategies based on the	V		(I) The disclosure period for this information is from January 1, 2025, to December 31, 2025. It encompasses the consolidated financial statements of all operating entities of the Company, 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	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
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materiality principle? (Note 2) (TWSE/TPEX Listed companies should fill in the implementation status, which is not incorporated into the principle of compliance or explanation. )			<p>primarily focuses on the Company’s operations in Taiwan. As the Company’s subsidiaries are primarily engaged in investment holding or trading activities and have relatively limited operational impact, this assessment focuses primarily on the Taiwan sites where production activities are concentrated.</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, a 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>	

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			(III) Based on the aforementioned materiality assessment principles, the Company has identified material topics and assessed the associated risks, and has established the following risk impact management measures and strategies:												
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				<ul style="list-style-type: none"> <li>On-site physician health services ≥ 6 times/year</li> <li>On-site nursing health services ≥ 6 times/month</li> <li>Implementation of occupational safety education and training</li> <li>Irregular emergency response drills</li> </ul>
			<p>Process safety management</p> <ol style="list-style-type: none"> <li>Inadequate implementation of process safety management</li> <li>Occurrence of incidents involving hazardous substances</li> </ol>	<ul style="list-style-type: none"> <li>Process safety incident count (PSIC): 0</li> <li>Establishing the PSS and incident investigation platform</li> <li>Promotion of process safety management KPIs</li> </ul>
			<p>Talent recruitment and retention</p> <p>Lack of succession planning and talent gaps</p>	<ul style="list-style-type: none"> <li>Regularly assign personnel to external professional training and certification on an annual basis to prevent talent gaps.</li> <li>Training execution rate: 100%</li> </ul>

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			<table border="1"> <tr> <td></td> <td>development and product diversification</td> <td>products</td> </tr> <tr> <td>Supply Chain Management</td> <td> <ol style="list-style-type: none"> <li>1. Effective supply chain management and quality improvement</li> <li>2. Supply disruptions caused by geopolitical conditions, pandemics, and weather factors</li> </ol> </td> <td> <ul style="list-style-type: none"> <li>• Meeting customer quality and service requirements</li> <li>• The qualification rate in periodic evaluations of suppliers and contractors <math>\geq 90\%</math></li> <li>• A 100% commitment agreement signing rate was achieved among existing suppliers.</li> <li>• Local procurement <math>\geq 70\%</math></li> </ul> </td> </tr> </table> <p>For the execution performance related to major issues, please refer to the “2024 ESG Report” issued by the Company in August 2025, which can be downloaded from the Company’s website - ESG. (Website <a href="https://www.apc.com.tw/ESG/zh-tw/ESG82.aspx">https://www.apc.com.tw/ESG/zh-tw/ESG82.aspx</a>)</p>		development and product diversification	products	Supply Chain Management	<ol style="list-style-type: none"> <li>1. Effective supply chain management and quality improvement</li> <li>2. Supply disruptions caused by geopolitical conditions, pandemics, and weather factors</li> </ol>	<ul style="list-style-type: none"> <li>• Meeting customer quality and service requirements</li> <li>• The qualification rate in periodic evaluations of suppliers and contractors <math>\geq 90\%</math></li> <li>• A 100% commitment agreement signing rate was achieved among existing suppliers.</li> <li>• Local procurement <math>\geq 70\%</math></li> </ul>	
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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	Compliant with the requirements of the “Corporate Sustainable Development Best						

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>formulating environmental policies with energy conservation, carbon reduction, and air pollution improvement management plans. The Environmental Protection Section of 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 control and reduce impact on environment.                      (ISO 14001 Certificate Validity: May 3, 2025 to May 3, 2028)                      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, 2025 to November 19, 2028). Certificate inquiry: <a href="https://www.iafcertsearch.org/">https://www.iafcertsearch.org/</a>                      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: <a href="https://www.apc.com.tw/ESG/">https://www.apc.com.tw/ESG/</a></p>	Practice Principles for TWSE or TPEX Listed Companies.”



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(II) Does the Company endeavor to improve energy efficiency and use renewable materials that have low impact on the environment?	V		<p>(II) The Company established an ISO 50001 Energy Management System in 2019, with certification valid from November 19, 2025 to November 19, 2028. Through the identification of significant energy uses, energy consumption monitoring, and the formulation and implementation of energy-saving targets and reduction measures, the Company has enhanced energy use efficiency. In 2025, the Company purchased 2.515 million kWh of solar-generated green electricity and officially commenced its use on January 1, 2025. A 494 kW solar power installation project is underway and is expected to be completed in the second quarter of 2026 for self-generation and self-consumption.</p> <p>Green Electricity Usage</p> <table border="1"> <thead> <tr> <th>Green Electricity (Solar Energy)</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Procurement Volume (10,000 kWh)</td> <td>191.3</td> <td>251.5</td> </tr> <tr> <td>Percentage (%) of 100 points</td> <td>0%</td> <td>1.3%</td> </tr> </tbody> </table> <p>In 2025, the Company implemented 5 energy conservation management initiatives, achieving electricity savings of 2.704 million kWh and steam savings of 611 metric tons, resulting in a total reduction of 1,391 metric tons of CO<sub>2</sub>e. The average electricity</p>	Green Electricity (Solar Energy)	2024	2025	Procurement Volume (10,000 kWh)	191.3	251.5	Percentage (%) of 100 points	0%	1.3%	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”
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			<p>saving rate in 2025 was 1.91%, meeting the “Energy Administration’s annual average electricity savings requirement of 1.5%.” Taiju 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. This includes the recycling and reuse of material packaging, as well as waste reduction and recycling. In 2025, the recycling and reuse rate of bulk bags was 78.3%, with a total waste volume of 409.43 metric tons, a reuse volume of 179.28 metric tons, and a waste reuse rate of 43.8%.</p>	

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			<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. In 2024, through the efforts of the innovation team, three grades of prime materials with different melt index (MI) ranges were used as base materials and blended in varying proportions with process conversion scrap. A total of 9 recycled plastic products were successfully developed. In February 2025, these products passed SGS international verification and obtained ISO 14021 pre-consumer recycled material certification, along with the corresponding certificates and the SGS Green Mark. This achievement underscores the Company’s commitment to source reduction.</p> <p>The Company has demonstrated solid progress in advancing the practical application of recycled materials, significantly increasing the proportion of circular materials used. It supplies high-quality, low-carbon LDPE materials that can be processed into premium cushioning materials and sporting goods, making a substantial</p>	

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			contribution to extending product life cycles and delivering carbon reduction benefits. In recognition of these achievements, the Company received the “Circular Economy” and “Carbon Management” awards at the Third Green Sustainability Achievement Presentation hosted by SGS.	
(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		(III) The assessment of risks and opportunities related to climate change, along with corresponding response measures, is presented in (VI) Climate-related Information for Listed Companies. The Company adopts the framework set out in IFRS S2 to identify climate-related risks and opportunities. Assessments are conducted across departments to evaluate potential risks and opportunities, quantify financial impacts, and formulate response plans. A comprehensive assessment is scheduled to be reinitiated every 3 years, with annual reviews and updates performed in the interim. Through questionnaire surveys conducted with the ESG Committee and senior executives, the Company assessed the relevance of various risks to its operations and the potential timing of their impacts, as well as the development potential and feasibility of identified opportunities. Based on this process, 5 material climate-related	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”



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			<p>issues were identified, comprising 3 risk items and 2 opportunity items.</p> <p>The results of the relevant response strategies for the 2025 of implementation are as follows: Note: (✓) indicates that the target has been achieved.</p> <div style="border: 1px solid black; padding: 5px;"> <ol style="list-style-type: none"> <li>1. In 2025, greenhouse gas emissions decreased by 11% compared to the base year (2017) (self-inventoried). (X) Explanation: As production volume in 2025 reached 139,546 metric tons, exceeding the annual target of 135,000 metric tons, greenhouse gas emissions increased accordingly. In 2025, greenhouse gas emissions intensity was 0.747 per unit of product.</li> <li>2. The average electricity saving rate in 2025 was 1.91%, meeting the “Energy Administration’s annual average electricity savings requirement of 1.5%.” (✓)</li> <li>3. In 2025, energy-saving management programs achieved a total electricity savings of 2,703,956 kWh and steam savings of 611 metric tons, resulting in a carbon reduction of 1,391 metric tons of CO<sub>2</sub>e. (✓)</li> </ol> </div>	

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			<p>4. Water consumption per unit product in 2025: 3.78 m<sup>3</sup>/metric ton; water recycling rate (R2): 97.3%, representing an increase of 2.16% compared to the previous year. Both metrics remained below the 2025 target of 4.00 m<sup>3</sup>/metric ton. (✓)</p> <p>5. In 2025, the Company procured 2.515 million kWh of green electricity (solar energy) and officially commenced its use on January 1, 2025. (✓)</p> <p>6. In 2025, the Company developed recycled plastic products. In February 2025, 9 products passed international verification by SGS and obtained ISO 14021 certification for recycled content. (✓)</p> <p>7. In 2025, the Company participated in the Third Green Sustainability Achievement Presentation hosted by SGS and received the Green Mark Awards in the “Circular Economy” and “Carbon Management” categories.</p>	
(IV) Has the Company calculated its GHG emissions, water consumption, and total waste weight in the past two years,	V		<p>(IV)</p> <p>1. Greenhouse gas emissions in recent two years In 2022, the Company officially adopted ISO 14064-1 for greenhouse gas (GHG) emissions inventory assurance,</p>	Compliant with the requirements of the “Corporate Sustainable



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and formulated policies for reductions of GHG and water consumption, or other waste management?			<p>enhancing the reliability and credibility of its GHG emissions data. Statistics of greenhouse gas emissions in recent two years are as follows:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Scope 1 (Metric tons of CO<sub>2</sub>e)</td> <td>10,157</td> <td>11,221</td> </tr> <tr> <td>Scope 2 (Metric tons of CO<sub>2</sub>e)</td> <td>90,815</td> <td>93,078</td> </tr> <tr> <td>Total greenhouse gas emissions (Tonnes of CO<sub>2</sub>e)</td> <td>100,972</td> <td>104,299</td> </tr> <tr> <td>Emission Intensity (Metric Tons CO<sub>2</sub>e/Metric Ton)</td> <td>0.770</td> <td>0.747</td> </tr> <tr> <td>Emission intensity (metric tons CO<sub>2</sub>e per million in revenue)</td> <td>16.74</td> <td>18.16</td> </tr> </tbody> </table> <p>Note: 1. In 2024, the data was assured by a third party; in 2025, the data was self-reported. 2. The calculation is based on the power coefficient published by Taiwan Power Company for 2025 (0.474 kgCO<sub>2</sub>e/kWh) and the carbon emission coefficient for purchased steam</p>	Year	2024	2025	Scope 1 (Metric tons of CO <sub>2</sub> e)	10,157	11,221	Scope 2 (Metric tons of CO <sub>2</sub> e)	90,815	93,078	Total greenhouse gas emissions (Tonnes of CO <sub>2</sub> e)	100,972	104,299	Emission Intensity (Metric Tons CO <sub>2</sub> e/Metric Ton)	0.770	0.747	Emission intensity (metric tons CO <sub>2</sub> e per million in revenue)	16.74	18.16	Development Best Practice Principles for TWSE or TPEX Listed Companies.”
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			<p>(0.1786689260 TCO<sub>2</sub>e/MT).</p> <p>3. Inventory Scope: Asia Polymer Corp. (Taipei Office and Linyuan Plant), APC (BVI) Holding Co., Ltd., USI International Corp., and USI Trading (Shanghai) Co., Ltd.</p> <p>In 2025, the Company’s total greenhouse gas emissions amounted to 104,299 metric tons of CO<sub>2</sub>e, representing an increase of 3.29% compared to 2024. Emissions intensity was 0.747 metric tons of CO<sub>2</sub>e per metric ton of product, representing an approximate 3.0% decrease compared to 2024. This improvement was primarily attributable to adjustments in the product mix in response to changes in market demand. Despite a 6.44% increase in total production compared to 2024, energy consumption per unit of product declined. Emissions intensity per unit of revenue was 18.16 metric tons of CO<sub>2</sub>e per million in revenue, representing an increase of 8.48% compared to the previous year. The increase was primarily attributable to persistently low product prices, which led to a decline in annual revenue.</p> <p>USI Group independently set goals for energy management in</p>	



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			<p>2016. Complying with R.O.C’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 50001 energy management system and obtained certificates, effectively managed energy performance, and constantly practiced moves in energy saving and carbon reduction.</p> <p>Other indirect (Scope 3) GHG emissions</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Greenhouse gas emissions (Metric tons of CO<sub>2</sub>e)</th> </tr> </thead> <tbody> <tr> <td>Category 3.1 – Upstream transportation (vinyl acetate and 10 other product categories)</td> <td>533.8779</td> </tr> <tr> <td>Category 3.2 – Domestic product</td> <td>7,425.9761</td> </tr> </tbody> </table>	Item	Greenhouse gas emissions (Metric tons of CO <sub>2</sub> e)	Category 3.1 – Upstream transportation (vinyl acetate and 10 other product categories)	533.8779	Category 3.2 – Domestic product	7,425.9761	
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			<p>2. Water Consumption Management Target</p> <p>Using 2024 as the base year, the Company has established the following quantitative targets for the coming years: water consumption intensity at the Linyuan Plant is to be maintained below 4.0 m<sup>3</sup> per metric ton of product annually, with a target of reducing it to 3.9 m<sup>3</sup> per metric ton within the next three years; and the plant-wide water recycling rate (R2) is to be maintained at no less than 95% annually, with a target of increasing it to at least 96% within the next three years.</p> <p>Water Consumption in Recent Two Years</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Total Water Withdrawal of the Linyuan Plant (M<sup>3</sup>)</td> <td>485,689</td> <td>527,110</td> </tr> <tr> <td>Effluent of the Linyuan Plant (M<sup>3</sup>)</td> <td>170,558</td> <td>180,667</td> </tr> <tr> <td>Total Water Consumption of the Linyuan Plant (M<sup>3</sup>)</td> <td>315,131</td> <td>346,443</td> </tr> <tr> <td>Water Recovery Rate R2 (%)</td> <td>97.50</td> <td>97.30</td> </tr> <tr> <td>Water Consumption Per Unit Product (M<sup>3</sup>/Metric Ton)</td> <td>3.7</td> <td>3.78</td> </tr> </tbody> </table>	Year	2024	2025	Total Water Withdrawal of the Linyuan Plant (M <sup>3</sup> )	485,689	527,110	Effluent of the Linyuan Plant (M <sup>3</sup> )	170,558	180,667	Total Water Consumption of the Linyuan Plant (M <sup>3</sup> )	315,131	346,443	Water Recovery Rate R2 (%)	97.50	97.30	Water Consumption Per Unit Product (M <sup>3</sup> /Metric Ton)	3.7	3.78	
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			<p>In 2025, water consumption intensity at the Linyuan Plant was 3.78 m<sup>3</sup> per metric ton of product, higher than in 2024, yet still below the target of 4.0 m<sup>3</sup> per metric 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 2025, 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 2025 was 97.30%, meeting the target. (2025 water recycling rate target: ≥95%)</p> <p>(Note: Information has been recompiled; the water recycling rate for 2024 is presented using the R2 calculation method. )</p> <p>The Company places strong emphasis on the impacts of global warming and climate change. In addition to implementing phased water restriction measures in accordance with</p>	



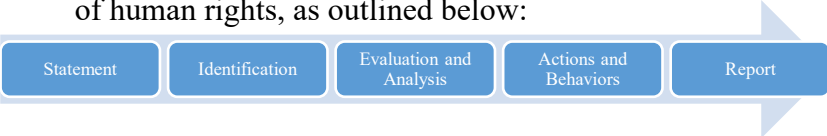
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			<p>government policies based on prevailing water conditions, the Company will continue to evaluate the adoption of advanced water recycling technologies to maximize water resource efficiency.</p> <p>3. Circular Economy and Waste Management Targets                      The Company is committed to advancing circular economy initiatives by promoting the recycling and reuse of raw materials, improving production processes, and establishing resource circulation management mechanisms. Through these efforts, the Company develops low-carbon, environmentally friendly products and promotes both internal and external circular systems. To implement this policy, the Company established an innovation team in 2024 dedicated to the development and certification of recycled plastic products. In February 2025, tangible results were achieved with the successful development of 9 recycled plastic products, which passed international verification by SGS and obtained ISO 14021 pre-consumer recycled material certification, as well as the SGS Green Mark.</p>	

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			<p>The Company has established clear waste management targets: achieving a 100% proper waste treatment rate annually in the coming years and ensuring zero generation of hazardous waste Waste Management in Recent Two Years.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Non-hazardous Waste (Metric Tons)</td> <td>326.58</td> <td>409.43</td> </tr> <tr> <td>Quantity of Waste Reutilization (Metric Tons)</td> <td>70.79</td> <td>179.28</td> </tr> <tr> <td>Waste Recycling Rate (%)</td> <td>21.7</td> <td>43.8</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>2.49</td> <td>2.9</td> </tr> <tr> <td>Proper Waste Treatment Rate (%)</td> <td>100</td> <td>100</td> </tr> </tbody> </table> <p>The industrial waste generated by the Linyuan Plant of the Company includes both general industrial waste and hazardous industrial waste. Removal and treatment operations are</p>	Year	2024	2025	Non-hazardous Waste (Metric Tons)	326.58	409.43	Quantity of Waste Reutilization (Metric Tons)	70.79	179.28	Waste Recycling Rate (%)	21.7	43.8	Hazardous Waste (Metric Tons)	0	0	Unit Product Waste Output (kg/mt)	2.49	2.9	Proper Waste Treatment Rate (%)	100	100	
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	Yes	No	Abstract Illustration	
			<p>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 statutory time frame and require them to provide proper disposal certificates. Additionally, annual on-site inspections of the waste treatment companies are arranged. In 2025, adjustments to product mix and production operations in response to production and sales conditions reduced the generation of waste oil mixtures. During the annual turnaround, several process units were replaced, resulting in an increase in the volume of scrap metal sent for recycling.</p>	
<p>IV. Social Issues (I) Has the Company formulated the relevant management policies and procedures in</p>	V		<p>(I) Human Rights policy The Company established its Human Rights Policy on March 22, 2018. To fulfill corporate social responsibility and implement</p>	<p>Compliant with the requirements of the “Corporate Sustainable</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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accordance with relevant laws and regulations and the International Bill of Human Rights?			<p>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 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.</p>	Development Best Practice Principles for TWSE or TPEX Listed Companies.”

