Asia Polymer Corporation

2024 ESG Report

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About the Report GRI 2-2, 2-5

This report is the 11th Issue published by Asia Polymer Corporation (referenced hereafter as APC, the Company, or we). By adhering to the principles of openness and transparency, it discloses non-financial information regarding the Environmental, Social, and Governance (ESG) aspects, focusing on the management of material topics and performance. It also aligns with the outcomes of action plans related to the United Nations Sustainable Development Goals (SDGs). This enables stakeholders and the general public to understand Asia Polymer's achievements and prospects in sustainable development.

Principles of Report Compilation

Issued Organization	In Accordance With
Global Reporting Initiative (GRI)	GRI Standards
Sustainability Accounting Standards Board (SASB)	Sustainability Accounting Standards Board Standards
Financial Stability Board (FSB)	Task Force on Climate-Related Financial Disclosures (TCFD)
Taiwan Stock Exchange	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies
United Nations	Sustainable Development Goals (SDGs)
	United Nations Global Compact

Reporting Period and Scope GRI 2-2, 2-3, 2-4

This report covers APC and its consolidated subsidiaries (including Taipei HQ, the Kaohsiung Linyuan Plant, Ju Hua (Shanghai), and USI International Corporation) as well as the public welfare investments of the USI Education Foundation. The energy and human resources performance do not include USI Trading (Shanghai) Co., Ltd., USI International Corporation and USI Education Foundation. The information disclosure period is from January 1, 2024 to December 31, 2024, and the reporting frequency is once a year. The report contents demonstrate the management performance in governance, environmental, and social aspects, with financial information consistent with financial data. Some statistical data are cited from the annual report, government agencies, and open information from related websites. The report information is reviewed and restated in accordance with GRI Standards requirements. Unless otherwise stated, all currency is in NT$.

Third-Party Assurance GRI 2-3, 2-5

This Report complies with the GRI Standards, with Deloitte & Touche serving as the Third-party assurance unit. It reviewed the GRI standards conformity and conducted limited assurance operations on five ESG indicators in accordance with the provision of Assurance Engagements 3000, and issued an assurance report.

Publication Overview GRI 2-3

First Issue:
December 2015

Current Issue:
August 2025

Previous Issue:
August 2024

2025
Coming Soon

Next Issue:
August 2026

Procedures of Report Compilation and Management

1 Data Collection and Identification

1. Hold kickoff meetings to explain the compilation focus.
2. Identification of Stakeholders and Material Topics.
3. Collect relevant data by panel members according to their groups.
4. Data review by the panel chief of each unit.

2 Editing and Review

1. Compilation and editing of the first draft by the ESG project secretary.
2. Review and revision by the panel members.
3. Internal review the report by the Predictive Maintenance & Environmental Risk Management Division (abbreviated as PdM & ERM Division) of the unit responsible for Sustainable Development in USI Group.

3 Third-Party Assurance and Art Design

1. Third-party assurance operations.
2. Graphic design operations.

4 Publication

1. Approval by the ESG Committee.
2. Publication after approval by the Board of Directors.

Report Download

To support environmental protection and promote paperless practices, the complete contents of this report will be published over the "ESG" section on the APC website, available for download by stakeholders and the general public. The download URL is

https://www.apc.com.tw/ESG/zh-tw/ESG82.aspx

Contact Information GRI 2-3

Should you have any comment or suggestion for our report, please feel free to contact us.

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Message from the Chairman GRI 2-22

Facing the intertwined changes in the international economy and geopolitical landscape, along with the escalating environmental challenges posed by climate risks, in 2024, we will continue to uphold the philosophy of "creating sustainable value for a sustainable society". We will maintain stable operations, actively respond to external uncertainties, deepen corporate resilience, and enhance sustainable competitiveness.

Over the past year, with the concerted efforts of the entire group, we have not only delivered steady operational results, but also demonstrated tangible progress in product innovation and sustainable management. We are actively engaged in the development of new products, including key forward-looking technologies, such as lightweight ABS, cooling rubber, and SiC semiconductor materials. Additionally, we have launched innovative applications for consumer products, such as the CBC sterilization kettle, to expand our presence in the B2C market. USI, APC, and TTC also completed the SGS ISO 14021 Pre-consumer Recycled Material Certification. Through innovative processes, they classified and purified valuable process waste into high-value recycled products, creating new market opportunities and concretely achieving the dual goals of circular economy and green manufacturing.

In ESG practices, we continuously expand international connections and the maturity of internal governance. In 2024, USI and China General Plastics Corporation (CGPC) participated in the international CDP evaluations and both received double B ratings in carbon and water security, demonstrating the companies' transparency in information and action in the fields of climate change and Water Stewardship. Expand the goal of achieving a 27% carbon reduction by 2030 compared to 2017 from domestic production plants to all domestic and overseas companies. A reduction achievement of 20.7% was reached in 2024, demonstrating our strong commitment to climate action. The grid-connected solar PV capacity has been increased to 8.6 MW, with an estimated annual generation of over 10.73 million kWh. The installation scale is expected to reach 10 MW and 20 MW in 2025 and 2027, respectively, steadily advancing towards low-carbon operations.

At the same time, we continue to focus on human rights protection and employee well-being, dedicated to creating a diverse and inclusive workplace environment. This year, USI, APC, TTC, and CGPC have all been recognized by the Occupational Safety and Health Administration as outstanding enterprises for their achievements in the "Occupational Health and Safety Indicators." Through the USI Education Foundation, they have long been committed to social care actions, including remote township education, indigenous community care, and environmental protection, to fulfill their corporate social responsibilities.

ESG Achievements in 2024

2023 Asia Polymer Sustainability Reports participated in the 17th Taiwan Corporate Sustainability Awards (TCSA) and was honored with the "Platinum Award" and recognition as one of "Taiwan's Top 100 Sustainable Enterprises", along with ranking top 6~20% at the 11th Corporate Governance Evaluation. The GHG emissions in 2024 have reduced by 13.9% compared to the base year, and ongoing climate adaptation activities continue to be carried out. In occupational health and safety, zero lost-time due to disabling injury have reached 6.31 million hours by 2024, and the record continues to be maintained.

Looking ahead, in the face of challenges and opportunities brought by the transformation of semiconductor materials and the B2C market, we will continue to enhance market sensitivity and production line flexibility. We aim to drive innovation and, with a forward-looking vision, work alongside industry chain partners to create sustainable value. We believe that with the concerted efforts of all colleagues, we can lead the group to progress steadily and make solid strides on the path of sustainable development, creating a long-term future together.

Asia Polymer Corporation
Chairman

Quintin Wu, Chairman

2024

Governance

1. Revenues of NT$ 6,031 million, with an annual decrease of 10.2%.
2. Net loss after tax is NT$ 751 million.
3. Total output 131,105 MT, with an annual decrease of 0.86%.
4. Ranked top 6~20% at the 11th Corporate Governance Evaluation.
5. Corporate Sustainability Report Awards at the 17th Taiwan Corporate Sustainability Awards (TCSA) - "**Traditional Manufacturing Industries - Platinum Award**".
6. 17th Taiwan Corporate Sustainability Awards (TCSA), Comprehensive Performance Categories - "**Taiwan Top 100 Sustainable Enterprises Award**".
7. Developed 9 recycled plastic products, passed SGS international certification, and obtained the ISO 14021 Pre-Consumer Recycled Material certification.

Environmental

1. Unit product energy consumption is 5.94 GJ/MT, with a decrease of 2.46%.
2. Water consumption per unit product is 3.7 M^3/MT, maintaining optimal levels.
3. Self-Generation Energy (Solar PV) 556,704 GJ, all of which was sold to Taiwan Power Company.
4. Reported green procurement amount is NT$ 7.57 million.
5. Reduced electricity consumption by 1.58 % on average each year from 2015 to 2024, which complies with the Energy Administration's regulatory requirement of 1%.
6. Won the Excellence Award at the 3rd "Net-Zero Industry Competitiveness" Awards
7. GHG emissions were 100,912 MT CO_2e, with 13.9% less than the base year (2017).
8. Waste intensity 0.0025 MT/MT, reduced by 41.86%.
9. The Energy Saving and Carbon Reduction Program saved energy by 8,740 GJ and reduced carbon by 1,076 MT CO_2e.