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	Yes	No								
			<p>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 investigations and risk management operations related to specific impact targets and human rights concerns.</p> <p>2. Process for Conducting Human Rights Due Diligence Investigations</p> <table border="1"> <thead> <tr> <th>Phase</th> <th>Steps</th> <th>Method</th> </tr> </thead> <tbody> <tr> <td>Phase 1: 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> </tbody> </table>	Phase	Steps	Method	Phase 1: Commitment	Statement	We are dedicated to upholding and complying with both international standards and local laws, while also developing a comprehensive human rights policy.	
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				<table border="1"> <tr> <td>Phase 2: Management</td> <td>Identification</td> <td>Identify the significant human rights issues and the parties affected by them that are related to the organizational attributes and operational modes.</td> </tr> <tr> <td></td> <td>Evaluation and Analysis</td> <td>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.</td> </tr> <tr> <td>Phase 3: Response measures</td> <td>Actions and Behaviors</td> <td>                     Different action plans are formulated based on regular assessments of human rights risks                     <ul style="list-style-type: none"> <li>• Monitor the implementation and performance of action plans, while also engaging in effective communication to ensure the successful management of human rights.</li> <li>• In case of human rights violations, compensation measures will be provided through institutional improvement, material support, and psychological counseling.</li> </ul> </td> </tr> </table>	Phase 2: Management	Identification	Identify the significant human rights issues and the parties affected by them that are related 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 3: Response measures	Actions and Behaviors	Different action plans are formulated based on regular assessments of human rights risks <ul style="list-style-type: none"> <li>• Monitor the implementation and performance of action plans, while also engaging in effective communication to ensure the successful management of human rights.</li> <li>• In case of human rights violations, compensation measures will be provided through institutional improvement, material support, and psychological counseling.</li> </ul>	
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			<table border="1"> <tr> <td></td> <td>Report</td> <td>Participate in internal discussions and reporting on human rights management within the Company, and publicly disclose the practices and effectiveness of human rights management on the Company’s website.</td> </tr> </table> <p>Human Rights Management Results for 2025 Based on the Company’s “Human Rights Policy and Management Program,” a risk identification process was conducted, resulting in the inclusion of 13 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 Privacy Protection,” “Occupational Safety Management,” and “Employment and Workplace Discrimination.” For the material issues identified above that involve potential risks (please refer to the 2025 Human Rights Risk Assessment and Management Form: <a href="https://www.apc.com.tw/ESG/ESGFiles/Docs/HumanRightsRi">https://www.apc.com.tw/ESG/ESGFiles/Docs/HumanRightsRi</a></p>		Report	Participate in internal discussions and reporting on human rights management within the Company, and publicly disclose the practices and effectiveness of human rights management on the Company’s website.	
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			<p>skForm_2025.pdf), the Company has implemented risk mitigation measures and impact remediation actions, achieving a 100% implementation rate for remediation. The mitigation and remediation measures implemented are as follows:</p> <p>3. Mitigation and Compensation Measures for the Human Rights Management Project</p> <table border="1"> <thead> <tr> <th>Issues</th> <th>Mitigation measures</th> <th>Compensation measures</th> <th>Impact Remediation Implementation Rate (%)</th> <th>Outcomes</th> </tr> </thead> <tbody> <tr> <td>Long working hours</td> <td> <ol style="list-style-type: none"> <li>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.</li> <li>Through the attendance and overtime management system, employee attendance times are accurately recorded.</li> <li>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</li> </ol> </td> <td> <ol style="list-style-type: none"> <li>Employees who work overtime will receive overtime wages in accordance with the law.</li> <li>To gain insight into the workload and reasons for overtime among colleagues, and proactively implement process improvement and optimization measures to enhance work efficiency.</li> <li>Employees who work long hours are included in the list for identifying abnormal workloads and investigating risks.</li> </ol> </td> <td>100%</td> <td>The system conducts daily reviews to identify the causes of overtime. In cases where excessive working hours occur, appropriate compensation is provided in the form of overtime pay or compensatory leave, and related operations and staffing levels are adjusted as necessary.</td> </tr> </tbody> </table>	Issues	Mitigation measures	Compensation measures	Impact Remediation Implementation Rate (%)	Outcomes	Long working hours	<ol style="list-style-type: none"> <li>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.</li> <li>Through the attendance and overtime management system, employee attendance times are accurately recorded.</li> <li>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</li> </ol>	<ol style="list-style-type: none"> <li>Employees who work overtime will receive overtime wages in accordance with the law.</li> <li>To gain insight into the workload and reasons for overtime among colleagues, and proactively implement process improvement and optimization measures to enhance work efficiency.</li> <li>Employees who work long hours are included in the list for identifying abnormal workloads and investigating risks.</li> </ol>	100%	The system conducts daily reviews to identify the causes of overtime. In cases where excessive working hours occur, appropriate compensation is provided in the form of overtime pay or compensatory leave, and related operations and staffing levels are adjusted as necessary.	
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			<p>regulations 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.</p> <p>4. Regularly review the overtime situation of each unit.</p> <p>5. Promote the digitalization of group operations and smart manufacturing to streamline administrative processes.</p> <p>6. Continued to offer professional training programs and introduced generative AI tool training initiatives to enhance employees’ technical capabilities and improve office productivity.</p>	<p>Regular health checks are conducted for employees, and relevant operations and manpower conditions are adjusted as necessary.</p> <p>4. Gain insight into workload and reasons for excessive worktime, and proactively implement process improvement and optimization measures to enhance work efficiency.</p>			
			<p>To establish a long-term preventive framework, the Company implements risk management across five key dimensions: governance, identification, training, response, and recovery:</p> <p>I. Strengthening Governance and Regulatory Frameworks</p> <p>1. Senior Management Commitment: The President clearly incorporated a friendly</p>	<p>Where an incident of unlawful infringement is confirmed, the Company shall implement the following remedial measures based on the affected individuals:</p> <p>I. Regular Employees: Comprehensive recovery support and privacy protection, including (1) psychological and medical</p>	100%	<p>The Company upholds a zero-tolerance policy toward workplace bullying. In 2025, one reported case of workplace misconduct was received and has been duly concluded following a fair and impartial investigation process.</p>	

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			<p>workplace into the Company’s core corporate culture during management meetings.</p> <p>2. Strengthening Internal Regulations: The Company revised its Work Rules to clearly define forms of workplace violence and corresponding disciplinary standards, and established a standardized response SOP.</p> <p>II. Proactive Risk Identification and Environmental Prevention</p> <p>1. Risk Assessment: The Company regularly conducts “Human Rights Risk Assessments” and “Employee Satisfaction Surveys,” and performs hotspot analysis on high-pressure units to prevent potential risks.</p> <p>2. Environmental Enhancement: The Company enhanced plant lighting, installed additional surveillance systems and emergency alarm systems, and strengthened physical safeguards to ensure workplace safety.</p> <p>III. Strengthening Training and Cultural Development</p> <p>1. Workforce Training: The Company implemented training programs on “Human</p>	<p>support, (2) job safety adjustments, (3) restoration of reputation and rights, and (4) legal assistance. The Company further commits that no adverse action will be taken against employees for filing complaints (non-retaliation policy).</p> <p>2. Contractors: Equal protection and contractual enforcement, including (1) equal access to grievance mechanisms, (2) exercise of contractual leverage, and (3) assurance of workplace safety.</p> <p>II. Investigation and Recovery Process: (1) prompt intake and protective separation, (2) an impartial investigation committee, and (3) case closure and follow-up, including monitoring the victim’s adjustment and any occurrence of secondary harm.</p> <p>III. Improvement Plan</p> <p>1. Training Coverage: Annual training on “Workplace Bullying and Sexual Harassment Prevention” is provided to all employees (including</p>	<p>1. With respect to the rights and interests of the parties involved, the Company has fully implemented all relevant remediation and care measures (100% implementation rate) to ensure that any affected rights are fully restored.</p> <p>2. In response to the causes of the cases identified in the current year, the Company has conducted a review of its management processes and incorporated anonymized case studies into managerial training materials to support continuous improvement.</p>

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			<p>Rights and a Friendly Workplace” and “Integrity Management and Legal Compliance” for all employees, achieving a 100% training coverage rate.</p> <p>2. Transparent Grievance and Fair Handling Channels: The Company has established a 24-hour anonymous grievance mailbox and hotline, safeguarding whistleblowers’ privacy and right to work, and preventing secondary harm.</p> <p>3. Independent Investigation: The Case Investigation Committee includes external members, such as legal and psychological experts, to ensure the fairness and transparency of the investigation process.</p> <p>4. Employee Assistance Programs (EAPs): Free and confidential psychological counseling and legal support are provided to affected employees.</p> <p>5. Ongoing Monitoring: Following case closure, a six-month return-to-work follow-up and adaptation assessment are conducted to ensure that affected individuals can reintegrate into the workplace with confidence.</p>	<p>contractor management personnel), with a required completion rate of 100%.</p> <p>2. Enhancement of anonymous reporting mechanisms</p> <p>3. Leadership and cultural transformation</p> <p>4. Periodic Environmental Assessment: Anonymous employee satisfaction surveys are conducted annually to ensure effective implementation.</p>	

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			<p>4. Measures to mitigate human rights risks The Company is committed to ensuring the safety of its employees, contractor partners, and the working environment; upholding respect and dignity for all personnel; and conducting operations in accordance with ESG principles, applicable laws, and ethical standards. To uphold this commitment, the Company operates with integrity, respects the rights and interests of employees and business partners on a lawful basis, and designates responsible personnel to ensure compliance with occupational safety and health practices across its sites. The Company also continues to promote awareness, provide training, and strengthen contractor management mechanisms to embed its Human Rights Policy into daily operations, while establishing effective internal and external grievance channels.</p> <p>5. Human Rights Concerns and Practices</p> <p>5.1 Providing a safe and healthy working environment The Company has passed the examination and verification of ISO 14001 (Environmental Management System) and ISO-45001 (Occupational Safety and Health Management System),</p>	



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			<p>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. The Company will also track and review implementation progress on an annual basis and, as appropriate, implement concrete measures such as equipment upgrades and replacements, renewable energy installations, and green electricity procurement.</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 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>	

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			<p>5.2 Friendly Workplace</p> <p>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. The Company fosters an inclusive workplace that embraces individuals of diverse backgrounds, races, genders, sexual orientations, abilities, and perspectives, thereby creating a diverse environment. It provides transparent employment conditions, promotion opportunities, and remuneration based on the principles of equal pay for equal work, fairness, and inclusion, aiming to reduce disparities among different groups. The Company ensures that all employees and contractor partners are respected and accepted, and are able to fully participate and contribute.</p> <p>Every year, we continue to implement gender equality policies and prevent unlawful infringement in the workplace through promotional posters, advocacy seminars, and various educational training sessions. We are committed to providing</p>	



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			<p>employees and contractor partners with a dignified and friendly work environment.</p> <p>5.3 Putting an end to unlawful discrimination to reasonably ensure equal job opportunities 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 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</p>	

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			<p>the end of December 2025, the total number of employees in the company is 233, 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. 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 (1) 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</p>	



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			<p>examinations have been reinforced for employees in the factory area to ensure the safety and health management of the work environment.</p> <p>(2) The Company provides venues or sponsorship funds to encourage employees to participate in healthy activities, and employees can form their own clubs to unite colleagues by emotion through club activities.</p> <p>(3) 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>(4) To encourage employees to maintain physical and mental well-being and achieve work–life balance, the Group launched the “USI Group Step Challenge” walking program in 2025. By setting a daily goal of 6,000 steps, the initiative encourages employees to develop regular exercise habits amid their busy work schedules. Employees united to convert accumulated steps into</p>	

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			<p>corporate tree-planting initiatives, achieving the dual values of health promotion and environmental sustainability. Through the program, employees not only enhanced their physical and mental vitality, but also strengthened workplace cohesion and team spirit through collaboration and mutual encouragement.</p> <p>(5) The Company has established an Employee Assistance Program (EAP) aimed at helping employees resolve personal issues that may affect their job performance. Through professional, confidential, and free services, the program supports employees in restoring their physical and mental well-being, thereby maintaining or enhancing their work performance and quality of life. Employees may access EAP services through multiple channels, including a toll-free hotline (0800), email, LINE, and one-on-one consultations, covering areas such as psychological well-being, work-related issues, management, medical, legal, and financial matters. “USI Group Well-being Hotline”: Employee care service; a</p>	



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			<p>total of 78 uses were recorded across the Group from March to December 2025.</p> <p>(6) The Company organized well-being seminars to foster a workplace environment in which employees feel supported, balanced, and healthy across physical, psychological, social, and financial dimensions, thereby enhancing overall productivity. The program covered topics including mental health, tax and financial planning, parent-child communication, and physical health (in conjunction with annual health examinations). The seminar content was also compiled into online courses accessible to all employees.</p> <table border="1"> <thead> <tr> <th>[USI Group Lecture Series] Course Title</th> <th>Lecturer</th> <th>Number of Employees (Taipei Office and Plant Sites)</th> </tr> </thead> <tbody> <tr> <td>Safeguarding Mental Health: Mindfulness-Based Stress Reduction</td> <td>Chen, Nai-Ling, Psychological Counselor</td> <td>185</td> </tr> <tr> <td>A Comprehensive Guide to Tax Planning and Financial Management for 2025</td> <td>Vice General Manager Chen, Yeh-Chun /</td> <td>210</td> </tr> </tbody> </table>	[USI Group Lecture Series] Course Title	Lecturer	Number of Employees (Taipei Office and Plant Sites)	Safeguarding Mental Health: Mindfulness-Based Stress Reduction	Chen, Nai-Ling, Psychological Counselor	185	A Comprehensive Guide to Tax Planning and Financial Management for 2025	Vice General Manager Chen, Yeh-Chun /	210	
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			<table border="1"> <tr> <td></td> <td>Lockton Companies (Taiwan) Limited</td> <td></td> </tr> <tr> <td>Effective Parent–Child Communication Strategies</td> <td>Daddy Ugly / Parenting Expert</td> <td>88</td> </tr> <tr> <td>Understanding Metabolic Syndrome / Dietary Management for Middle-Aged and Senior Populations</td> <td>Dean Wu, Hong-Cheng/Leader Clinic</td> <td>79</td> </tr> </table> <p>(7) Employee Satisfaction Survey Starting from 2025, the Company conducts an annual employee survey. The Group Human Resources Department carried out an employee opinion survey across all group companies from July to August 2025. The survey covered 8 key dimensions, including leadership, remuneration, colleagues, work, development, corporate culture, sustainability, and organizational commitment. To achieve full coverage (100%), the Company included frontline workers in the survey for the first time. The response rate was 68% for staff and 37% for frontline workers (who participated in the survey for</p>		Lockton Companies (Taiwan) Limited		Effective Parent–Child Communication Strategies	Daddy Ugly / Parenting Expert	88	Understanding Metabolic Syndrome / Dietary Management for Middle-Aged and Senior Populations	Dean Wu, Hong-Cheng/Leader Clinic	79	
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			<p>the first time). The overall employee satisfaction score was 4.13.</p> <p>Based on the survey results across each dimension, the Company will implement the following improvement measures and continue to drive ongoing enhancements:</p> <ul style="list-style-type: none"> <li>• Enhance the market competitiveness of Company’s remuneration structure by benchmarking against leading companies and strengthening the consideration of factors such as job evaluation, professional competencies, and individual performance. These efforts aim to optimize the remuneration structure and system, thereby improving both internal equity and external competitiveness.</li> <li>• Introduced an Employee Assistance Program (EAP) to support employees’ physical and mental well-being.</li> <li>• Strengthen the quality framework of its training system, promote skill enhancement and reskilling, and foster the co-development of talent and the organization.</li> </ul>	

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			<ul style="list-style-type: none"> <li>• Develop key talent and establish a robust succession pipeline, while optimizing performance management and promotion mechanisms.</li> <li>• Clearly communicate the Company’s vision, mission, and core values through major corporate events, meetings at all levels, and training programs, and ensures their effective integration into internal regulations and corporate policies.</li> </ul> <p>Through the employee opinion survey, the Company aims to gain insights into employees’ perspectives on its management and operations, identify key drivers of talent retention, and pinpoint priority areas for talent development. These insights will inform the implementation of talent development initiatives and enable the Company to anticipate and respond to future human capital trends.</p> <p>6. Training Practices on Human Rights Protection 6.1 New Employee Training</p>	



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			<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 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 Code of Ethical Conduct Promotion 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</p>	

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	Yes	No	Abstract Illustration	
			<p>awareness of human rights protection and reduce the possibility of related risks.</p> <p>The training programs cover a range of key areas, including “Integrity Management and Legal Compliance,” with a focus on the Group’s Code of Conduct (CoC) and legal risk prevention (e.g., breach of trust), in alignment with corporate governance evaluation requirements. They also encompass “Occupational Safety and Health,” including statutory safety training (such as pressure vessels and working at heights), first aid, firefighting skills, and process safety assessments, which directly support operational stability and employee safety. In addition, “Environmental Management and Emergency Response” are addressed through initiatives such as ISO 50001 energy management, hazardous substance incident response, and pollution control (including air pollution response), demonstrating the Company’s capability in managing environmental risks. Furthermore, the programs include Human Rights and a Friendly Workplace, covering human rights awareness for new hires (such as sexual harassment</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>prevention and anti-discrimination) and workplace violence prevention, thereby reinforcing the “Social (S)” dimension through humane and respectful treatment.</p> <p>We organized training related to the promotion of human rights protection in 2025, with a total of 9,402.2 hours and a total of 2,659 persons. The details of the number of persons participating and training are as follows:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Course Title</th> <th>Total Participants</th> <th>Total hours</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Integrity Management and Legal Compliance</td> <td>1st Group Code of Conduct Awareness Assessment in 2025</td> <td>14</td> <td>14</td> </tr> <tr> <td>2nd Group Code of Conduct Awareness Assessment in 2025</td> <td>15</td> <td>15</td> </tr> <tr> <td>Focused on legal risk prevention, including topics such as breach of trust</td> <td>26</td> <td>52</td> </tr> <tr> <td>Occupational Safety and Health</td> <td>Statutory safety training (e.g., pressure vessels and working at heights), first aid, firefighting skills, and process safety assessments</td> <td>2,232</td> <td>8,791</td> </tr> <tr> <td>Environmental Management and Response</td> <td>Incorporating ISO 50001 Energy Management System, hazardous chemical incident response, and pollution control (including air pollution response)</td> <td>71</td> <td>182.5</td> </tr> <tr> <td>Human Rights and Friendly Workplace</td> <td>Providing human rights awareness training for new hires (including sexual harassment prevention and anti-discrimination) and</td> <td>301</td> <td>347.7</td> </tr> </tbody> </table>	Category	Course Title	Total Participants	Total hours	Integrity Management and Legal Compliance	1st Group Code of Conduct Awareness Assessment in 2025	14	14	2nd Group Code of Conduct Awareness Assessment in 2025	15	15	Focused on legal risk prevention, including topics such as breach of trust	26	52	Occupational Safety and Health	Statutory safety training (e.g., pressure vessels and working at heights), first aid, firefighting skills, and process safety assessments	2,232	8,791	Environmental Management and Response	Incorporating ISO 50001 Energy Management System, hazardous chemical incident response, and pollution control (including air pollution response)	71	182.5	Human Rights and Friendly Workplace	Providing human rights awareness training for new hires (including sexual harassment prevention and anti-discrimination) and	301	347.7	
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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	Abstract Illustration	
			In 2025, the Company received one complaint related to unlawful workplace misconduct. Appropriate disciplinary actions were taken in accordance with applicable regulations, and the Company continues to conduct education and training programs to reinforce awareness.	
(II) Does the Company establish and deliver reasonable employee welfare programs (including salary, compensated absences, and other benefits) and adjust employee compensation in relation to business performance?	V		<p>(II) According to the Company's Articles of Incorporation, if the Company reports a profit for the fiscal year, employee remuneration shall be no less than 1% of said profit. Of the total amount of employee remuneration distributed, the portion allocated to junior-level employees shall be no less than 40%. Furthermore, performance bonuses and year-end bonuses shall be granted based on the Company's profitability, individual performance, and the attainment rate of organizational goals.</p> <ul style="list-style-type: none"> <li>Salary Benefits: We adhere to a profit-sharing philosophy with employees to attract, retain, develop, and motivate outstanding talent. The Company offers a diversified and competitive remuneration system and shares its operational success with employees.</li> </ul>	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”

Promotion items	Implementation Status (Note 1)		Abstract Illustration	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>Employees engaged by the Company and receiving wages are entitled to the following:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Summary</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Remuneration System</td> <td>Provide 12 months of fixed salary per year.</td> </tr> <tr> <td> <ol style="list-style-type: none"> <li>1. Bonuses are provided in June and December in accordance with employment terms.</li> <li>2. Holiday bonuses are provided in accordance with Company policy.</li> <li>3. Year-end special bonuses are granted based on the Company’s operating performance, individual employee performance, and the terms of employment contracts.</li> </ol> </td> </tr> <tr> <td> <ol style="list-style-type: none"> <li>1. Provide health check-up items that exceed statutory requirements.</li> <li>2. Established a Welfare Committee and related frameworks to provide flexible and diverse employee benefits</li> <li>3. Marriage allowances and bereavement condolence payments</li> <li>4. Provide employee allowances and maternity benefits</li> <li>5. Designated lactation rooms and dedicated equipment are provided</li> <li>6. Regular employee outings are organized</li> <li>7. Long-service awards</li> <li>8. Offer employee purchase benefits for products from affiliated companies.</li> </ol> </td> </tr> <tr> <td>Health Care Benefits</td> <td></td> </tr> </tbody> </table>	Item	Summary	Remuneration System	Provide 12 months of fixed salary per year.	<ol style="list-style-type: none"> <li>1. Bonuses are provided in June and December in accordance with employment terms.</li> <li>2. Holiday bonuses are provided in accordance with Company policy.</li> <li>3. Year-end special bonuses are granted based on the Company’s operating performance, individual employee performance, and the terms of employment contracts.</li> </ol>	<ol style="list-style-type: none"> <li>1. Provide health check-up items that exceed statutory requirements.</li> <li>2. Established a Welfare Committee and related frameworks to provide flexible and diverse employee benefits</li> <li>3. Marriage allowances and bereavement condolence payments</li> <li>4. Provide employee allowances and maternity benefits</li> <li>5. Designated lactation rooms and dedicated equipment are provided</li> <li>6. Regular employee outings are organized</li> <li>7. Long-service awards</li> <li>8. Offer employee purchase benefits for products from affiliated companies.</li> </ol>	Health Care Benefits		
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	Yes	No	Abstract Illustration			
			<table border="1"> <tr> <td>Education and Training</td> <td>                     Provide comprehensive education and training, as well as continuing learning and development opportunities                      1. Provide onboarding training for new hires                      2. Provide on-the-job training for employees                      3. Provide foreign language and online learning courses for employees                      4. Provide subsidies for employees to participate in external training programs                 </td> </tr> </table> <ul style="list-style-type: none"> <li>Employee Assistance Program: The USI Group places great importance on employees’ physical and mental well-being and has introduced an “Employee Assistance Program (EAP)” to provide comprehensive support services. Employees may access confidential one-on-one counseling with professional psychologists via telephone, email, or LINE to alleviate work- and life-related stress and enhance psychological resilience and workplace well-being. This program promotes work–life balance, unlocks employee potential, and strengthens organizational cohesion and long-term sustainable competitiveness.</li> <li>Details and Implementation of the Retirement System: Please refer to page 237.</li> </ul>	Education and Training	Provide comprehensive education and training, as well as continuing learning and development opportunities 1. Provide onboarding training for new hires 2. Provide on-the-job training for employees 3. Provide foreign language and online learning courses for employees 4. Provide subsidies for employees to participate in external training programs	
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	Yes	No	Abstract Illustration	
			<ul style="list-style-type: none"> <li>• Social Insurance and Group Insurance The Company administers all statutory social insurance in accordance with applicable laws and provides group insurance coverage for all employees. For further details, please refer to the “Employee Group Insurance Plan.” The Company reserves the right to amend this plan at any time.</li> <li>• Other Benefits or Awards:               <ol style="list-style-type: none"> <li>1. The Linyuan Plant provides an employee cafeteria</li> <li>2. Outstanding Employee Recognition</li> <li>3. 2025 TCSA Platinum Award for Corporate Sustainability Reports</li> <li>4. 2025 Taiwan Top 100 Sustainable Companies</li> </ol> </li> </ul>	
(III) Does the Company provide a safe and healthy work environment to its employees, and regularly offer safety and health education to its employees?	V		(III) <ol style="list-style-type: none"> <li>1. Management of Occupational Safety and Health The Company has implemented the ISO 45001 Occupational Health and Safety Management System, including related training, internal audits, and management reviews. It obtained SGS certification in April 2019 and was awarded the ISO</li> </ol>	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles



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 for TWSE or TPEX Listed Companies.”
	Yes	No	Abstract Illustration	
			<p>45001 certification on April 26, 2019, with the current certificate valid from April 23, 2025 to April 23, 2028. In addition, the Plant has obtained TOSHMS certification to align with prevailing regulatory expectations and demonstrate its commitment to strengthening occupational safety and health. The TOSHMS certificate is valid from April 23, 2025 to April 22, 2028. Furthermore, in line with expectations of the competent authority, the Plant passed the Occupational Safety and Health Management System performance evaluation conducted by the Ministry of Labor on November 11, 2024, with the validity period from November 12, 2024 to November 11, 2027. 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            Constantly strengthening safety and health management (SM)            Regularly evaluating safety and health performance (SP)            Providing workers with a safe and healthy working</p>	

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	Yes	No	Abstract Illustration	
			<p>environment (SE)  <math>SM + SP = SE</math></p> <p>2. Employee Safety Check                      At the Linyuan Plant, occupational safety and health management is carried out by the safety unit in coordination with responsible contractors, who conduct relevant inspections and audits. Routine safety inspections and checks are performed on a daily basis. The Plant also actively participates in industry and regional safety organizations, including the Taiwan Responsible Care Association (TRCA), the Linyuan Industrial Park Safety and Health Promotion Association, and regional joint emergency response networks. In addition, annual programs are conducted covering general occupational safety and health training, labor education and training, process safety management training, fire drills, and other related safety training. These initiatives are designed to strengthen employees’ safety awareness and enhance their capabilities in 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	Abstract Illustration	
			<p>3. Safety and Health Education and Training</p> <p>The Company places particular emphasis on the operational safety of all workers. To provide a safe and secure working environment for both employees and non-employee personnel, the Company has progressively strengthened its training programs. These programs include general occupational safety and health training, labor education and training, and process safety management training, with the aim of enhancing workers’ safety knowledge across multiple aspects and levels. In 2025, the Linyuan Plant recorded a total of 7,970.1 training hours in occupational safety for in-service employees, with 2,009 participant attendances. This included 7,625.1 hours (1,951 attendances) of occupational safety and health training and 345 hours (58 attendances) of process safety management training. These accounted for approximately 84.8% of the Company’s total training hours of 9,402.2 in 2025.</p> <p>Number of participants and hours of safety and health education training:</p>	

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			<table border="1"> <thead> <tr> <th>Year</th> <th>Education Training Person-time</th> <th>Education Training Hours</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>1,406</td> <td>7,039</td> </tr> <tr> <td>2025</td> <td>2,009</td> <td>7,970</td> </tr> </tbody> </table> <p>4. Occupational Health Management            To safeguard employee health, the Linyuan Plant conducts annual health examinations for all employees, with both the scope and frequency exceeding statutory requirements. In 2025, a total of 216 employees underwent general and special health examinations, including pre-employment physical examinations for new hires. Excluding employees on overseas assignments, the overall health examination completion rate reached 100%. In addition to implementing tiered management for special occupational health examinations, the Plant has established a graded management system for general health examinations to facilitate the ongoing monitoring and management of employee health conditions.            The Linyuan Plant implements its annual health service plan</p>	Year	Education Training Person-time	Education Training Hours	2024	1,406	7,039	2025	2,009	7,970	
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	Yes	No	Abstract Illustration	
			<p>by arranging on-site services by contracted occupational health physicians every two months, providing medical consultations, health education, and return-to-work assessments, for a total of 6 sessions per year, with 10 employee attendances. In addition, a full-time nurse is stationed on-site to conduct health assessments, management, and follow-up. In 2025, a total of 114 employee care follow-up cases were completed. The Plant also organized AED and CPR first aid training, as well as health promotion and education seminars, with a total of 188 employee participants. These initiatives enhance employees’ health knowledge and practical skills.</p>	

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			<p><b>5. Occupational Injury Statistics</b></p> <table border="1"> <thead> <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> </tr> </thead> <tbody> <tr> <td>2024</td> <td>497,182</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>2025</td> <td>506,811</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table> <p>The Linyuan Plant has achieved 6,820,901 cumulative hours without a lost-time injury (from October 14, 2010 to December 31, 2025), and this record remains ongoing. Improvement Measures: We will consistently carry out occupational safety inspections, enhance the duration of safety training, and strengthen employees’ skills in emergency response and self-safety management.</p> <p><b>6. Fire Injury Statistics:</b></p> <table border="1"> <thead> <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> </tr> </thead> <tbody> <tr> <td>2024</td> <td>497,182</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>2025</td> <td>506,811</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table> <p>Improvement Measures: We will continuously strengthen fire management by implementing fire drills, conducting fire equipment inspections, and managing flammable materials</p>	Year	Total Work Hours	Number of workplace accidents	Number of occupational injuries	Number of fatalities	2024	497,182	0	0	0	2025	506,811	0	0	0	Year	Total Work Hours	Number of fires	Number of Fire Injuries	Number of fatalities	2024	497,182	0	0	0	2025	506,811	0	0	0	
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			within the factory. Additionally, we will enhance education and training programs to improve employees’ knowledge of fire safety.	
(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, business philosophy, labor regulations, organizational system</p>	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”

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			<p>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 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</p>	

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			<p>spiritual well-being. During the year, the Company further promoted the adoption of generative AI in the workplace through workshops and competitions, equipping employees with AI collaboration capabilities and enhancing their career competitiveness.</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” 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.</p>	
(V) Does the Company comply with relevant regulations and international standards	V		<p>(V)</p> <p>1. The Company collaborates with high-quality suppliers on a long-term basis, based on criteria such as quality, capability,</p>	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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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?			<p>and environmental policies, while fulfilling its corporate social responsibility. Its products comply with relevant regulations, including those of the U.S. Food and Drug Administration (FDA) and the Restriction of Hazardous Substances Directive (RoHS), to ensure customer health and safety.</p> <p>2. With respect to customer privacy and confidentiality, the Group’s Credit Department has established customer personal data management procedures in accordance with applicable personal data protection regulations. These procedures are designed to ensure compliance with the Personal Data Protection Act and other relevant laws and regulations. The management measures are as follows:</p> <p>(1) All system access and linkages to customer personal data within the Enterprise Resource Planning (ERP) system have been revoked for personnel outside the Group’s Credit Department, including system and file access permissions.</p> <p>(2) For the collection of documents involving customer personal data, prior consent must be obtained through a</p>	Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”



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			<p>“Notice and Consent for the Collection, Processing, and Use of Personal Data.”</p> <p>(3) Upon receipt of customer personal data, the Group’s Credit Department inputs the information into the ERP system based on the original hardcopy documents. The hardcopy documents are stored as media files with system linkages, with any text or numerical information involving customer personal data appropriately redacted prior to filing. Where retention of hardcopy documents is not necessary, such documents are securely destroyed.</p> <p>3. Customer Rights and Grievance Channels: To enhance the effectiveness of customer complaint handling, the Company has established a Customer Complaint Management Platform to digitalize the complaint handling process. The platform enables the Company to analyze root causes, monitor responsible units, and track the progress of corrective and preventive actions. Through this systematic approach, the Company ensures the effective implementation of quality improvement initiatives and enhances overall customer service quality.</p>	

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			In addition, the Company conducts annual customer satisfaction surveys through questionnaires to ensure that customer needs are fully understood and appropriately addressed. The survey results are reviewed in ISO management review meetings, during which improvement plans are formulated based on customer feedback and their implementation is systematically tracked, thereby continuously enhancing product and service quality.	
(VI) Does the Company formulate and implement supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor human rights?	V		(VI) The Company’s supplier management policies are outlined as follows: 1. Supplier Evaluation System: To encourage suppliers to pursue continuous improvement and to ensure the timely, adequate, and cost-effective procurement of high-quality raw materials and services, the Company conducts annual supplier evaluations in alignment with its production operations and environmental policies. Suppliers are assessed once a year based on criteria including quality, delivery performance, environmental protection and occupational safety, packaging, quality certifications, and service.	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”

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			<p>2. Promote and encourage suppliers to sign the Supplier Commitment to Corporate Social Responsibility (the “Commitment”), requiring them to commit to standards related to human rights, occupational safety, health, environmental protection, and conflict minerals.</p> <p>Requirements:</p> <p>(1) Labor and Human Rights: Including the prohibition of forced labor and child labor; the provision of fair wages and benefits; the protection of working hours and rest periods; the prevention of workplace sexual harassment, bullying, and discrimination; and the avoidance of the use of conflict minerals.</p> <p>(2) Health and Safety: Including the provision of necessary measures related to occupational safety, emergency preparedness and response, industrial hygiene, machine safeguarding, public health, dormitory and dining conditions, as well as health and safety information.</p> <p>(3) Environment: Including environmental permits and compliance, pollution prevention and resource</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	Abstract Illustration	
			<p>conservation, management of hazardous substances, wastewater, non-hazardous solid waste, noise, air emissions, restrictions on products and services, as well as energy and resource consumption and greenhouse gas emissions.</p> <p>(4) Ethical Standards: Including integrity management, respect for intellectual property rights, compliance with applicable confidentiality agreements, protection of privacy, and the avoidance of conflicts of interest.</p> <p>3. Implementation Status</p> <p>(1) Supplier Evaluation: In 2025, a total of 48 suppliers were evaluated, with a qualification rate of 100%.</p> <p>(2) Commitment Signing: All existing suppliers have achieved a 100% signing rate of the Commitment, and execution of the Commitment has been incorporated as a requirement in the selection of new suppliers.</p> <p>(3) Supplier On-Site Audit Program: Starting from 2024, the Company has initiated on-site audits for key raw material suppliers and specialized auxiliary material suppliers.</p>	

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	Yes	No	Abstract Illustration	
			Suppliers are also required to complete self-assessment questionnaires on the Supplier Code of Conduct and quality requirements. Starting from 2025, the Company has expanded its supplier on-site audit program, conducting audits at 2 suppliers during the year. The audit framework is being progressively refined to ensure that all partner suppliers meet social and environmental evaluation standards.	
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? Has the company received assurance or certification of the aforesaid reports from a third-party accreditation institution?	V		The Company prepares its sustainability report in accordance with the GRI Standards, which is published annually in August after submission to and 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. The 2025 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	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	Abstract Illustration	
			Foundation. This report involves the independent limited assurance of five ESG indicators and includes an assurance report. Past annual sustainability reports are publicly available on the Company’s website: <a href="https://www.apc.com.tw/ESG/zh-tw/ESG82.aspx">https://www.apc.com.tw/ESG/zh-tw/ESG82.aspx</a> .	
<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:  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 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.</p>				
<p>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 (<a href="https://www.apc.com.tw/ESG/zh-tw/ESG32.aspx">https://www.apc.com.tw/ESG/zh-tw/ESG32.aspx</a>).</p>				



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	Yes	No	Abstract Illustration	
<p>(II) Implementation of environmental protection, energy conservation and carbon reduction:</p> <p>1. Environmental Policy</p> <p>Continuous improvement environmental quality (EQ)</p> <p>Regular assessment of environmental performance (EP)</p> <p>Provision of a healthy environmental life (EL)</p> <p style="padding-left: 40px;">EQ + EP = EL</p> <p>Taking into account our commitment to environmental protection and obligations, all employees of the Company acknowledge that it is our duty to carry out environmental protection work so that the sustainable development of the Earth can be achieved. As a responsible organization, we are committed to and implement the following strategies to achieve the vision:</p> <ol style="list-style-type: none"> <li>(1) Abide by the government’s environmental protection and safety and health regulations.</li> <li>(2) Pay attention to international treaties and environmental protection requirements of customers and stakeholders.</li> <li>(3) Comply with SONY GP and RoHS product environmental protection assurance requirements.</li> <li>(4) Implement continuous improvements to pollution prevention tasks and energy and resource management.</li> <li>(5) Reduce potential environmental risks in operations.</li> <li>(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.</li> </ol>				

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	Abstract Illustration										
<p>2. Outcomes of energy conservation and carbon reduction</p> <p>In 2025, the Company carried out 5 energy conservation and carbon reduction projects, achieving electricity savings of 2,703,956 kWh and steam savings of 611 metric tons, thereby reducing carbon emissions by a total of 1,391 metric tons of CO<sub>2</sub>e. The energy savings and carbon reduction achieved from energy conservation and carbon reduction initiatives over the past two years are shown in the table below:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Energy saved (GJ)</th> <th>Carbon emissions reduction (tons CO<sub>2</sub>e)</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>8,740</td> <td>1,076</td> </tr> <tr> <td>2025</td> <td>11,474</td> <td>1,391</td> </tr> </tbody> </table> <p>Note:</p> <ol style="list-style-type: none"> <li>Note: 2017 is the base year for energy use and greenhouse gas emissions.</li> <li>Greenhouse Gas Inventory Scope: Asia Polymer Corp. (Taipei Office and Linyuan Plant), APC (BVI) Holding Co., Ltd., USI International Corp., and USI Trading (Shanghai) Co., Ltd.</li> <li>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<sub>2</sub>e.</li> <li>The greenhouse gas emissions for 2025 are currently based on self-reported data, with external verification data expected to be obtained in July 2026.</li> <li>Due to a 6.44% increase in total production capacity in 2025, total greenhouse gas emissions rose by 3.29% compared to 2024. However, emission intensity decreased by 3.0% year-on-year to 0.747 metric tons of CO<sub>2</sub>e per metric ton, indicating an improvement in emissions efficiency.</li> </ol>					Category	Energy saved (GJ)	Carbon emissions reduction (tons CO <sub>2</sub> e)	2024	8,740	1,076	2025	11,474	1,391
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	Yes	No	Abstract Illustration	
<p>3. Energy Conservation and Carbon Reduction Proposal</p> <p>In 2026, the Company plans to implement 8 energy conservation and carbon reduction initiatives, including the installation of solar power generation equipment; replacement of motors for the L2 extruder; replacement of booster water pumps for the Line 1/2 after coolers; replacement of the C-7301A air compressor; energy efficiency improvements for the L4 conveying air compressor; replacement of pelletizing water pumps for Line 1/2; MRT energy-saving improvements; and replacement of pelletizing water pumps for Line 3. These initiatives are expected to save approximately 1,590,000 kWh of electricity and 983 metric tons of steam, resulting in an estimated reduction of 930 metric tons of CO<sub>2</sub>e.</p> <p>(III) Implementation of Social Services and Public Welfare:</p> <p>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:</p> <p>Community Feedback: Including community development associations, education and culture, environmental protection bureaus, community organizations, local folk festivals, and emergency relief.</p> <p>Provide Employment Opportunities: Prioritize hiring local talent for suitable job vacancies and encourage contractors to employ local residents.</p> <p>Community Building: Including activities for residents, representatives of community organizations, environmental groups, and religious activities.</p>				

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<p><b>1. Social Participation</b>                      The company is located in Linyuan District, Kaohsiung City. Specific Activities and Implementation Results of Community Care and Social Participation in 2025.</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Effectiveness/Execution Results</th> </tr> </thead> <tbody> <tr> <td rowspan="5">Community Care</td> <td>1. 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.</td> </tr> <tr> <td>2. Provide a “Linyuan Community Development Fund” to support various local initiatives, including public infrastructure development, emergency relief, scholarships, care for disadvantaged groups, support for traditional cultural events, and the promotion of agricultural and fishery products. Through these efforts, the Company contributes to enhancing the well-being of the local community.</td> </tr> <tr> <td>3. Donated children’s firefighter uniforms to the Linyuan Fire Station for use in public outreach activities. By allowing children to wear miniature firefighter gear, the initiative enables them to learn disaster prevention knowledge in an engaging and enjoyable manner, thereby promoting disaster preparedness education from an early age.</td> </tr> <tr> <td>4. The USI Cup Community Tennis Friendship Tournament, sponsored by the Group’s southern plants, serves as a platform to strengthen community relations and enhance understanding of stakeholders’ needs and expectations through sporting activities.</td> </tr> <tr> <td>5. Prioritize the employment of local talent as part of the Company’s commitment to corporate social responsibility, supporting the development of the Linyuan community and enhancing local engagement. In 2025, a total of 73</td> </tr> </tbody> </table>					Category	Effectiveness/Execution Results	Community Care	1. 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.	2. Provide a “Linyuan Community Development Fund” to support various local initiatives, including public infrastructure development, emergency relief, scholarships, care for disadvantaged groups, support for traditional cultural events, and the promotion of agricultural and fishery products. Through these efforts, the Company contributes to enhancing the well-being of the local community.	3. Donated children’s firefighter uniforms to the Linyuan Fire Station for use in public outreach activities. By allowing children to wear miniature firefighter gear, the initiative enables them to learn disaster prevention knowledge in an engaging and enjoyable manner, thereby promoting disaster preparedness education from an early age.	4. The USI Cup Community Tennis Friendship Tournament, sponsored by the Group’s southern plants, serves as a platform to strengthen community relations and enhance understanding of stakeholders’ needs and expectations through sporting activities.	5. Prioritize the employment of local talent as part of the Company’s commitment to corporate social responsibility, supporting the development of the Linyuan community and enhancing local engagement. In 2025, a total of 73
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			employees were hired from Linyuan District, Kaohsiung.	
			6. Awarded the Outstanding Contribution Medal by the Kaohsiung City Government Environmental Protection Bureau for the adoption of air quality purification zones.	
			7. 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.	
			8. Sponsorship of community temple activities and celebrations.	
<p>2. <b>Social Engagement and Charitable Activities</b></p> <p><b>Donation to the USI Education Foundation</b></p> <p>The USI Education Foundation (hereinafter referred to as the “Foundation”), a non-profit organization, was jointly established by USI Group and Asia Polymer on 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>To further expand the scale of its philanthropic efforts, China General Plastics Corp. and Taiwan VCM Corp. joined as sponsors in 2017, followed by Taita Chemical Co., Ltd. in 2018 and ACME Electronics Corporation in 2024. With the support of these partners, the USI Education Foundation has been able to allocate greater resources to initiatives such as talent development in the chemical industry, education in underserved regions, and environmental sustainability, thereby contributing to society.</p> <p>The major sponsorship initiatives in 2025 are as follows:</p>				

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<p>(1) Scholarships: Merit-based scholarships and scholarships in the field of AI.</p> <p>(2) Donations to Nonprofit Organizations: The Alliance Cultural Foundation, Junyi School of Innovation, Teach for Taiwan, and Boyo Social Welfare Foundation.</p> <p>(3) Sponsorship of Educational and Public Welfare Activities: Toufen Junior High School Music Program, Longfeng Fishing Harbor Beach Cleanup Activity, medical and health education outreach programs, and outrigger canoe initiatives.</p> <p>In 2025, the Company contributed NT\$3 million to the Foundation. Donations from group companies were channeled through the Foundation to support various public welfare initiatives. Total expenditures for 2025 amounted to approximately NT\$10.04 million, including NT\$3.05 million in scholarships; NT\$1 million donated to the Alliance Cultural Foundation and NT\$4 million to Junyi School of Innovation; and NT\$1.99 million allocated to other public welfare activities. 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.</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>The Company 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>A summary of information from relevant working meetings is provided below:</p> <ol style="list-style-type: none"> <li>1. The Management and Administration Meeting: chaired by the Chairman, periodically promotes planning and provides updates on the progress of major energy-saving and carbon reduction policies.</li> <li>2. The Group Environmental Department Quarterly Report Meeting: is held every quarter to report progress and plans to the Chairman and make decisions. As the highest authority for energy management in USI Group, this meeting serves as an opportunity to update the Chairman and seek approval for future actions.</li> <li>3. An Audit Committee operates under the Board of Directors. Each year, the results of risk identification conducted by the Risk Management Task Force are reported to the Board. The scope of risk identification covers risks arising from global climate change, energy, and related fiscal and taxation issues. The Remuneration Committee annually evaluates and reviews management’s performance on ESG-related matters, including the management of climate change issues. Climate-related targets are incorporated into the performance evaluation and remuneration framework for senior executives to ensure effective oversight and achievement of climate-related objectives.</li> </ol> <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. Each annual report specifies the implementation of various measures, with recommendations</p>

Item	Implementation Status																				
	<p>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 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 and opportunities affect the business, strategy and finances of the Company (short, medium and long term).</p>	<p>In response to the uncertainties arising from climate change, the Company has identified key climate-related physical risks, transition risks, and opportunities relevant to its operations. It has also assessed the potential impacts of these factors on its business activities, operational strategies, and financial performance across different time horizons.</p> <p>Based on its operational characteristics and industry context, the Company defines the relevant time horizons as follows:</p> <ul style="list-style-type: none"> <li>• Short-term: 2025 to 2027</li> <li>• Medium-term: 2027 to 2030</li> <li>• Long-term: 2030 to 2050</li> </ul> <p>The impacts of the climate-related risks identified by the Company on its operations are outlined as follows:</p> <table border="1" data-bbox="546 890 1973 1358"> <thead> <tr> <th data-bbox="546 890 734 1002" rowspan="2">Type</th> <th data-bbox="734 890 904 1002" rowspan="2">Item</th> <th data-bbox="904 890 1603 1002" rowspan="2">Description</th> <th colspan="3" data-bbox="1603 890 1973 927">Applicable Time Horizon</th> </tr> <tr> <th data-bbox="1603 927 1715 1002">Short-term</th> <th data-bbox="1715 927 1854 1002">Medium-term</th> <th data-bbox="1854 927 1973 1002">Long-term</th> </tr> </thead> <tbody> <tr> <td data-bbox="546 1002 734 1358">Transition Risks</td> <td data-bbox="734 1002 904 1358">Carbon fee imposition</td> <td data-bbox="904 1002 1603 1358">In accordance with the Climate Change Response Act, Taiwan will officially introduce a carbon fee starting in 2025. The fee will apply to enterprises with annual greenhouse gas emissions exceeding 25,000 metric tons of CO<sub>2</sub>e. The initial carbon fee is set at NT\$300 per metric ton of CO<sub>2</sub>e. Enterprises that submit concrete and verifiable voluntary reduction plans, subject to approval by the competent authority, may qualify for a preferential rate of NT\$100 per metric ton. In addition, entities exposed to a high risk of carbon leakage are eligible for an adjustment to the chargeable emissions, with an initial adjustment factor of 0.2.</td> <td data-bbox="1603 1002 1715 1358" style="text-align: center;">◎</td> <td data-bbox="1715 1002 1854 1358" style="text-align: center;">◎</td> <td data-bbox="1854 1002 1973 1358" style="text-align: center;">◎</td> </tr> </tbody> </table>						Type	Item	Description	Applicable Time Horizon			Short-term	Medium-term	Long-term	Transition Risks	Carbon fee imposition	In accordance with the Climate Change Response Act, Taiwan will officially introduce a carbon fee starting in 2025. The fee will apply to enterprises with annual greenhouse gas emissions exceeding 25,000 metric tons of CO <sub>2</sub> e. The initial carbon fee is set at NT\$300 per metric ton of CO <sub>2</sub> e. Enterprises that submit concrete and verifiable voluntary reduction plans, subject to approval by the competent authority, may qualify for a preferential rate of NT\$100 per metric ton. In addition, entities exposed to a high risk of carbon leakage are eligible for an adjustment to the chargeable emissions, with an initial adjustment factor of 0.2.	◎	◎	◎
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	Physical Risks	High temperatures and unstable energy supply	Amid intensifying climate change, rising average annual temperatures and a notable increase in the number of high-temperature days have become a global trend. According to data from the Central Weather Administration, both Taiwan’s average annual temperature and the frequency of high-temperature events have shown a clear upward trend, indicating that extreme summer heat may become a persistent source of risk in the future.			⊙
		Extreme storms and flooding	According to observations by the Central Weather Administration and reports from the IPCC, the frequency of typhoons, heavy rainfall, and localized torrential rain events in Taiwan has increased significantly in recent years. These events have not only led to recurrent flooding in urban and low-lying areas, but have also caused immediate and severe disruptions to industrial operations, constituting acute physical risks.		⊙	⊙
	Opportunities	Introduction of low-carbon energy	Amid increasingly stringent global climate policies and the drive toward net-zero emissions by 2050, corporate energy consumption structures are undergoing rapid transformation. The adoption of renewable energy has become a key enabler for companies to fulfill their decarbonization commitments and maintain international competitiveness. For carbon-intensive manufacturing industries, the development or procurement of renewable energy, such as solar, wind, and geothermal power, can effectively reduce indirect emissions associated with electricity consumption.	⊙	⊙	⊙
		Enhance corporate reputation and brand recognition	Sustainable operation has become an integral part of corporate brand value and market competitiveness. By participating in sustainability assessments (such as CDP and the Taiwan Enterprise Sustainability Awards (TCSA)), proactively disclosing information in line with TCFD and TNFD recommendations, and expanding third-party assurance over greenhouse gas inventories and ESG reports at the consolidated level, the Company can enhance the transparency and consistency of its sustainability disclosures, while strengthening its credibility with investors, customers, and regulators.	⊙	⊙	⊙

Item	Implementation Status			
The impacts of the climate-related risks identified by the Company on its operations are outlined as follows:				
	Type	Item	Financial Impact	Response Measures
	Transition Risks	Carbon fee imposition	<p>This risk may have implications over the short, medium, and long term. The corresponding financial impacts for 2025 are as follows:</p> <ul style="list-style-type: none"> <li>In accordance with the carbon fee imposition regulations announced by the Ministry of Environment, the Company has recognized an estimated carbon fee expense (operating expense) of NT\$6,138 thousand for the year based on its emissions volume.</li> <li>To mitigate carbon emissions and address the impact of carbon fees, the Company incurred capital expenditures of NT\$41,987 thousand and operating expenses of NT\$47 thousand in 2025, primarily for the replacement of aging motors, boilers, and chillers with energy-efficient equipment. As a result, non-current assets increased and cash outflows from investing activities also rose.</li> <li>Although equipment investments may lead to higher depreciation expenses and increased cash outflows in the short term, over the long term, improvements in energy efficiency, reduced electricity costs, and lower carbon fee expenses are expected to enhance overall operational efficiency and support profitability.</li> </ul>	<ol style="list-style-type: none"> <li>The Company has implemented an internal carbon pricing mechanism using a shadow price approach, incorporating carbon costs into investment evaluations to enhance the feasibility and execution of decarbonization initiatives.</li> <li>Established an Energy Management System to analyze key metrics and identify opportunities for improvement.</li> <li>Installed rooftop solar power systems for self-generation and self-consumption, with completion scheduled for 2026Q2.</li> </ol>
	Physical Risks	High temperatures and unstable energy supply	<p>This risk may have implications over the long term, and the corresponding financial impacts for 2025 are as follows:</p> <ul style="list-style-type: none"> <li>To ensure the stable operation of production equipment under extreme weather conditions, the Company enhanced routine maintenance and calibration of key equipment—including</li> </ul>	<ol style="list-style-type: none"> <li>Continue the phased replacement of aging transformers</li> <li>Conduct regular maintenance of power supply equipment</li> <li>Perform regular maintenance of compressors</li> </ol>



Item	Implementation Status			
			<p>compressors, generators, and chillers—in 2025, resulting in related maintenance expenses of NT\$13,877 thousand.</p> <ul style="list-style-type: none"> <li>In consideration of the long-term trend of global warming and the resilience of power supply, the Company invested NT\$31,667 thousand in capital expenditures in 2025 for the installation and replacement of electromechanical and HVAC equipment, with the aim of enhancing long-term operational stability. As a result, non-current assets increased.</li> <li>By strengthening energy infrastructure and enhancing equipment resilience, although capital expenditures and maintenance costs may increase in the short term, the Company can effectively reduce potential losses from business interruptions caused by high-temperature shutdowns or power curtailments in the future.</li> </ul>	<ol style="list-style-type: none"> <li>Procurement of spare parts for substations (e.g., insulators)</li> <li>Perform regular maintenance of chillers</li> </ol>
	Physical Risks	Extreme storms and flooding	<p>This risk may have implications over the medium and long term, and the corresponding financial impacts for 2025 are as follows:</p> <ul style="list-style-type: none"> <li>To address the potential increase in flooding risk associated with the long-term impacts of climate change, the Company carried out routine dredging of drainage systems within its facilities in 2025, incurring related maintenance expenses of NT\$858 thousand. In addition, to mitigate financial risks arising from extreme weather events, insurance coverage was increased, with insurance premiums rising by NT\$1,946 thousand compared to the previous year.</li> <li>In consideration of long-term physical risk mitigation needs, the Company plans to implement a “drainage channel cover improvement” project by 2030 and to complete the installation of flood</li> </ul>	<p><b>(Water consumption charges)</b> Implementation of Water Conservation Improvement Plan</p> <p><b>(Flood response measures for plant facilities)</b></p> <ol style="list-style-type: none"> <li>Conduct routine inspections to ensure the unobstructed flow of on-site drainage channels and stormwater retention ponds</li> <li>Maintain site housekeeping to prevent debris from entering drainage channels</li> <li>Conduct routine inspections of stormwater outfall gates</li> <li>Conduct regular dredging of sediment in on-site drainage channels</li> <li>Improve drainage channel covers</li> <li>Install flood sensors</li> </ol> <p><b>(Reduction in water use and consumption)</b></p>

Item	Implementation Status			
			<p>sensors by 2041, with the aim of establishing a smart water level monitoring and early warning system.</p> <ul style="list-style-type: none"> <li>Through preventive dredging, risk transfer via insurance, and the reinforcement of physical infrastructure, the Company seeks to reduce recovery costs and business interruption risks associated with extreme climate events over the medium to long term, thereby maintaining long-term financial resilience.</li> </ul>	<p>In response to the phased water rationing measures implemented by the Kaohsiung City Government, the Company's Linyuan Plant has adopted a three-stage water conservation program, resulting in an approximate 10% reduction in water consumption.</p>
	Opportunities	Introduction of low-carbon energy	<p>This opportunity may have implications over the short, medium, and long term. The corresponding financial impacts for 2025 are as follows:</p> <ul style="list-style-type: none"> <li>To enhance energy self-sufficiency and advance the energy transition, the Company invested NT\$7,031 thousand in 2025 to install on-site solar photovoltaic systems for self-consumption. As a result, non-current assets increased and cash outflows from investing activities also rose.</li> <li>To achieve its annual carbon reduction targets, the Company implemented a green power procurement program in 2025, incurring related electricity purchase costs of NT\$12,550 thousand, which were recognized as operating expenses for the year.</li> <li>Through the installation of on-site solar power systems and the procurement of renewable electricity, the Company may incur higher electricity costs in the short term; however, over the long term, these initiatives will reduce reliance on conventional fossil fuels, effectively mitigate the impact of potential increases in carbon fee costs, and enhance the Company's green competitiveness and brand value.</li> </ul>	<ol style="list-style-type: none"> <li>Installation of on-site solar photovoltaic systems for self-consumption.</li> <li>Natural gas is prioritized as the primary fuel source for steam supply.</li> <li>Monitor and participate in the renewable energy market.</li> <li>Procurement of green electricity.</li> </ol>



Item	Implementation Status		
	Opportunities	Enhance corporate reputation and brand recognition	<p>This opportunity may have implications over the short, medium, and long term. The corresponding financial impacts for 2025 are as follows:</p> <ul style="list-style-type: none"> <li>As market demand for transition-related solutions increases, sustainability-related products (including photovoltaic-grade EVA film materials) contributed NT\$499,234 thousand in revenue in 2025.</li> </ul> <p>Actively develop new products to meet market demand</p> <ol style="list-style-type: none"> <li>ISO 14021 Environmental Labels and Declarations.</li> <li>Photovoltaic-grade EVA products are used as raw materials for solar module encapsulation films.</li> <li>All product development incorporates regulatory requirements at the feasibility assessment stage, including those of the U.S. Food and Drug Administration (FDA), CNS, JIS, and the EU Restriction of Hazardous Substances Directive (RoHS), to ensure compliance with standards related to human health and environmental impact. In addition, products undergo Substances of Very High Concern (SVHC) testing and obtain REACH Regulation certification.</li> </ol>
<p>3. This report aims to elucidate the effects of extreme weather events and transition actions on the financial sector.</p>	<ul style="list-style-type: none"> <li>The impact of extreme weather events on finances. The Company has referenced IFRS S2 Climate-related Disclosures in assessing the impacts of climate-related risks and opportunities on its strategy and financial position. The Company identifies key factors through scenario analysis and incorporates corresponding response measures into its decision-making processes. For physical risk assessment, the Company references projections from the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), including the “Taiwan Climate Change Key Indicator Atlas: AR6 Statistical Downscaling Edition,” as well as research data from the National Science and Technology Center for Disaster Reduction (NCDR). Scenario analysis is conducted based on the Intergovernmental Panel on Climate Change AR6 framework, incorporating Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs).</li> </ul>		

Item	Implementation Status
	<p>The Company has selected the SSP5-8.5 (very high greenhouse gas emissions) scenario as its baseline. Under this scenario, carbon dioxide emissions are projected to double by around 2050. The Company has conducted financial impact analyses focusing on climate-related hazards such as extreme heat, flooding, and drought.</p> <p>1. Analysis of Physical Impacts and Financial Implications of Climate Events</p> <ul style="list-style-type: none"> <li>• Typhoon and precipitation risks: Although the total number of typhoons affecting Taiwan is projected to decrease by approximately 15% by the mid-21st century, the proportion of intense typhoons is expected to increase significantly by around 100%, with typhoon-related precipitation projected to rise by approximately 20%. This trend may lead to flooding at operating sites due to heavy rainfall, potentially resulting in equipment damage or operational shutdowns, and consequently causing revenue losses.</li> <li>• Strong winds and extreme wind speeds: The maximum wind speed is projected to increase by approximately 4%. Strong wind hazards may cause damage to plant structures or disrupt power facilities, thereby increasing subsequent repair expenses and operating costs.</li> <li>• Long-term climate trends: By the end of the 21st century, the proportion of intense typhoons may increase by up to 50%, while typhoon-related precipitation may rise by approximately 35%. Over the long term, in the absence of adaptation measures, the risks of asset losses and operational uncertainty are expected to continue to increase.</li> </ul> <p>2. Strengthening Resilience in Response to Physical Risks</p> <p>To strengthen strategic resilience and reduce potential financial losses, the Company has implemented proactive adaptation measures.</p> <ul style="list-style-type: none"> <li>• Strengthening disaster preparedness: In response to typhoon risks, the Company has enhanced on-site drainage systems and flood control facilities, and improved the wind and disaster resilience of buildings and equipment, in order to reduce unplanned capital expenditures resulting from equipment damage.</li> </ul>

Item	Implementation Status
	<ul style="list-style-type: none"> <li>• Enhancing scenario analysis: The Company will continue to refine its physical risk scenario analysis tools by incorporating high-temperature and drought risks into financial assessments, thereby enabling more precise adaptation planning and management strategies.</li> <li>• Integration into decision-making: The Company incorporates the above risk assessment results into its overall strategic resilience evaluation to ensure that the financial impacts of climate change are considered in management decisions at an early warning stage.</li> </ul> <p>3. The financial impact of transition actions.</p> <p>In response to key physical risk scenarios, the Company implements the following transition actions through capital allocation and operational adjustments to enhance business resilience:</p> <ul style="list-style-type: none"> <li>• Carbon fee imposition: The Company plans capital expenditures for the installation of new equipment and the replacement of energy-intensive equipment to reduce carbon emissions and mitigate the impact of carbon fees. The Company is replacing aging equipment—including chillers, motors, cooling tower fans, steam boilers, and condensate recovery systems. While such investments may lead to higher depreciation expenses and increased cash outflows in the short term, over the long term, improvements in energy efficiency, reduced electricity costs, and lower carbon fee expenses are expected to enhance overall operational efficiency and support profitability.</li> <li>• High temperatures and unstable energy supply: To ensure the stable operation of production equipment under extreme climate conditions, the Company enhanced the replacement of aging transformers, maintenance of power supply equipment (including substation panels and wall bushings), and routine maintenance and calibration of critical equipment such as air compressors in 2025. By strengthening energy infrastructure and enhancing equipment resilience, although capital expenditures and maintenance costs may increase in the short term, the Company can effectively reduce potential losses from business interruptions caused by high-temperature shutdowns or power curtailments in the future.</li> <li>• Extreme storms and flooding: To address the potential increase in flooding risks associated with long-term climate change trends, the Company conducted regular dredging of on-site drainage systems in</li> </ul>

Item	Implementation Status
	<p>2025. Through preventive dredging, risk transfer via insurance, and the reinforcement of physical infrastructure, the Company seeks to reduce recovery costs and business interruption risks arising from extreme climate events over the medium to long term, thereby maintaining long-term financial resilience. In consideration of long-term physical risk mitigation needs, the Company plans to implement a “drainage channel cover improvement” project by 2030 and to complete the installation of flood sensors by 2041, with the aim of establishing a smart water level monitoring and early warning system.</p> <ul style="list-style-type: none"> <li>• Low-carbon energy adoption: To enhance energy self-sufficiency and advance the energy transition, the Company installed on-site solar photovoltaic systems for self-consumption at its Linyuan Plant. Through the installation of on-site solar power systems and the procurement of renewable electricity, the Company may incur higher electricity costs in the short term; however, over the long term, these initiatives will reduce reliance on conventional fossil fuels, effectively mitigate the impact of potential increases in carbon fee costs, and enhance the Company’s green competitiveness and brand value.</li> <li>• Enhancing corporate reputation and brand recognition: As market demand for transition-related solutions increases, the Company’s sustainability-related products—including photovoltaic-grade EVA materials—support solar module encapsulation applications, contributing to the growth of the renewable energy industry.</li> </ul>
<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>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>

Item	Implementation Status
<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>In light of the escalating global climate change, the Company 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.</p> <p>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> <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). The Company 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.”</p> <p>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</p>

Item	Implementation Status
	<p>Development Council in 2022, in response to the national carbon reduction pathway, ensuring that the Company maintains resilience for sustainable operations despite the impacts of extreme climate change. Key financial impacts include the direct increase in operating costs resulting from government carbon fee and water consumption fee policies, as well as the need for short-term capital investments to improve energy and water efficiency. However, over the long term, the adoption of energy-efficient technologies, process recycling and reuse, and circular economy initiatives is expected to gradually reduce operating costs and enhance the Company’s competitiveness. In addition, climate change–driven increases in raw material prices may also raise production costs. The Company will invest in smart technologies to improve energy efficiency and resource recycling, thereby reducing financial risks and capturing market transition opportunities, while maintaining long-term financial stability.</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>To achieve its sustainability vision through concrete actions and the implementation of corresponding strategies and management mechanisms, the Company’s Linyuan Plant continues to carry out greenhouse gas inventories and verification in accordance with ISO 14064-1 Greenhouse Gas Inventory, while planning and implementing carbon reduction initiatives and actively developing external renewable energy projects. As of the end of 2025, the Linyuan Plant had completed the installation of its first solar power generation system in June 2011, with an installed capacity of 496 kW. All electricity generated has been sold to Taiwan Power Company. Cumulative power generation reached approximately 8.47 million kWh as of the end of 2025, resulting in a reduction of approximately 4,377 metric tons of carbon dioxide emissions. A second solar power system for self-generation and self-consumption, with an installed capacity of 494 kW, is currently under construction and is expected to be completed in the second quarter of 2026. Upon completion, the total installed capacity will reach 990 kW.</p> <p>In alignment with the Group’s carbon reduction target for 2030, the Company has formulated a decarbonization pathway. As of 2025, greenhouse gas emissions have been reduced by 11% compared to the base year (2017). This reduction is primarily attributable to energy savings from the replacement of aging equipment, process improvements that reduce steam consumption, and green procurement practices, including the use of energy-efficient lighting and equipment. The Company will continue to actively implement energy conservation and</p>

Item	Implementation Status
	<p>carbon reduction initiatives going forward. The midterm decarbonization strategy will prioritize the transition to low-carbon energy, enhancing energy efficiency, implementing intelligent monitoring, and promoting the installation and utilization of renewable energy. The long-term decarbonization strategy will further prioritize low-carbon fuels, carbon capture and utilization technologies, and negative carbon emission technologies to attain carbon neutrality and foster sustainable development.</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>To proactively respond to government carbon fee policies, effectively address climate change, and reduce carbon-related risks, the USI Group introduced an internal carbon pricing mechanism in 2024. The scheme applies to all operations in Taiwan, with pricing referenced to domestic carbon fee benchmarks. The initial carbon price was set at NT\$300 per ton, with periodic reviews and phased adjustments planned. 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.</p> <p>To ensure the effective implementation of the mechanism, the Group conducts annual reviews and monitors execution. In May 2025, the Group completed an assessment confirming that all business units had incorporated carbon pricing into project evaluations, ensuring that the mechanism is effectively translated into a driver for low-carbon transformation and supports the achievement of the Company's long-term sustainability objectives.</p>

Item	Implementation Status
<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>Climate change poses a global challenge that affects us all. To align with international standards and fulfill the requirements of sustainable development, our nation announced on February 15, 2023 the amendment of the Greenhouse Gas Reduction and Management Act to the Climate Change Response Act. In light of the impact of climate change, carbon reduction has become a global collaborative endeavor. At the start of 2022, USI Group established a carbon reduction target for 2030, aiming to decrease carbon emissions by 27% compared to the 2017. Additionally, in 2023, the Company set a long-term objective of attaining carbon neutrality by the 2050. In alignment with the Group’s carbon reduction targets, the Company has developed a decarbonization pathway toward 2050. To achieve its sustainability vision, as of the end of 2025, the Company’s Linyuan Plant had an installed capacity of 496 kW and utilized 2.515 million kWh of renewable electricity. Information on greenhouse gas emission scopes, timelines, and annual progress can be found in Item 9: Implementation Status.</p>
<p>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).</p>	<p>Please refer to the detailed explanation below.</p>

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

### 1-1-1 Greenhouse Gas Inventory Information

Disclose greenhouse gas emissions (in metric tons of CO<sub>2</sub>e), emission intensity (metric tons of CO<sub>2</sub>e per NT\$ million of revenue), and the scope of data coverage for the most recent two years.