Social

1. Employee Turnover Rate 0.85%
2. The total cumulative of zero lost-time due to disabling injury have reached 6.31 million working hours. (Cumulative period: October 14, 2010 to December 31, 2024)
3. Employees received a total of 7,039 hours of occupational safety training, accounting for approximately 68% of the total hours of educational training, which was 10,425 hours.
4. Donated NT$ 3 million to the USI Education Foundation to support the remote townships' education, public welfare, assist community development, etc.
5. Honored by the Occupational Health and Safety Administration as the top 10% outstanding enterprise in the "Proactive Evaluation of Occupational Health and Safety Indicators in Corporate Sustainability Reports".

ESG Awards in 2024

Platinum Award - Sustainability Report Categories at the 17th Taiwan Corporate Sustainability Awards (TCSA)

"Taiwan Top 100 Sustainable Enterprises Award" at the 17th Taiwan Corporate Sustainability Awards (TCSA)

"Outstanding Unit in Net-Zero Green Living"

"Net-Zero Industry Competitiveness - Excellence"

Top 10% enterprise in the "Proactive Evaluation of Occupational Health and Safety Indicators in Corporate Sustainability Reports" by the Occupational Health and Safety Administration

2024 Sustainability Activities

Acknowledgment of Outstanding Adoption Unit in the "Air Quality Purification Zone" Activity

"Development and Certification (ISO 14021) of Recycled Plastic Products (LDPE)"

"Love RUN Qijin Starlight Charity Run" Event

CH1 Sustainable Development

1.1 About Asia Polymer

APC Introduction

The APC (Stock code: 1308) was established on January 25, 1977, with its operational headquarters based in Taipei. In response to the government's policy of promoting investment intention, we constructed a polyethylene plant in the Linyuan Petrochemical Industrial Park in Kaohsiung. Its primary business focuses on the development, manufacturing, and sales of low-density polyethylene resin and ethylene vinyl acetate copolymer resin.

After two production line expansions in May 1984 and September 2015, the current annual production capacity is 145,000 MT.

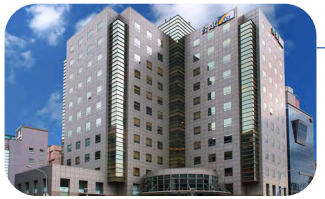
In compliance with the "Autonomous Ordinance for the Management of Existing Industrial Pipelines in Kaohsiung City", corporate headquarters were relocated to the Linyuan Plant in Kaohsiung in June 2016.

Basic Information GRI 2-1, 2-8

Name of Company	Asia Polymer Corporation
Establishment Date	January 25, 1977
Industry	Plastics industry
Chairman	Quintin Wu
President	Wu, Pei-Chi
Capital	NT$ 5.937 billion
Number of employees	234 people (As of December 31, 2024)
Head Office	No. 3, Industrial 1st. Rd., Linyuan Dist., Kaohsiung City
Taipei HQ	12F, No. 37, Jihu Rd., Neihu Dist., Taipei City
Kaohsiung City Revenue	NT$ 6,031 million
Total Production	131,105 MT
Major Products	Low Density Polyethylene Resin (LDPE) Ethylene Vinyl Acetate Copolymer Resin (EVA)

Geographical Distribution of the Organization GRI 2-1

Asia Polymer's major operational hubs are all located in Taiwan, including Taipei HQ and the Linyuan Plant. Taipei HQ oversees product sales, whereas the Linyuan Plant is dedicated to research and development, product manufacturing, and shipment.