- The parent company should begin its inventory assessment starting in 2026.
- Subsidiaries included in the consolidated financial statements shall begin greenhouse gas inventory starting from 2027.  
The parent company has conducted greenhouse gas inventories in accordance with ISO 14064-1:2018, issued by the International Organization for Standardization (ISO), since 2021 to monitor its greenhouse gas emissions. Starting from 2024, both the Company and its subsidiaries included in the consolidated financial statements have conducted annual inventories. Greenhouse gas inventory data for the most recent two years have been compiled using the operational control approach, covering emissions from the Company and all subsidiaries included in the consolidated financial statements, as detailed below:

Year	2024		2025	
The Company	Emissions (tons CO <sub>2</sub> e)	Density (tons CO <sub>2</sub> e/NT\$ million of revenue)	Emissions (tons CO <sub>2</sub> e)	Density (tons CO <sub>2</sub> e/NT\$ million of revenue)
Scope 1 (Direct Greenhouse Gas (GHG) Emissions)	10,154.7744	/	11,219.0145	-
Scope 2 (Indirect Greenhouse Gas (GHG) Emissions)	90,799.4570		93,062.2009	
Subtotal	100,954.2314		104,281.2154	
Subsidiaries in the consolidated financial statements	Emissions (tons CO <sub>2</sub> e)	Density (tons CO <sub>2</sub> e/NT\$ million of revenue)	Emissions (tons CO <sub>2</sub> e)	Density (tons CO <sub>2</sub> e/NT\$ million of revenue)
Scope 1 (Direct Greenhouse Gas (GHG) Emissions)	2.5069	/	2.5069	/
Scope 2 (Indirect Greenhouse Gas (GHG) Emissions)	15.6324		15.6324	
Subtotal	18.1393		18.1393	
<b>Total</b>	<b>100,972.3707</b>	<b>16.7422</b>	<b>104,299.3547</b>	<b>18.1580</b>

Note:

- Greenhouse gas inventories for 2024 and 2025 were calculated in accordance with ISO 14064-1:2018.
- In 2025, 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 locations include Asia Polymer Corp. (Taipei Office and Linyuan Plant), APC (BVI) Holding Co., Ltd., USI International Corp., and USI Trading (Shanghai) Co., Ltd.

- 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

Outline the assurance status for the most recent two years as of the annual report publication date, including the assurance scope, assurance provider, assurance standards, and assurance opinion.

1. The parent company should begin its assurance process starting in 2028.
2. Subsidiaries included in the consolidated financial statements shall begin greenhouse gas inventory starting from 2029.

The assurance status of greenhouse gas inventories for the Company and its subsidiaries included in the consolidated financial statements for the most recent two years is summarized as follows:

Scope of Assurance		Emissions in 2024 (tons/CO <sub>2</sub> e)	Emissions in 2025 (tons/CO <sub>2</sub> e)	
The Company	(Scope 1) Direct Greenhouse Gas (GHG) Emissions	10,154.7744	Complete assurance information will be disclosed in the 2025 Sustainability Report.	
	(Scope 2) Indirect Greenhouse Gas (GHG) Emissions	90,799.4570		
	Total	100,954.2314		
	Percentage of the inventory data disclosed in 1-1-1	100%		
All subsidiaries in the consolidated financial statements.	(Scope 1) Direct Greenhouse Gas (GHG) Emissions	2.5069		
	(Scope 2) Indirect Greenhouse Gas (GHG) Emissions	15.6324		
	Total	18.1393		
	Percentage of the inventory data disclosed in 1-1-1	100%		
Assurance Institution		Ernst & Young Global Ltd.		
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 Market Observation Post System”, 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

Outline the greenhouse gas emissions base year and its data, reduction targets, strategies, specific action plans, and the status of progress toward achieving those targets.

The Company is committed to advancing sustainable operations and established its initial carbon reduction target in early 2022, aiming to reduce carbon emissions by 27% by 2030 compared to the 2017. In 2023, the Company further set a more ambitious target of achieving carbon neutrality by 2050. This target applies to the consolidated group and focuses on Scope 1 (direct emissions) and Scope 2 (indirect emissions) greenhouse gases.

In terms of implementing concrete decarbonization actions, domestic production sites continue to carry out greenhouse gas inventories and third-party verification in accordance with ISO 14064-1 Greenhouse Gas Inventory. Through systematic management, the Company is able to effectively monitor and track emissions data and trends. In addition, the Company actively promotes energy management systems to enhance energy efficiency, and has implemented specific measures including the replacement of pumps, chillers, air compressors, packaging machines, and steam boilers; the adoption of high-efficiency motors rated IE3 or above; the upgrading of cooling tower fans to energy-efficient models; and the procurement of energy-saving lighting and variable-frequency air conditioning systems. These initiatives have effectively reduced energy consumption and carbon emissions.

The introduction of renewable energy is also a key component of the Company's carbon reduction strategy. As of the end of 2025, the Company had completed one solar power project, with a cumulative grid-connected capacity of 496 kW. A second solar project for self-generation and self-consumption, with a capacity of 494 kW, is currently under construction and is expected to be completed in the second quarter of 2026, demonstrating the Company's tangible progress in renewable energy deployment.

In 2025, the Company reported Scope 1 emissions of 11,219 metric tons of CO<sub>2e</sub> and Scope 2 emissions of 93,062 metric tons of CO<sub>2e</sub>, resulting in total annual emissions of 104,281 metric tons of CO<sub>2e</sub>. The above results demonstrate the initial effectiveness of the Company's current decarbonization strategy. The Company will continue to advance energy-saving and emission reduction initiatives, moving toward a more sustainable and competitive operating model.

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 reference 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 10 billion NT dollars 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) 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	Abstract Illustration	
<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> <p>(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?</p>	V		<p>(I) Integrity Policy 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 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 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.</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	Abstract Illustration	
(III) Has the Company established policies to prevent unethical conduct, with clear statements regarding relevant procedures, conduct guidelines, punishments for violation, and rules for appeal, and does the Company implement them accordingly, and regularly review and correct such measures?	V		<p>The prevention programs adopted by the Company shall include preventive measures against the following actions:</p> <ol style="list-style-type: none"> <li>1. Offering and acceptance of bribes.</li> <li>2. Illegal political donations.</li> <li>3. Improper charitable donations or sponsorship.</li> <li>4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.</li> <li>5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.</li> <li>6. Engaging in unfair competitive practices.</li> <li>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.</li> </ol> <p>(III) Integrity in Business Operations and Reporting Channels</p> <ol style="list-style-type: none"> <li>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 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.</li> <li>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</li> </ol>	



Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	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		
			<p>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> <ul style="list-style-type: none"> <li>• Audit Committee: Accept reports from shareholders, investors, and other stakeholders through the Company website.</li> <li>• Audit Department: Reporting Hotline 2650-3783.</li> <li>• Human Resources Department: Complaint hotline (extension 2609) and email (usighr@usig.com).</li> <li>• 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.</li> </ul> <p>In 2025, the Group's Audit Department received one report of misconduct, which was handled and disciplined in accordance with applicable procedures. The Group continues to conduct training and awareness programs to reinforce ethical conduct.</p>	
<p>II. Implementing Ethical Corporate Management</p> <p>(I) Does the Company evaluate business partners' ethical records and include ethics-related clauses in the business contracts signed with the counterparties?</p> <p>(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</p>	V	V	<p>(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.</p> <p>(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;</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	Abstract Illustration	
regular basis (at least annually) about the ethical corporate management policies, precautionary measures against unethical conducts, as well as the implementation and supervision thereof?			<p>the Corporate Governance Officer reports to the Board of Directors regularly at least once a year.</p> <p>The Director of Corporate Governance shall report to the Board of Directors on November 7, 2025 on the implementation of ethical business for the year, including the following:</p> <ol style="list-style-type: none"> <li>1. Cooperate with laws and regulations to formulate and implement relevant regulations for the implementation of honest business policy</li> <li>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</li> <li>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.</li> <li>4. It promoted and coordinated of honesty policy advocacy training.</li> <li>5. Established a whistleblowing mechanism to ensure effective implementation. As of December 31, 2025, the Audit Department had received one report involving falsification in pallet acceptance by an employee. The allegation was verified and disciplinary action was taken in accordance with the Company's work rules.</li> <li>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.</li> </ol>	

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	Abstract Illustration	
(III) Has the Company established policies to prevent conflicts of interest, provided an appropriate channel for reporting such conflicts and implemented them?	V		(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.	
(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 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?	V		(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 Company regularly perform internal audits and hold discussions with the management. 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.	
(V) Does the Company regularly hold internal and external training on ethical corporate management?	V		(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 operations and ethical conduct, the Company continues to promote and regularly conduct relevant training courses, reinforcing employee awareness through assessments. In 2025, the Company held educational training related to integrity in operations, with	

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	Abstract Illustration																												
			<p>a total of 55 participants, including employees and directors, and a cumulative training duration of 81 hours. Details of courses are as follows:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Course Title</th> <th>Hours</th> <th>Total Participants</th> <th>Total hours</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Integrity Management and Legal Compliance</td> <td>1st Group Code of Conduct Awareness Assessment in 2025</td> <td>1</td> <td>14</td> <td>14</td> </tr> <tr> <td>2nd Group Code of Conduct Awareness Assessment in 2025</td> <td>1</td> <td>15</td> <td>15</td> </tr> <tr> <td>[Integrity Seminar] AI Trends and Legal Risk Guide</td> <td>2</td> <td>20</td> <td>40</td> </tr> <tr> <td>[Integrity Seminar] Supervisor's Understanding of Workplace Illegal Infringements - Integrity Lecture (2025)</td> <td>2</td> <td>6</td> <td>12</td> </tr> <tr> <td colspan="3">Grand total</td> <td>55</td> <td>81</td> </tr> </tbody> </table>	Category	Course Title	Hours	Total Participants	Total hours	Integrity Management and Legal Compliance	1st Group Code of Conduct Awareness Assessment in 2025	1	14	14	2nd Group Code of Conduct Awareness Assessment in 2025	1	15	15	[Integrity Seminar] AI Trends and Legal Risk Guide	2	20	40	[Integrity Seminar] Supervisor's Understanding of Workplace Illegal Infringements - Integrity Lecture (2025)	2	6	12	Grand total			55	81	
Category	Course Title	Hours	Total Participants	Total hours																											
Integrity Management and Legal Compliance	1st Group Code of Conduct Awareness Assessment in 2025	1	14	14																											
	2nd Group Code of Conduct Awareness Assessment in 2025	1	15	15																											
	[Integrity Seminar] AI Trends and Legal Risk Guide	2	20	40																											
	[Integrity Seminar] Supervisor's Understanding of Workplace Illegal Infringements - Integrity Lecture (2025)	2	6	12																											
Grand total			55	81																											
<p>III. Implementation of the Company's whistleblowing system</p> <p>(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?</p>	V	(I)	<p>The Company's Board of Directors passed the amendments to the "Procedures for Handling Cases of Illegal and Unethical or Dishonest Conduct" on November 12, 2019 (Website: <a href="https://www.apc.com.tw/OthersPDF/APC_HandlingForIllegalImmoral.pdf">https://www.apc.com.tw/OthersPDF/APC_HandlingForIllegalImmoral.pdf</a>)</p> <p>The specific whistleblowing channels, incentive system, dedicated personnel, and whistle-blower protection are as follows:</p> <ol style="list-style-type: none"> <li>1. Whistle-blowing channels: <ol style="list-style-type: none"> <li>(1) Personal report: Face-to-face explanation.</li> </ol> </li> </ol>	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	Abstract Illustration	
(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>(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 whistleblower 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 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</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	Abstract Illustration	
(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>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. The Company shall conduct investigations on the internal evidence after receiving the reports. Once they are verified as true, the Company shall, based on the violation or severity of the violation, implement disciplinary measures and process such violations in accordance with related regulations.</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 (<a href="https://www.apc.com.tw/zhtw/dirServices/fmServices2.aspx">https://www.apc.com.tw/zhtw/dirServices/fmServices2.aspx</a>)</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
V. If the Company has <u>established</u> its 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 Code 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 is 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):				



Evaluation Item	Implementation Status (Note 1)		Abstract Illustration	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		
<p>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 5, 2024. 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 7, 2025.</p>				

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 10, 2026

The Company makes the following statement according to the self-evaluation conducted of the internal control system in 2025:

- 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, 2025, 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 10, 2026. 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 Implementation
2025	2025/5/28	<p>The minutes of the Shareholders' Meeting were posted onto MOPS on June 16, 2025. The resolutions and their status of implementation are as follows:</p> <ol style="list-style-type: none"> <li>1. Ratified the 2024 Account Book. Implementation status: Resolution passed</li> <li>2. Ratified the 2024 Distribution of the Annual Surplus. Implementation status: Resolution passed A cash dividend of NT\$148,435,979 was distributed to shareholders, with August 1, 2025, designated as the record date for the distribution, which was completed on August 21, 2025.</li> <li>3. Discussed the amendment to Articles of Incorporation Implementation status: Resolution passed</li> <li>4. Re-election of nine Directors. 5 Directors were elected—Wu I-Kuei, Wu Pei-Chi, Li.Kuo-Hung, Pi Shu-Chien, and Wu Hung-Tai. 4 Independent Directors were elected—Shen Shang-Hung, Zhang Li-Chiu, Cheng Tun-Chien, and Chen Chien-Ping. Implementation status: In this Annual General Meeting, 9 directors (including 4 Independent Directors) were elected with a term of office for three years, from May 28, 2025 to May 27, 2028. The 9 Directors took office after this Annual General Meeting.</li> <li>5. Discussed the removal of the non-compete clause for newly</li> </ol>



Year of Meeting	Date of Meeting	Key Resolutions and Implementation
		appointed Directors Implementation status: Resolution passed

## 2. Board of Directors

Year of Meeting	Date of Meeting	Key Resolutions
2025 1st Meeting	2025/3/5	<ol style="list-style-type: none"> <li>1. Ratified the renewal of the three-year medium-term loan limit signed with First Commercial Bank</li> <li>2. Ratify the renewal of the three-year medium-term loan limit signed with Taishin International Bank</li> <li>3. Approved the 2024 Account Book.</li> <li>4. Approved the 2024 earnings distribution plan</li> <li>5. Approve the amendment to certain articles in the Articles of Incorporation</li> <li>6. Approved the definition of the scope of entry-level employees.</li> <li>7. Reviewed the reelection of directors at the annual general meeting.</li> <li>8. Reviewed the proposal to lift the restriction of non-competition for new directors.</li> <li>9. Approved matters related to the convening of the 2025 general shareholders' meeting.</li> <li>10. Approved setting a specific timeframe and designated location for accepting shareholder proposals.</li> <li>11. Approved the 2025 evaluation of the independence and qualification of appointed CPAs</li> <li>12. Approved the appointment of CPAs for 2025.</li> <li>13. Approved the issuance of the internal control system statement in 2024.</li> <li>14. Approved the issuance of unsecured ordinary corporate bonds</li> <li>15. Approved to authorize the Chairman to sign and deliver short-term credit loan contracts and related documents to financial institutions.</li> <li>16. Approved donations to the USI Education Foundation</li> </ol>
2025 2nd Meeting	2025/4/8	Approved the list of Director (including Independent Director) candidates with shareholding percentage exceeding one (1) percent at the Company
2025 3rd Meeting	2025/5/5	Approved the 2025 Q1 Consolidated Financial Statements.
2025 4th Meeting	2025/6/2	<ol style="list-style-type: none"> <li>1. Nominated Mr. Wu, I-Kuei as the Chairman of the Company</li> </ol>



Year of Meeting	Date of Meeting	Key Resolutions
		<ol style="list-style-type: none"> <li>2. Approved the appointment of three Independent Directors, namely Shen, Shang-Hung, Chen, Ta-Hsiung, and Cheng, Tun-Chien as the members of the Remuneration Committee</li> <li>3. Approved the appointment of the three Independent Directors, namely Cheng, Tun-Chien, Shen, Shang-Hung, and Chen, Chien-Ping, to be the members of the Sustainable Development Committee.</li> </ol>
2025 5th Meeting	2025/8/7	<ol style="list-style-type: none"> <li>1. Ratify short-term credit loan contracts and related documents signed and delivered to financial institutions</li> <li>2. Approved the 2025 Q2 Consolidated Financial Statements.</li> <li>3. Approved the amendment to the certain articles of the Board of Directors Assessment Regulations</li> <li>4. Passed the amendments to the Company's internal control system.</li> <li>5. Approval of the 2024 Sustainability Report.</li> <li>6. Approved managerial officers to engage in competitions.</li> <li>7. Approved the change of the chief auditor</li> </ol>
2025 6th Meeting	2025/11/7	<ol style="list-style-type: none"> <li>1. Ratify the renewal of the three-year medium-term loan limit signed with Bank of China, Taipei Branch</li> <li>2. Approved the 2025 Quarter 3 Consolidated Financial Statements.</li> <li>3. Approved the 2026 company budget</li> <li>4. Approved CPAs' remuneration for 2025</li> <li>5. Approved the amendment of certain articles in the "Transaction Procedures with Related Parties, Specific Companies, and Companies of the Group"</li> <li>6. Approved the amendment to the certain articles of the Board of Directors Assessment Regulations</li> <li>7. Passed the amendments to the Company's internal control system.</li> <li>8. Approved the 2026 audit plan.</li> </ol>
2026 1st Meeting	2026/3/10	<ol style="list-style-type: none"> <li>1. Ratified the renewal of the three-year medium-term loan limit signed with First Commercial Bank</li> <li>2. Approved the 2025 Account Book.</li> <li>3. Approved the 2025 earnings distribution plan</li> <li>4. Approved the amendment of certain articles in the Procedures for Acquisition or Disposal of Assets.</li> </ol>

Year of Meeting	Date of Meeting	Key Resolutions
		5. Approved the lifting of the non-compete clause for Directors 6. Approved matters related to the convening of the 2026 Annual General Meeting 7. Approved setting a specific timeframe and designated location for accepting shareholder proposals. 8. Approved the amendment to certain articles of the Remuneration Policy and Regulations for Directors and Managerial Officers 9. Approved the review of the scope of entry-level employees. 10. Approved the 2026 evaluation of the independence and qualification of appointed CPAs 11. Approved the appointment of CPAs for 2026. 12. Approved the issuance of the internal control system statement in 2025. 13. Approved to authorize the Chairman to sign and deliver short-term credit loan contracts and related documents to financial institutions. 14. 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:

(In Thousands of New Taiwan Dollars)

Name of the CPA Firm	Name of CPAs	CPA's duration of audit	Audit Fee	Non-Audit Fees	Grand total	Remark(s)
Deloitte & Touche	CPA Chiu, Cheng-Chun	2025	2,450	400 (Note 3)	2,850	
	CPA Chuang, Pi-Yu	2025				



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-related 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 2025. 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 2025 of The Company did not decrease by ten percent compared to 2024. Therefore, the decrease is not applicable.

## V. Information on Replacement of CPA

- (I) Regarding the former CPA: N/A
- (II) Information on the succeeding CPA: N/A
- (III) Former CPAs' reply to Item 1 and 2-3, Subparagraph 6, Article 10 of the Annual Accounting Standards: N/A

- 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: N/A.

- 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	2025		For the year ended March 31, 2026	
		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 Shareholder	Union Polymer Int'l Investment Corp.	0	0	0	0
Directors	Wu Yi-Gui (representative of Union Polymer Int'l Investment Corp.)	0	0	0	0
	Wu Pei-Ci (Representative of Union Polymer International Investment Corp.)	0	0	0	0
Shareholder	USIFE Investment Co., Ltd.	0	0	0	0
Directors	Li Kuo-Hung (representative of USIFE Investment Co., Ltd.)	0	0	0	0
	Wu Hung-Tai (Representative of USIFE Investment Co., Ltd.) (Newly appointed on May 28, 2025)	0	0	0	0
	Wu Hung-Chu (Representative of USIFE Investment Co., Ltd.) (Dismissed on May 28, 2025)	0	0	N/A	
Shareholder	Taiwan Union International Investment Co., Ltd.	0	0	0	0
Directors	Pi Shu-Chien (representative of Taiwan Union International Investment Co., Ltd.)	0	0	0	0
Independent Directors	Shen Shang-Hung	0	0	0	0
	Zhang Li-Chiu (Newly appointed on May 28, 2025)	0	0	0	0
	Cheng Tun-Chien	0	0	0	0
	Chen Chien-Ping	0	0	0	0
	Chen Ta-Hsiung (Dismissed on May 28, 2025)	0	0	N/A	
Chief Executive Officer	Wu, I-Kuei	0	0	0	0
General Manager	Wu Pei-Chi	0	0	0	0



Title	Name	2025		For the year ended March 31, 2026	
		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
Deputy General Manager of Business	Wu Ming-Tsung	0	0	0	0
Corporate Governance Officer	Chen Yung-Chih	0	0	0	0
Director of Linyuan Plant	Hsieh Wang-Chuan (Dismissed on February 28, 2026)	0	0	0	0
	Chen Chun-Hung (Newly appointed on February 28, 2026)	N/A		0	0
Accounting Manager	Chang Sheng-Chuan	0	0	0	0
Finance Manager	Shih Ju-Hsuan	0	0	0	0
Sales Director	Tseng Gwo-Lung (relieved of duty on February 5, 2025)	0	0	N/A	
	Huang Ko-Ming (Newly appointed on February 5, 2023)	0	0	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: N/A.

(III) Equity pledge information: N/A.

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, 2026

Name (Note 1)	Shares Held by the Person		Shares Held by Spouse and Minors		Shares held in the name of other persons		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)		Remark(s)	
	Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %	Title (or Name)	with the Issuer		
Union Polymer International Investment Corp.	214,245,822	36.08%	—	—	0	0%	China General Terminal & Distribution Co.	Have the same ultimate parent company		
Representative: Wu, I-Kuei	0	0%	—	—	0	0%	None	None		
Taiwan Union International Investment Co., Ltd.	14,311,014	2.41%	—	—	0	0%	None	None		
Representative: Pi Shu-Chien	0	0%	0	0%	0	0%	China General Terminal & Distribution Co.	Directors		
TransGlobe Life Insurance Inc.	8,145,000	1.37%	—	—	0	0%	None	None		
Representative: Lin Wen-Hui	0	0%	0	0%	0	0%	None	None		
China General Terminal & Distribution Co Representative: Chang, Hung-Chiang	5,290,482	0.89%	—	—	0	0%	Union Polymer International	Have the same ultimate parent company		
							Pi Shu-Chien	Director of China General Terminal & Distribution Corp.		
	0	0%	0	0%	0	0%	None	None		
The First Insurance Co., Ltd.	5,213,000	0.88%	—	—	0	0%	None	None		
Representative: Li, Zheng-Han	0	0%	0	0%	0	0%	None	None		
Chen, Chien-Hung	3,945,000	0.66%	The information was not provided by the shareholder							
JP Morgan Chase Bank Taipei Branch as custodian of Vanguard Total	3,682,624	0.62%	—	—	0	0%	None	None		



Name (Note 1)	Shares Held by the Person		Shares Held by Spouse and Minors		Shares held in the name of other persons		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)		Remark(s)
	Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %	Number of Shares	Percentage of Shareholding holding %	Title (or Name)	with the Issuer	
International Stock Index Fund, a series of Vanguard Star Funds									
JP Morgan Chase Bank Taipei Branch as custodian of Vanguard Group's Vanguard Emerging Markets Stock Index Fund Investment Account	3,034,340	0.51%	—	—	0	0%	None	None	
Chiu, Chou-Kang	2,151,000	0.36%	41,000	0.01%	0	0%	None	None	
Hsueh, Shu-Han	2,126,000	0.36%	The information was not provided by the shareholder						

Note 1: All the top 10 shareholders should be listed. For corporate 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 corporate 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, 2025

Investee (Note)	Ownership by the Company		Direct or Indirect Ownership by Directors/ Supervisors/ Managerial Officers		Total Ownership	
	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 Co., Ltd.	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 Co	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 Corp.	12,266,779	7.95%	12,313,331	7.98%	24,580,110	15.93%
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) Sources of share capital

Year and Month	Issue Price	Authorized share capital		Paid-in Capital		Remark(s)		
		Number of Shares	Amount	Number of Shares	Amount	Sources of share capital	Capital increased by assets other than cash	Others
2021.10	10	620,000,000 shares	NT\$6,200,000,000	593,743,919 shares	The amount is NT\$5,937,439,190.	-	-	-

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

Note 1: Information for the current year shall be added 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 shall be stated, and the type and amount of assets involved in such capital increase shall be noted.

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

Type of Shares	Authorized share capital			Remark(s)
	Outstanding Shares	Unissued Shares	Grand total	
Registered common shares	593,743,919 shares	26,256,081 shares	620,000,000 shares	Listed

Note: Indicate whether the shares are issued by the Company listed on the Taiwan Stock Exchange (TWSE) or the Taipei Exchange (TPEX) (shares of which trading is restricted on the TWSE or TPEX shall be noted).

Information regarding shelf registration: N/A.

#### (II) List of Major Shareholders

March 31, 2026

Name of substantial shareholders	Shares	Shareholding Ratio
	Shares Held	
Union Polymer International Investment Corp.	214,245,822	36.08%
Taiwan Union International Investment Co., Ltd.	14,311,014	2.41%
TransGlobe Life Insurance Inc.	8,145,000	1.37%
China General Terminal & Distribution Co	5,290,482	0.89%
The First Insurance Co., Ltd.	5,213,000	0.88%
Chen, Jian-Hong	3,945,000	0.66%
JP Morgan Chase Bank Taipei Branch as custodian of Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	3,682,624	0.62%
JP Morgan Chase Bank Taipei Branch as custodian of Vanguard Group's Vanguard Emerging Markets Stock Index Fund Investment Account	3,034,340	0.51%
Chiu, Chou-Kang	2,151,000	0.36%
Hsueh, Shu-Han	2,126,000	0.36%

### (III) Dividend policy of the company and its implementation

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

If the Company posts 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 have 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 earning 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 into 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\$118,748,783 from accumulated distributable earnings at the end of 2025 for the distribution of cash dividends, where a dividend of NT\$0.2 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. If any material change is expected in the dividend policy, an explanation shall be provided: As of the publication date of this annual report, no material change is expected in the Company's dividend policy.



(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 2026. Therefore, there is no need to disclose forecast information.

Item	Year	2026 (Estimated)
Beginning paid-in capital		NT\$5,937,439,190
Distribution of dividends in the current fiscal year	Cash dividends per share	NT\$0.2
	Number of shares distributed per share held due to capital increase from surplus earnings	—
	Capital reserve to capital increase stock dividend per share	—
Change in operating 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)	
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 reserve is not used for capital increase	Pro forma earnings per share
		Pro-forma average annual return on investment
	If capital increase out of capital reserve has not been processed and changed to cash dividend issuance	Pro forma earnings per share
		Pro-forma average annual return on investment

Note: Distributions of dividends in 2025 are based on the earnings distribution plan approved by the Board of Directors on March 10, 2026.

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  

$$= \left[ \text{Net profit after taxes} - \text{interest expense arising from cash dividends}^* \times (1 - \text{tax rate}) \right] / \left[ \text{Total number of shares issued at the end of the current year} - \text{number of shares allocated from earnings}^{**} \right]$$

Interest expense arising from cash dividends\* = Amount of capital increase by retained earnings x one-year general loan interest rate

Number of shares distributed from surplus earnings\*\*: Number of shares added due to the distribution of shares from surplus earnings for 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. However, where there are still accumulated losses, an amount shall first be reserved to cover such losses. Entry-level employees shall account for no less than 40% of the total employee compensation. The abovementioned 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. However, where there are still accumulated losses, an amount shall first be reserved to cover such losses.
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 compensation and director remuneration: As the Company had no profit in 2025, no employee compensation or director remuneration will be distributed.
  - (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 abovementioned amount and estimated amount of recognized expenses for the current fiscal year, the amount, causes and treatment of such discrepancy shall be disclosed:
    - A. Distribution of employee compensation and director remuneration: No distribution is proposed.
    - B. Difference between the distributed amount and the amount accrued as expenses for the year: None.
    - C. Reason for the difference in the accrued amount: N/A.
    - D. Treatment: N/A.
  - (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: N/A.
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) Employees' compensation: None.
  - (2) Directors' rewards: None.

- (3) If there is any discrepancy between the actual amount and the recognized amount of rewards for employees and directors in the previous fiscal year, the amount, causes and treatment of such discrepancy shall be noted:

There is no discrepancy.

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

**II Issuance of Corporate Bonds: None**

**III Preferred Shares: None.**

**IV Overseas Depository 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 2025, the Company's sales of low-density polyethylene resins accounted for 37% of its overall turnover while its sales of ethylene vinyl acetate resins accounted for approximately 63%.

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, fiber leather, microfiber, foaming, etc.)

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, 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 2025 was 139,546 metric tons which was an increase of 8,441 metric tons from the 131,105 metric tons in 2024. The total sales volume was 137,081 metric tons which was an increase of 1,196 metric tons from the 135,885 metric tons in 2024.

In 2025, the overall performance saw a decrease in the average selling price compared to last year, while the cost of ethylene raw materials decreased, leading to a growth in gross profit. In the first half of 2025, although new EVA capacity was released, photovoltaic encapsulant film manufacturers in mainland China placed concentrated orders due to policy factors, so prices remained relatively stable and moved upward. In the second half of the year, after reaching a peak in September, prices began to decline because downstream photovoltaic and foaming plants purchased only for essential demand. In addition, with 800,000 tons of new capacity commencing production in mainland China in November and December, prices remained at low levels through year-end.

In view of the substantial expansion of EVA capacity in mainland China, and in contrast to the relatively limited new capacity targeting LDPE products, the Company successfully restarted the LDPE synthetic microfiber leather market in the second half of the year and therefore flexibly increased production of LDPE grades for synthetic microfiber leather during that period. In 2025, LDPE sales volume exceeded 47 thousand tons, representing an increase of more than 2 thousand tons over the previous year, mainly attributable to increased sales of fiber-grade LDPE. EVA sales volume reached 90 thousand tons, which was not materially different from 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 foreign markets,

the Company has been developing higher-value segments, such as lamination-grade and fiber-grade customers. With respect to the EVA market, demand in mainland China still recorded slight growth. However, as new EVA capacity in mainland China and South Korea was gradually brought online, the overall EVA supply-demand situation continued to deteriorate. Although the Company's solar-grade and foaming-grade EVA products maintain brand advantages, allowing selling prices to remain slightly above general market levels, profitability fell short of expectations in the face of price competition from domestically produced products of mainland China. Accordingly, the Company has, on the one hand, stepped up efforts to develop markets outside mainland China and maintain the market share of coating-grade EVA, while, on the other hand, developing high-performance foaming-grade EVA products in order to reduce dependence on the mainland China solar and general-purpose foaming markets. Subject to market conditions, the Company also flexibly adjusts its production mix and increases output of coating-grade/fiber-grade LDPE to enhance its operational niche.

In the future, new EVA production capacity will continue to be launched in 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 arrangements 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  
For 2025 and as of March 31, 2026: 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 V08085, V19150 and V19400
  - Development of high VA, low MI EVA products V3307

3. R&D projects in the most recent fiscal year

- (1) Item: Development of high-VA, low-MI EVA product V3305 and utilized the fourth production line to manufacture the low-crystallization-point coating-grade EVA product V18161.
- (2) Current progress of uncompleted R&D projects: 20%
  - Development of high VA, low MI EVA products: VA: 31% to 33%; MI: 6 to 6.5
  - Low crystallinity coating-grade EVA product V18161 produced on Line 4: Control GEL to Grade A/B.
- (3) The estimated additional expenses for research and development are approximately NT\$4,000.
- (4) Estimated time for the completion of mass production: Completed in the fourth quarter of 2026.
- (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).
  - \* Addition of 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.

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 Market, Production and Sales Overview

### (I) Market Analysis

#### 1. Sales regions for major products:

Among the domestic manufacturers of polyethylene (PE) plastic raw materials, the Company and USI Corporation, as well as Formosa Plastics Corporation mainly manufacture low-density polyethylene (LDPE) and ethylene vinyl acetate (EVA) resins. On the other hand, USI Corporation and Formosa Plastics Corporation also manufacture high-density polyethylene (HDPE) and linear low-density polyethylene (LDPE) raw materials. At present, domestic sales still dominate the sales of LDPE raw materials manufactured by the Company (accounting for approximately 66% of the overall LDPE sales this year), whereas the Company's EVA raw materials are mainly exported (accounting for approximately 98% of the overall EVA sales this year).

In 2025, the proportion of domestic sales to export sales was 25% to 75%, and the products were exported across China/Hong Kong, Vietnam, India, Cambodia, Indonesia, Bangladesh, Europe and the United States.

LDPE represents around 16% of the total export quantity, while EVA accounts for approximately 84%. In terms of domestic sales, LDPE comprises 94% of the sales, with EVA making up the remaining 6%.

#### 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 19.9%, USI Corporation accounted for 2.2%, and by the Company's OEM, Formosa Plastics Corporation accounted for 5.4%, other import materials accounted for 72.5%; The domestic market of EVA is 8% for our Company, 46% for USI, 27% for Formosa Plastics, and 19% 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 mainland China's average compound annual growth rate of EVA demand exceeded 10% from 2019 to 2023, after the additional 450 thousand tons of new capacity from Baofeng Energy and Jiangsu Hongjing came onstream in 2024, mainland China added another 900 thousand tons of new capacity in 2025 from Hongjing, Levima Advanced Materials, and Zhejiang Petroleum & Chemical. As a result, China's EVA self-sufficiency ratio has risen significantly to approximately 88%. In addition, a Hanwha joint venture plant in South Korea commenced production of 300 thousand tons of capacity in 2025. It is expected that by the end of 2026, nearly 1 million tons of additional new capacity will still come onstream in China, and further petrochemical plants are still under construction or planning to expand EVA 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) Long-term deep cultivation of domestic, mainland China and Southeast Asian markets, good relationship with customers, high customer loyalty and brand awareness.

- (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.

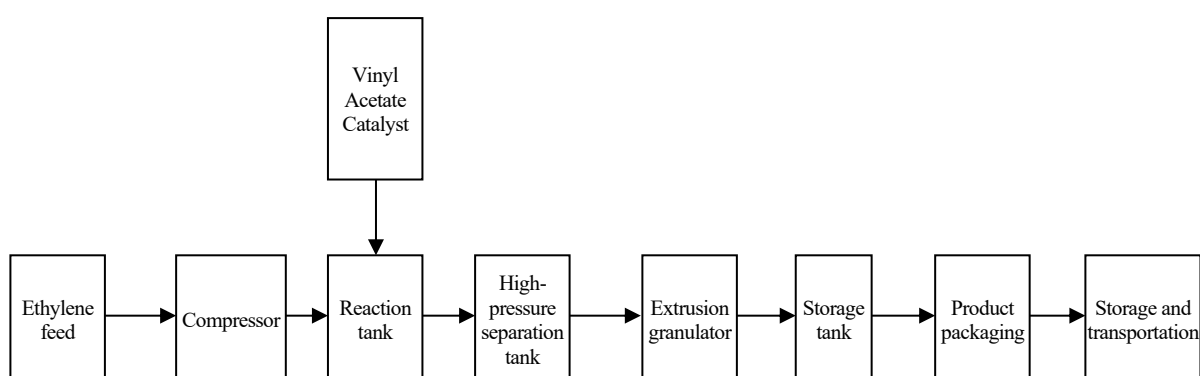
In addition, the Company will continue to improve the stability and operation rate of the existing production equipment to improve product production and quality to reduce production costs, to win over the market. Furthermore, it is committed to the reasonableness of product prices and customer services, 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, fiber-grade, and laminating film-grade. Film-grade LDPE plastic pellets are mainly used for processing various packaging films; fiber-grade pellets are applied in the manufacturing of ultra-fine synthetic leather; 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, with an explanation of the 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

(In Thousands of New Taiwan Dollars)

Item	2025				2024				2026 up to the end of the first quarter (Note 2)			
	Title	Amount	Proportion to Net Purchase for the Year [%]	Relationship with the Issuer	Title	Amount	Proportion to Net Purchase for the Year [%]	Relationship with the Issuer	Title	Amount	Percentage to Net Purchase in the Year Up to the First Quarter (%)	Relationship with the issuer
1	CPC Corporation	2,156,418	56.43	None	CPC Corporation	2,043,440	49.25	None	CPC Corporation	448,026	51.20	None
2	Marubeni	557,164	14.58	None	Fujian Gulei Petrochemical Co., Ltd.	501,628	12.09	Recognition of Joint Venture under the Equity Method	Mitsubishi	130,933	14.96	None
3	Mitsubishi	447,751	11.72	None	Others	1,603,942	38.66	-	Dairen Chemical Corporation	110,008	12.57	None
4	Dairen Chemical Corporation	384,136	10.05	None	-	-	-	-	Others	186,177	21.27	-
5	Others	275,757	7.22	-	-	-	-	-	-	-	-	-
	Net purchases of goods	3,821,226	100.00	-	Net purchases of goods	4,149,010	100.00	-	Net purchases of goods	875,144	100.00	-

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

Note 2: As of the publication date of this annual report, if financial information of companies that are publicly listed or whose shares are traded on the TPEX were recently audited or reviewed by CPAs, such information shall be disclosed.

Reason for increase/decrease: Procurement volume was adjusted according to market supply and price conditions.

2. List of customers with sales amount exceeding 10% of total sales, the sales amount and proportion, and reasons for increase or decrease:  
None



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

March 31, 2026

Year		2025	2024	For the year ended March 31, 2026
Employee Number of	Staff	85	88	84
	Workmen	152	151	152
	Grand total	237	239	236
Average Age		45.52	44.65	45.70
Average Year of Services		14.54	13.48	14.44
Education Distribution	Doctor	0.84%	0.42%	0.85%
	Master's	16.03%	16.74%	16.10%
	University	69.20%	69.04%	69.07%
	High School	13.93%	13.80%	13.98%
	Below high school	0.00%	0.00%	0.00%

### IV Information Regarding Environmental Protection Expenditure

- (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:

Unit: New Taiwan Dollar

Date	Disciplinary unit	Disciplinary official letter number	Date of violation	Laws violated	Penalty amount (NT\$ thousand)	Facts violated
2025.3.25	Environmental Protection Bureau of Kaohsiung City Government	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	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



Date	Disciplinary unit	Disciplinary official letter number	Date of violation	Laws violated	Penalty amount (NT\$ thousand)	Facts violated
						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%.”
2025.04.17	Environmental Protection Bureau of Kaohsiung City Government	Kaohsiung City Environmental Protection Bureau Official Letter No. 20-114-040019	2024.09.19	Paragraph 1, Article 20, of the Air Pollution Control Act	150	On September 19, 2024, the Environmental Protection Bureau conducted an inspection of the fixed pollution sources at the plant for 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.”
2025.09.10	Environmental Protection Bureau of Kaohsiung City Government	Kaohsiung City Environmental Protection Bureau Official Letter No. 20-114-090013	2025.02.26	Paragraph 1, Article 20, of the Air Pollution Control Act	336	On February 26, 2025, the Environmental Protection Bureau conducted an inspection of the Plant’s stationary pollution sources: the volatile organic compound leakage concentration of equipment components involved in the low-density polyethylene chemical manufacturing process (M02). The

Date	Disciplinary unit	Disciplinary official letter number	Date of violation	Laws violated	Penalty amount (NT\$ thousand)	Facts violated
						results indicated a total of two points, with the leakage net inspection value exceeding the 2,000 ppm limit stipulated in the “Kaohsiung City Standards for the Control and Emission of Volatile Organic Compounds from Equipment Components.”
2025.09.23	Environmental Protection Bureau of Kaohsiung City Government	Kaohsiung City Environmental Protection Bureau Official Letter No. 20-114-090019	2025.07.08	Item 1, Paragraph 1, Article 20 of the Air Pollution Control Act	116	On July 8, 2025, the Northern Center of Environment Management under the Environmental Management Administration of the Ministry of Environment conducted an inspection of the Plant’s stationary pollution source: the volatile organic compound leakage concentration in the low-density polyethylene chemical manufacturing process (M03) equipment components. As a result, a total of one equipment component exceeded the “Kaohsiung City Equipment Component Volatile Organic Compounds Control and Emission Standards” of 2,000 ppm, thereby violating Paragraph 1, Article 20 of the Air Pollution Control Act.
2026.03.30	Environmental Protection Bureau of Kaohsiung City Government	Kaohsiung City Environmental Protection Bureau Official Letter No. 20-115-030055	2026.01.30	Paragraph 1, Article 20, of the Air Pollution Control Act	246	On January 30, 2026, the Environmental Protection Bureau conducted an inspection of the Plant’s stationary pollution sources: the volatile organic compound leakage concentration of equipment components involved in the low-density polyethylene



Date	Disciplinary unit	Disciplinary official letter number	Date of violation	Laws violated	Penalty amount (NT\$ thousand)	Facts violated
						chemical manufacturing process (M02). The results indicated a total of four points, with the leakage net inspection value exceeding the 2,000 ppm limit stipulated in the "Kaohsiung City Standards for the Control and Emission of Volatile Organic Compounds from Equipment Components."

(II) 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:

(In Thousands of New Taiwan Dollars)

Pollution prevention equipment or expenditure	2025 Fiscal Year
Installation of integrated equipment for mixed direct-fired boilers	81,709
Installation of emergency reactor discharge systems on Line 1	46,516
CUI inspections and insulation project	947
Expansion of the temporary storage area for waste	513
Replacement of the old Pump D/E on Line 1	41
Energy-saving project for the addition of C-3504 to the conveying compressor on Line 4	3,885
Installation of an ethylene recovery pipeline in the secondary compressor sections of Lines 1 and 2	55
Grand total	133,666

4. The Company's expected environmental protection expenditures in 2026 are as follows:

(In Thousands of New Taiwan Dollars)

Proposed Pollution Prevention Equipment or Expenditure	2026 Fiscal Year
Replacement of the vinyl acetate injection pump on Line 3	9,000
Replacement of the additive injection pump on Line 1	2,500
Installation of groundwater pollution prevention equipment and monitoring equipment for TK-7201	1,000
Software upgrade and update of the monitoring computer system for the waste gas flare	1,500
Grand total	14,000

- (III) 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) Status of education and training: In addition to dispatching employees to participate in various external professional continuing education and training programs, the Group also organizes various internal training programs. Employees at each plant are continuously dispatched to participate in occupational safety and technical training. In addition to participating in various external operational and safety training programs, each plant also organizes its own internal training programs, and regularly holds General Manager management lectures and various management skills training programs to strengthen consensus and enhance management capabilities. A summary is set forth below:

In 2025, total employee training hours reached 9,402 hours, and the average training hours per employee were 40.4 hours, achieving the originally established target of 30 training hours per employee. For employees with strong learning motivation and development potential, we provide subsidies for part-time advanced studies at domestic universities, supplemented by job rotation and assignment experience, in order to cultivate outstanding corporate talent.

Statistics of Education and Training Hours at Each Operating Site in 2025

Participation in education and training		Male	Female	Entire company
Supervisors	Average (hours/headcounts)	54.9	0.0	54.9
Direct personnel (workers)	Average (hours/headcounts)	32.2	40.4	32.4
Indirect personnel (staff)	Average (hours/headcounts)	58.8	35.0	55.1
Entire company	Person-time	2,499	160	2,659
	Hours	8,966	436	9,402
	Number of employees	221	12	233
	Average (hours/headcounts)	40.6	36.3	40.4

Note: Direct personnel refers to workers; indirect personnel refers to non-supervisory staff.



Classification of Company Training Hours by Course Type in 2025

Course category	Hours	Percentage
Management skills	868	9.2%
Professional skills	3,266	34.7%
Occupational safety and environmental protection	4,956	52.7%
Others	312	3.4%

(7) Total talent development expenditures in 2025 amounted to NT\$1,364 thousand.

3. Pension system and its implementation

The retirement of employees of the company shall be handled in accordance with regulations of labor standards Law. The Company contributes 10 percent of the amount of each employee's monthly salary as pension reserve fund to a special account in Bank of Taiwan, and establishes a Labor Pension Reserve Fund Supervision Committee to manage and monitor such transactions. 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:

Departments	Name	Relevant 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 (2025/09/18 - 2025/09/19)
Auditing Division	Kuo, Shih-To	Internal Audit Association of the Republic of China Certificate number: Chi Hsieh Bei Cheng Fa Tzu No. 1141918 Certificate number: Chi Hsieh Bei Cheng Fa Tzu No. 1148521

Departments	Name	Relevant Certification
Auditing Division	Lin Chia-Huei	International Certified Internal Auditor certification Certificate No.: Chi Hsieh Cheng Tzu No. 1060022
		Internal Audit Association of the Republic of China Certificate number: Chi Hsieh Bei Cheng Fa Tzu No. 1141808 Certificate number: Chi Hsieh Bei Cheng Fa Tzu No. 1147550

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 discipline and order among employees in the workplace.

- (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 under the Corporate Governance section within the Corporate Governance and Investor Services on the Company's website (<https://www.apc.com.tw>).

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. In the most recent fiscal year and 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) Information security management strategy and structure

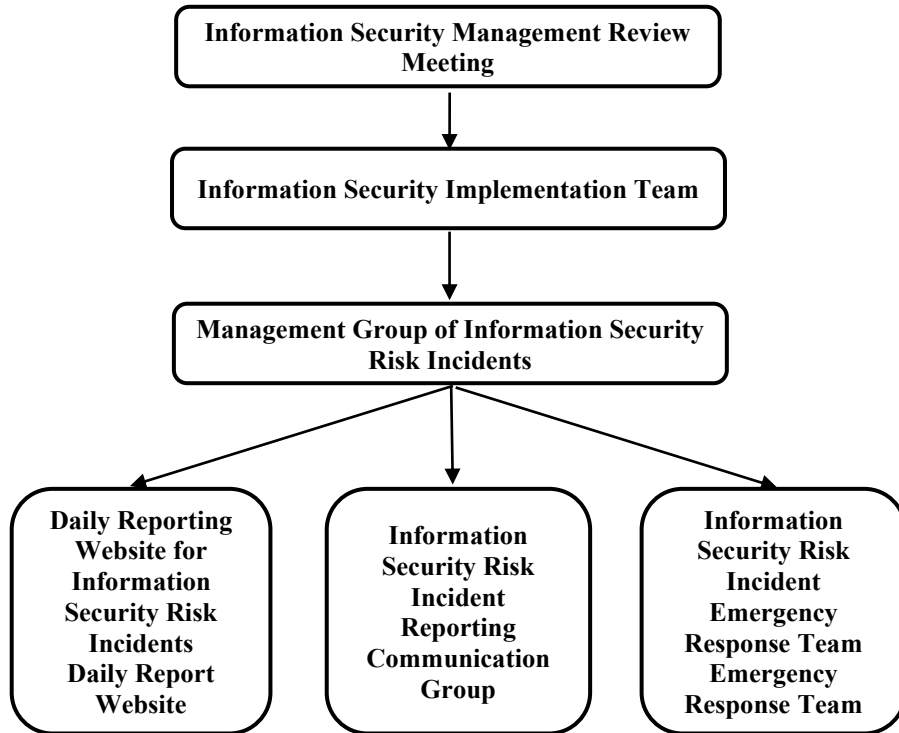
Please provide an overview of the framework for managing information and communication security risks, including the policies, management plans, and allocated resources for information and communication security management.

1. Information security risk management structure:

- (1) Enterprise Information Security Governance Organization:

The Company holds an annual "cyber security management review meeting" at fixed date, make a judgment on the six input projects (resolution status of past management reviews, changes to internal and external issues related to the cyber security management system, feedback on cyber security performance, feedback from related parties, status of risk assessment results and risk management plans, opportunities for continuous improvement) of the cyber security system management, and make a conclusion on the two output projects of the cyber security management system (including decisions related to continuous improvement opportunities and any need for changes to the cyber security management system), to achieve the objectives of the cyber security management system.

Organizational Chart of the Information Security Management Review Committee

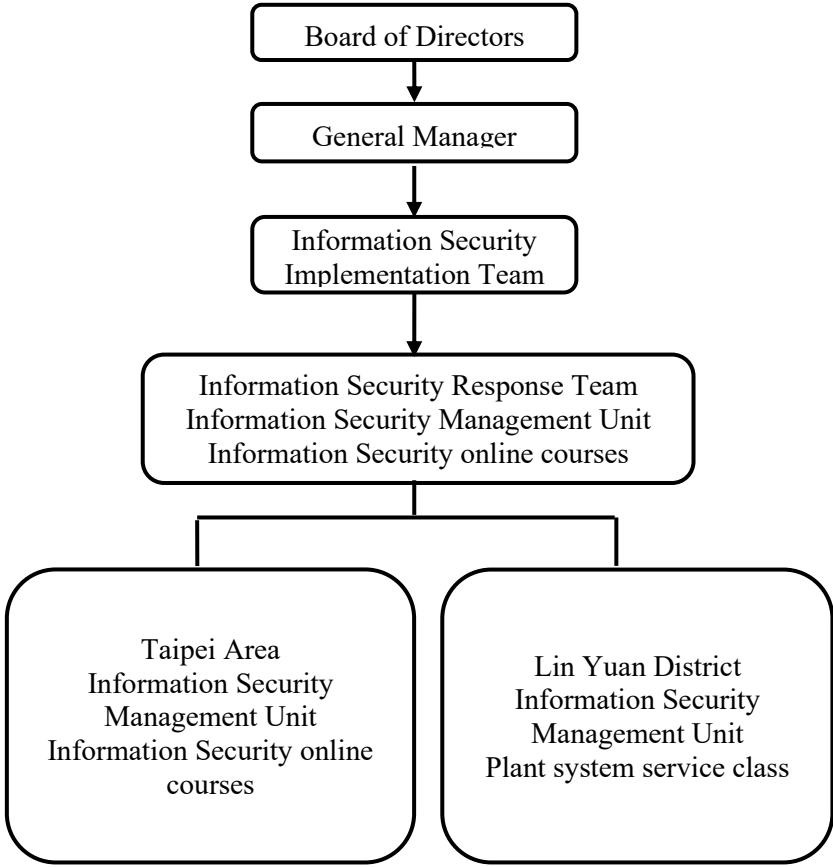


(2) Enterprise Information Security Organizational Structure:

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 Cyber security incident, the Director of the Information Technology Department shall report to the General Manager or heads of related departments.



Organization chart of the cyber security Initiative Group



Responsibilities of Cyber security Promotion Team:

- Establish the information security risk management framework and information security policies
- Conduct information security risk assessments and analyses
- Information security maintenance and execution
- Confirm the validity of the information security operation execution

2. Information Security policy

(1) Information Security management strategy and framework

- ISO 27001 Cyber security system:  
Since 2014, the Company has established and continuously operated and promoted the ISO/IEC 27001:2013 information security management system. Each year, the Company engages British Standards Institution, Taiwan Branch (BSI), an external professional information security audit and certification body, to conduct audits. In 2025, the Company passed the transition certification for ISO/IEC 27001:2022. To date, the Company has passed certification audits for

11 consecutive years. The current certificate is valid from July 4, 2023 to July 3, 2026.

- NIST CSF Cyber Security Management Framework:  
Incorporated into the cyber 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 Cyber security management system, supplemented by the NIST CSF Cyber security management framework, it strengthens risk management and control, improves Cyber security resilience, and has the ability to withstand, contain and quickly recover from Cyber 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 10 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 CrowdStrike/XDR, 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): We utilize Trend Micro antivirus software to detect abnormal network usage behavior. For instance, by monitoring user computer logins to the Active Directory (AD) host and internet activities, attacks can be instantly blocked.
- VPN: To prevent hackers from launching remote attacks through the VPN and thereby intruding into the internal network and creating information security risks for the Company, the Information Department has activated the SAML mechanism,



under which MFA verification is required when connecting through the VPN, to enhance the security level.

- 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 cyber security management: Prevent hacking or data leakage; information personnel receive at least four hours of cyber security education and training every year.
- Social engineering exercises: Each 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 tampering.

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 ISO/IEC 27001 information security certification for 11 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 94 employees took part in one annual drill to test their susceptibility to social engineering phishing emails.
- Investment in information security funds: Approximately NT\$600 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 cyber security risk management framework, the Company also carries out the prevention coaching and cyber 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. Promotion, development, and application of Generative AI (GenAI) technology:  
In view of the rapid development of Generative AI (GenAI) technology, the Information Department has assisted the Group in identifying internal operations in which Generative AI can be utilized and applying it to smart manufacturing and administrative process reengineering, using Generative AI technology to reduce manual processing time and improve operational accuracy. The Company has also organized several education and training sessions on Generative AI technology and provided Generative AI tools for use by Group employees.

(III) 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 most recent fiscal year and in the current fiscal year up to the date of publication of the annual report: None.

## VII Important Contracts

Nature of Contract	Party	Contract Start/End Date	Main Content	Restrictive Clause
Material Purchase Contract	CPC Corporation	2026/01/01~ 2026/12/31	Annual contract volume and pricing for ethylene and propylene supply.	None
Material Purchase Contract	Dairen Chemical Corporation	2026/01/01~ 2026/12/31	Annual contract volume and pricing for nikasol supply.	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	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.

Nature of Contract	Party	Contract Start/ End Date	Main Content	Restrictive Clause
	Corporation, Fubon Financial Holding Co., Ltd., and Hung Fu Investment Co.,Ltd.			
Long-Term Loan Agreement	First Bank	2025/11/21~ 2028/11/21	The Company is fortifying its financial structure while enhancing its operational capital.	None
Long-Term Loan Agreement	Yuanta Bank	2023/10/13~ 2026/10/13	The Company 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	The Company is supporting the funding needs for the second phase of the Kaohsiung InterContinental project.	None
Long-Term Loan Agreement	Bank of China, Taipei Branch	2025/10/28~ 2028/10/27	The Company is fortifying its financial structure while enhancing its operational capital.	Maintain a certain financial ratio



## Chapter 5 Review and Analysis of Financial Position and Performance and Associated Risks

### I Financial Position

#### Comparison Analysis of Financial Position

Unit: NT\$ thousands

Item	Year		Difference	
	End of 2025	End of 2024	Amount	%
Current Assets	\$2,653,267	\$3,294,702	(641,435)	(19.47)
Long-Term Investment	4,264,034	5,471,037	(1,207,003)	(22.06)
Property (Including Investment), Plant and Equipment	4,078,970	4,122,933	(43,963)	(1.07)
Other Assets	710,138	709,918	220	0.03
<b>Total Assets</b>	<b>11,706,409</b>	<b>13,598,590</b>	<b>(1,892,181)</b>	<b>(13.91)</b>
Current Liabilities	872,781	1,101,984	(229,203)	(20.80)
Other Liabilities	597,222	1,012,914	(415,692)	(41.04)
<b>Total Liabilities</b>	<b>1,470,003</b>	<b>2,114,898</b>	<b>(644,895)</b>	<b>(30.49)</b>
Share Capital	5,937,438	5,937,438	0	0.00
Capital Surplus	38,968	38,130	838	2.20
Retained Earnings	4,521,947	5,698,855	(1,176,908)	(20.65)
Other Equity	(261,947)	(190,731)	(71,216)	(37.34)
<b>Total Equity</b>	<b>10,236,406</b>	<b>11,483,692</b>	<b>(1,247,286)</b>	<b>(10.86)</b>
<p>(I) 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> <ol style="list-style-type: none"> <li>1. Long-term investment: Mainly due to the reduction in investment accounted for under equity method.</li> <li>2. Current liabilities: Mainly due to a decrease in accounts payable for raw material purchases.</li> <li>3. Other liabilities and total liabilities: Mainly due to a decrease in repayment of long-term loans.</li> <li>4. Retained earnings: Mainly due to the net loss after tax and the distribution of cash dividends for 2024.</li> <li>5. Other equity: Mainly due to exchange differences from the translation of financial statements of foreign operations.</li> </ol> <p>(II) Impact: No major impact</p> <p>(III) Future response plan N/A</p>				

## II Financial Performance

### (I) Comparative analysis of financial performance

Unit: NT\$ thousands

Item \ Year	2025	2024	Amount Increase (Decrease)	Percentage of change (%)
Net Revenue	5,743,172	6,031,266	(288,094)	(4.78)
Operating Costs	5,493,838	5,896,273	(402,435)	(6.83)
Gross Profit	249,334	134,993	114,341	84.70
Operating Expenses	246,260	244,435	1,825	0.75
Net Operating Income (Loss)	3,074	(109,442)	112,516	(102.81)
Total Non-operating Revenue and Expenses	(1,043,808)	(810,910)	(232,898)	28.72
Net Income (Loss) before Tax	(1,040,734)	(920,352)	(120,382)	13.08
Income Tax Expense (Profit)	3,769	(169,852)	173,621	(102.22)
Net Income (Loss)	(1,044,503)	(750,500)	(294,003)	39.17
Other Comprehensive Income (Loss) for the Year	(55,185)	(838,278)	783,093	(93.42)
Total Comprehensive Income (Loss) for the Year	(1,099,688)	(1,588,778)	489,090	(30.78)

- (I) The main reasons for significant percentage of changes in the most recent two years:
1. Gross profit: Mainly due to the decrease in raw material costs being greater than the decrease in selling prices, which has led to an expansion of the product profit margin and an increase in the overall gross profit ratio.
  2. Operating margin: Mainly due to the increase in gross profit.
  3. Non-operating revenues and expenses: Mainly due to an increase in losses from associates accounted for using the equity method.
  4. Income tax: Mainly due to the recognition of a decrease in the amount of deferred tax assets.
  5. Net Income (Loss): Mainly due to a decrease in net operating loss, an increase in non-operating expenses, and a decrease in income tax benefits.
  6. Other comprehensive income for the year: Mainly due to the recognition of a decrease in unrealized fair value losses on financial assets measured at fair value through other comprehensive income.
  7. Total comprehensive income for the year: Mainly due to an increase in net loss and a decrease in other comprehensive losses for the year.
- (II) Projected sales volume in the following year and its basis:  
The sales target for 2026 is approximately 138,000 metric tons and sales of niche products shall be prioritized.
- (III) Impact on the Company's future financial business: No significant impact.
- (IV) Future response plan: N/A.



## (II) Analysis of changes in gross profit:

Unit: NT\$ thousands

	Amount of increase (decrease)	Reason for the difference		
		Price difference	Cost difference	Quantity difference
Gross Profit	114,341	(328,048)	430,724	11,665
Description	The average selling price has decreased by approximately 6% compared to last year, while the cost of raw material has decreased by approximately 12% compared to last year.			

## III Cash flows

Unit: NT\$ thousands

Year	Initial cash balance	Annual net cash flow from operating activities	Annual net cash flow from investing activities	Annual net cash flow from financing activities	Effect of exchange rate changes	Cash surplus (deficit)	Remedial measures for cash deficit
2025	1,468,956	241,016	(566,728)	(550,329)	(2,460)	590,455	N/A

## (I) Analysis of changes in cash flow during the year

1. Operating Activities: The net cash inflow from operating activities is NT\$241,016 thousand, mainly due to annual losses adjusted for depreciation, the share of profit or loss of associates accounted for using the equity method, and other adjustments.
2. Investment Activities: The net cash outflow of investment activities is NT\$566,728 thousand, mainly due to capital expenditures and the acquisition of financial assets measured at amortized cost.
3. Financing Activities: The net cash outflow to financing activities was NT\$550,329 thousand, mainly due to the repayment of long-term loans, and cash dividend payments.

## (II) Remediation for Insufficient Cash and Liquidity Analysis: N/A

(III) Liquidity analysis for the following year

Unit: NT\$ thousands

Initial cash balance	Estimated net cash flow from operating activities in the entire year	Estimated other cash inflows (outflows) during the year	Estimated balance of cash surplus (shortage)	Remedial measures for cash deficit
590,455	473,000	(513,000)	550,455	N/A

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

To ensure an adequate supply of ethylene raw material, the Company estimates it will invest NT\$1.02 billion in the construction of ethylene storage tanks and underground pipelines.

The aforementioned capital expenditure shall be paid in advance with its own funds. The Company also continuously evaluates the funding costs of capital market financing and borrowings from financial institutions in order to make timely adjustments.

**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 2025:

Description Item	Amount (NTD thousands)	Policy	Main reasons for profit or loss	Improvement plan	Other investment plans in the future
USI Corporation	1,125,048	Stable Cash Dividends	Stable performance	None	—
CTCI Corporation	491,107	Investment diversification	Overall performance steady	None	—
China General Plastics Corporation	623,422	Investment diversification	Steady average performance over the years	None	—
China General Terminal & Distribution Co., Ltd.	287,145	Investment diversification	Steady average performance over the years	None	—
Ever Conquest Global Ltd.	711,201	Investment in petrochemical	Fujian Gulei Petrochemical Company Limited., an investee company, incurred losses due to high raw material procurement costs, difficulty in passing such costs on to downstream products, and insufficient product spreads.	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 Division	
(V) Impacts of changes in technology and industry on the Company's financial operations, and related response measures	Information Division/Business Division	
(VI) Impact of changes in corporate image on the Company's risk management, and response measures	Human Resources 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 Division	
(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	Legal Division	

Risk management organizational structure Major Risk Evaluation Item	Implementation and responsible units	Supervision unit
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.		
(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 counterparties for hedging transactions are reputable financial institutions to avoid credit risks.

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

1. Future R&D Plan:

Developed the high-VA, low-MI EVA product V3305 and utilized the fourth production line to manufacture the low-crystallization-point coating-grade EVA product V18161.

2. Estimated R&D Expenses: A total of approximately NT\$4,000 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 department 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 4 (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 4 (Operational Overview), subsection VI (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 always upholds the principles of professionalism and integrity. We value corporate governance and fulfill our 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: Developing 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 56% 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\$238,306 thousand, interest 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, 2026, the bank deposit seized from CGTD was worth NT\$6,401 thousand.

As for the victims of the gas explosion, CGTD, LCY Chemical Corp. and the Kaohsiung City Government signed a tripartite agreement on July 17, 2015, agreeing to negotiate compensation in advance for all the heirs and claimants of the 32 victims (hereinafter referred to as "the families of the victims"). Each victim's family received NT\$12,000 thousand, and the total compensation was NT\$384,000 thousand. The compensation was advanced by LCY Chemical Corp. LCY Chemical Corp. was in charge of negotiating the compensation with the victims' families and signing the settlement agreement on behalf of the three parties. In accordance with the tripartite agreement, CGTD paid NT\$157,347 thousand to LCY Chemical Corp. on August 10, 2022 according to the proportion of fault liability of 30% in the first-instance judgments of this case. After settling the civil litigation later, compensation will be made according to the determined liability proportion.

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, 2026, the victims and victims' families had written letters or filed civil procedures (and criminal procedures) against LCY Chemical Corp., CGTD and CPC for compensation. To reduce the lawsuit costs, CGTD had reached a settlement on the original claim for NT\$46,677 thousand, and the amount of the compensation was 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 (the amount of compensation requested is approximately NT\$1,616,883 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\$489,861 thousand, of which CGTD was exempted to pay NT\$6,194 thousand.

For the civil cases that have been adjudicated in the first instance and have not been settled, an appeal has been filed for the second instance. Starting from July 10, 2024, the second instance has been adjudicated continuously. For the second instance cases ruled by March 31, 2026, there are 9 cases involving the Kaohsiung City Government's claims for compensation (total claim amount of approximately NT\$1,137,677 thousand). Among these, 8 cases determined that CGTD, together with LCY Chemical Corp., should jointly bear 10% (5 cases) or 20% (3 cases) of the liability for negligence. CGTD's joint compensation amount with LCY Chemical Corp. totals NT\$79,726 thousand. In one case, CGTD was found to be solely responsible for 10% of the negligence and should compensate NT\$297 thousand on its own. Additionally, in the second-instance cases ruled regarding Taiwan Power Company's claim (claim amount NT\$265,822 thousand), National Health Insurance Administration's claim (claim amount NT\$35,688 thousand), and Taiwan Water Corporation's claim (claim amount NT\$28,643 thousand), it was determined that CGTD, together with LCY Chemical Corp., should jointly compensate NT\$120,143 thousand. The aforementioned second-instance cases have been adjudicated, and except for those that cannot be appealed to the third instance, CGTD has filed appeals to the third instance for all other cases. The rest of the cases are still under trial in the Court of First Instance (the amount of compensation requested is approximately NT\$1,711,504 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 amount of such settlement and compensation shall not be confirmed until the proportion of liability to be shared by CGTD is determined in accordance with the civil action.

(XIII) Other significant risks and response measures:

A. 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 2025.

B. Intellectual Property Management:

The Company established an Intellectual Property Management Plan on August 12, 2020, to manage trade secrets involved in production and operations, as well as intellectual property generated from research and development activities, including R&D outcomes and works. This plan is intended to strengthen the Company's competitive advantage. The implementation results are reported to the Board of Directors at least once annually. On November 7, 2025, the 6th meeting of the Board of Directors reviewed a report on the Company's intellectual property management practices and the status of annual implementation, thereby reinforcing the Company's intellectual property management policy.

I. Patent Management

(1) Innovative Patent Application Platform

Established an innovative patent application platform to comprehensively document and archive innovative concepts and experimental results generated throughout the R&D process. Upon the achievement of substantive results, submissions are forwarded to the



relevant supervisors for review, with the final determination on whether to proceed with a patent application made by the Head of R&D.

2025 Implementation Performance: No patent applications were filed.

## (2) Trademark Management

With respect to the trademarks currently applied for by the Company, the occurrence of any trademark dispute indicates that the Company's trademark rights may have been unlawfully infringed or subjected to opposition, invalidation, or revocation proceedings by third parties. In severe cases, such disputes may adversely affect the Company's sales and, consequently, its revenue. Accordingly, in addition to reassessing the adequacy of the existing trademark application management process, the Company shall implement appropriate measures for trademark maintenance and for responding to trademark disputes as they arise.

Number of trademarks currently obtained:

3 trademarks obtained in Taiwan:

(Asia and Device (APC), Polymax-E, and the ISO 14021 pre-consumer recycled content certification eco-label)

4 trademarks obtained in China:

(APC Asia (2 variants), POLYMER-E, and Polymax-E)

No trademark disputes occurred in 2025.

## II. Innovative Products

### Status of Product R&D Plan Progress for 2025:

R&D Plan	Current Progress	R&D Expenditures (NT\$ thousand)	Expected Time for Mass Production Completion	Description of R&D Results
EVA: Development of high-VA, low-MI EVA products	<ol style="list-style-type: none"> <li>1. Issued the reaction condition sheet and FPSS for V33071.</li> <li>2. V33051 underwent trial production (TA1) in August.</li> </ol>	300 - 500	2025	<p>Production and Process Adjustment of V33071</p> <ul style="list-style-type: none"> <li>• Issued the reaction condition sheet and FPSS for V33071.</li> <li>• Production Progress: The L4 production line carried out its third production run in March.</li> <li>• The MI Drop issue has been resolved.</li> </ul> <p>V33051 R&amp;D Trial Progress</p> <ul style="list-style-type: none"> <li>• Process Limits: Under the current maximum operating conditions of the L4 line (including reaction temperature and pressure, ethylene purity, and VA content of 32%), the melt index (MI) can only be</li> </ul>

R&D Plan	Current Progress	R&D Expenditures (NT\$ thousand)	Expected Time for Mass Production Completion	Description of R&D Results
				<p>controlled within the range of 6.5 to 6.6.</p> <ul style="list-style-type: none"> <li>• Specification Gap: The current MI control range still deviates from the target specification (<math>5.5 \pm 0.5</math>).</li> <li>• Inapplicable Improvement Plan: <ul style="list-style-type: none"> <li>A. Reduction of VA Content: This option was not adopted due to unclear market positioning.</li> <li>B. Use of Low-Temperature Initiators: This option was not adopted due to safety concerns.</li> </ul> </li> </ul>

**Status of Product R&D Plan Progress for 2026:**

R&D Plan	Current Progress	R&D Expenditures (NT\$ thousand)	Expected Time for Mass Production Completion	Main Content
Develop high VA, low MI EVA products.	10%	2,000	<b>2026</b> Quarter 4	VA: 31% - 33% MI: 6 - 6.5
L4 production of low crystallization point coating-grade EVA product (V18161)	15%	2,000	<b>2026</b> Quarter 4	Control of gel levels to Grade A/B

## **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, 2025:

1. Disaster-free working hours: Total safe working hours in 2025 amounted to 506,811 hours.
2. Total accumulated safe working hours: 6,820,901 hours.

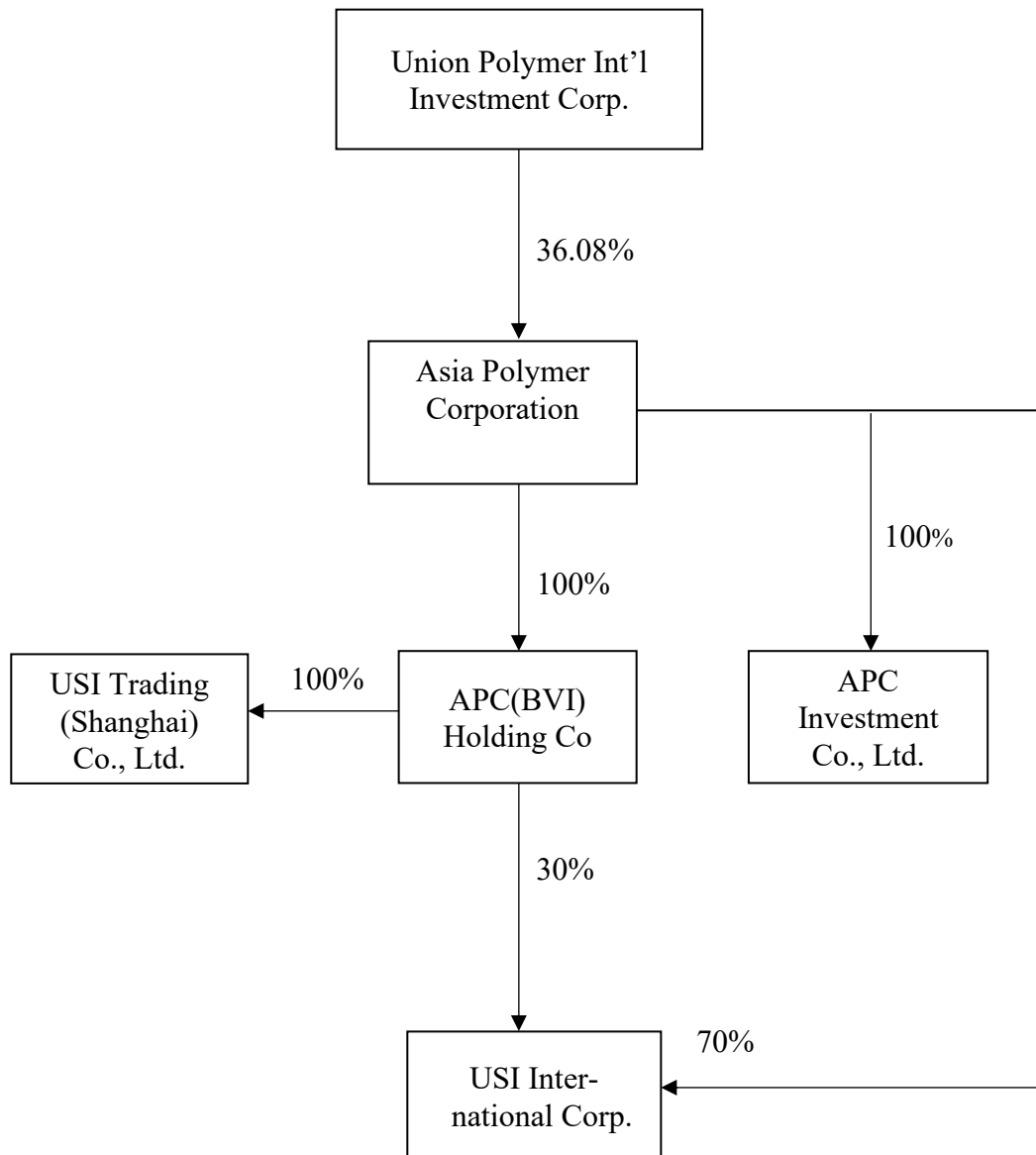
(II) Equipment operation rate: The equipment operation rate of the Company in 2025 reaches 98.34%.

## Chapter 6 Special Notes

### I Affiliated enterprises information

ASIA POLYMER CORPORATION  
Consolidated Operation Report of Affiliates  
2025

(I) Organizational Structure of Affiliated Companies (December 31, 2025)



(II) Basic information of affiliates

December 31, 2025

Unit: NT\$ thousands

Company name	Date of incorporation	Address	Paid-in capital	Main business or core products
APC (BVI) Holding Co., Ltd.	April 10, 1997	Citco Building, Wickham Cay, P.O.Box 662, Road Town, Tortola, British Virgin Islands	356,498	Reinvestment
USI International Corporation	September 20, 2002	TrustNet Chambers, P.O.Box 3444, Road Town, Tortola, British Virgin Islands	94,290	Investments
APC Investment Corporation	December 20, 2007	10F, No. 39, Jihu Road, Nei-Hu District, Taipei City	200,000	Investments
USI Trading (Shanghai) Co., Ltd.	March 13, 2006	Room 6A, No.1358, Yan'an West Road, Shanghai City	78,575	Sales of chemical products and equipment, etc.

(III) Information of shareholders with corporate governance power while working in the company: None.

(IV) Business of affiliates and their relationships

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



## (V) Information regarding the Directors, supervisors and general managers of affiliated companies

December 31, 2025

Unit: NT\$ thousands; shares; %

Company name	Title	Name or representative	Number of shares held in person/ shareholding percentage	Number of shares held by juristic persons represented/ shareholding percentage
APC (BVI) Holding Co., Ltd.	Directors	Wu I-Kuei	0/0%	—
	Directors	Wu Pei-Chi	0/0%	
	Directors	Pi Shu-Chien	0/0%	
	Directors	Huang Ya-I	0/0%	
USI International Corporation.	Directors	Wu I-Kuei	0/0%	—
	Directors	Wu Pei-Chi	0/0%	
	Directors	Yang Wen-Li	0/0%	
	Directors	Huang Ya-I	0/0%	
APC Investment Co., Ltd.	Chairman	Wu I-Kuei (assigned Asia polymer Co., Ltd.)	0/0%	20,000,000/100
	Directors	Wu Pei-Chi (Appointed by Asia polymer Co., Ltd.)	0/0%	
	Directors	Huang Ya-I (Appointed by Asia polymer Co., Ltd.)	0/0%	
	Supervisors	Chen Yung-Chih (Appointed by Asia polymer Co., Ltd.)	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	Chiao-Feng Wu (Appointed by APC (BVI) Holding Co., Ltd.)	0/0%	
	Directors	Huang Ya-I (Appointed by APC (BVI) Holding Co., Ltd.)	0/0%	
	Directors	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%	—

(VI) Operating status of affiliates

Unit: NT\$ thousands

Company name	Capital contribution	Total assets	Total liabilities	Net value	Operating revenue	Operating (loss) gain	Profit or loss for the current period (after taxes)	Earnings per share (NT\$) (after tax)
APC (BVI) Holding Co., Ltd.	356,498	701,792	-	701,792	-	-	15,650	1.38
USI International Corporation.	94,290	98,555	3,982	94,573	-	(1,033)	(626)	(0.21)
APC Investment Corporation	200,000	139,314	1,017	138,297	-	(320)	(3,803)	(0.19)
USI Trading (Shanghai) Co., Ltd.	78,575	245,432	56,950	188,482	251,238	7,380	8,051	-



## Declaration of Consolidated Financial Report of Affiliates

The entities that are required to be included in the combined financial statements of Asia Polymer Corporation as of and for the year ended December 31, 2025, under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises,” are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standard 10, “Consolidated Financial Statements.” In addition, the information required to be disclosed in the combined financial statements of affiliates is included in the consolidated financial statements of Asia Polymer Corporation and Subsidiaries. Consequently, we do not prepare a separate set of combined financial statements of affiliates.

Sincerely

Company Name: Asia Polymer Corporation



Representative: Wu, I-Kuei



March 10, 2026

ASIA POLYMER CORPORATION  
Affiliation Report  
2025

1. Declaration of affiliation report
2. Independent auditor's opinion on affiliation report



### Declaration of affiliation report

The 2025 Affiliation Report (from January 1 to December 31, 2025) was 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 to this letter.

Sincerely

Company Name: Asia Polymer Corporation



Chairman: Wu, I-Kuei



March 10, 2026

2. Independent auditor's opinion on affiliation report

March 10, 2026 No. 11502108, Audited by Deloitte

Attn: Asia Polymer Corporation

Subject: We express our opinions on the Company's 2025 affiliation report that it does not contain any material inconsistency

Explanation:

- I. Your Company has issued a statement on the 2025 Affiliation Report (from January 1 to December 31, 2025) prepared by your Company, on March 10, 2026 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 2025 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 & Touche

CAP

Chiu, Cheng-Chun



CAP

Chuang, Pi-Yu





### 3. Overview on the relationship between affiliates and holding company

Unit: Share; %

Name of Holding Company	Reasons for the Control	Shares Held and Pledged by Controlling Company			Directors, Supervisors or Managerial Officers Appointed by the Controlling Company	
		Shares Held	Shareholding Ratio	Pledged Shares	Title	Name
Shing Li Enterprises (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 Directors	Wu I-Kuei Li Kuo-Hung

#### 4. Purchase and sales transactions

Unit: NT\$ thousand, %

Name of Holding Company	Transaction status with the controlling company				Transaction terms with the controlling company		Regular transaction terms		Cause of variation	Accounts receivable (payable) and notes		Overdue accounts receivable			Remark(s)
	Purchase (Sale)	Amount	Percentage to total purchases (sales)	Gross profit	Unit price (NTD)	Credit period	Unit price (NTD)	Credit period		Cash balance	Percentage to total accounts/notes receivables	Amount	Action taken	Allowance for doubtful accounts	
USI Corporation	Sales of goods	319,842	5.70%	36,976	38~51	60 days	33~64	30-90 days	None	39,761	15.73%	0	None	0	-
	Purchases	84,547	2.28%	-	22~25	30 days	22~26	30 days	None	4,776	2.29%	-	-	-	-

5. Property transactions: None.

6. Status of financing: None.

7. Lease of assets

Unit: NT\$ thousands


Name of Holding Company	Type of Transaction	Subject		Lease Term	Nature of Lease	Basis for rents	collection Terms	Comparison with general rent levels	Total rent for the current period	Collection status for the current period	Other Agreements
		Title	Location								
USI Corporation	Lessor	Office and parking spaces	9th and 10th Floor, No. 37, Jihu Road, Taipei City	2025.1.1-2025.12.31	Operating lease	Market price	Monthly payment	Equivalent	1,850	normal	None
	Lessee	Office and parking spaces	12F, No. 37, Jihu Road, Taipei City, Taiwan	2025.1.1-2025.12.31	Operating lease	Market price	Monthly payment	Equivalent	2,459	normal	None
Union Polymer International Investment Corp.	Lessor	Office	10th Floor, No. 37, Ji-Hu Road, Taipei City 114, Taiwan, R.O.C.	2025.1.1-2025.12.31	Operating lease	Market price	Monthly payment	Equivalent	8	normal	None

8. 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