Taipei HQ

HQ, Linyuan Plant

Operational Deployment

With visions of becoming the leader of EVA manufacturing, APC has kept innovative R&D capabilities in Taiwan, developing higher-valued products and high-end applications, in addition to remaining flexible in adjusting its product portfolio to meet market demands. Besides the aforementioned, APC has also set its sights on the Greater China market, enhancing global market competitiveness through re-investing in the"Gulei Integrated Refinery Project" in Zhangzhou, Fujian, through a third area, vertically integrating steam cracking, petrochemical intermediate materials, and plastic products, combined with investments in the Port of Kaohsiung Intercontinental storage and transportation project Phase II to reduce transportation costs and boosting competitive niche.

Corporate History

1977
- Company Establishment
- Constructed a polyethylene plant in the Linyuan Petrochemical Industrial Park in Kaohsiung.

1970

1984
The 3rd production line was constructed and started mass production.

1986
- Listed as a stock exchange on the Taiwan Stock Exchange (TWSE).
- Australian BTR NYLEX invested in APC and acquired 51% of our shares and transferred the shares to its subsidiary, BTRN Asia, in the same year.

1980

1994
- Passed the ISO 9002 certification.

1997
- BTRN Asia transferred 51% of its shares to Bermuda Belgravia One Limited co-invested by USI and the UPC Technology Corporation.

1990

1998
- Passed the ISO 14001 certification.

2001
- Passed the OHSAS 18001 certification.

2009
- Passed the SONY GP certification.

2000

2011
- The Board passed the construction of a 45,000MT EVA production line in the Linyuan Plant.

2016
- Relocated the head office to the Linyuan Plant in Kaohsiung
- Completed and started the commercial operation of the 4th EVA production line.

2010

2017
- Started the construction of the Gulei Project in Fujian.

2019
- The Board passed the investment in the Kaohsiung Intercontinental Container Terminal Project Phase II.
- Passed the ISO 50001 certification.
- Passed the ISO 45001 certification.

2021
- Implemented the Process Safety Management (PSM) system.

2022
- Completed the ISO 14064-1 GHG inventory and verification of the APC Linyuan Plant.

2023
- The Gulei Integrated Refinery Project has been completed and is fully operational.

2020

2024
- Completion of the Ethylene Underground Pipelines construction of the second phase of Kaohsiung Intercontinental port area.
- Passed ISO 14021 certification

Major Products GRI 2-6

Asia Polymer operates in the plastics industry, mainly producing the following two types of resins: low density polyethylene (LDPE) and ethylene vinyl acetate copolymer resin (EVA).

LDPE can be divided by application into film grade, injection grade, and lamination grade.

Film Grade: Various packaging films and extruded tubes made by blowing or casting.
Injection Grade: Artificial flowers and plastic household products made through injection molding, and bicycle cargo racks / baskets and other processing products such as foam nets and microfiber made through powder coating.
Lamination Grade: Packaging materials for processed foods/beverages and release paper made through lamination/coating, etc.

APC's 2024 LDPE output: 43,479 MT; Sales: 45,248 MT.

EVA can be divided by application into foaming grade, PV grade, and lamination grade

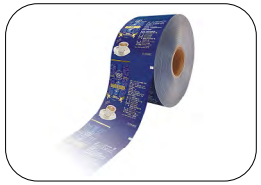
Foaming Grade: Shoe insole materials made through injection molding or compression molding.
PV Grade: PV battery module packaging film made through extrusion molding.
Lamination Grade: Coating on BOPP, PET substrates to produce pre-coating, card laminate, and packaging material products.
Hot Melt Adhesive Grade: Hot melt adhesive.

APC's 2024 EVA output: 87,626 MT; Sales: 87,656 MT.

LDPE Applications

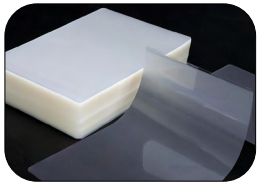

Packaging films


Medical extrusion tubes


Colored laminations

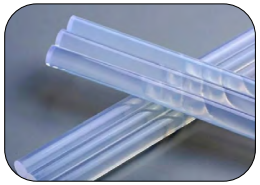

Candy jars

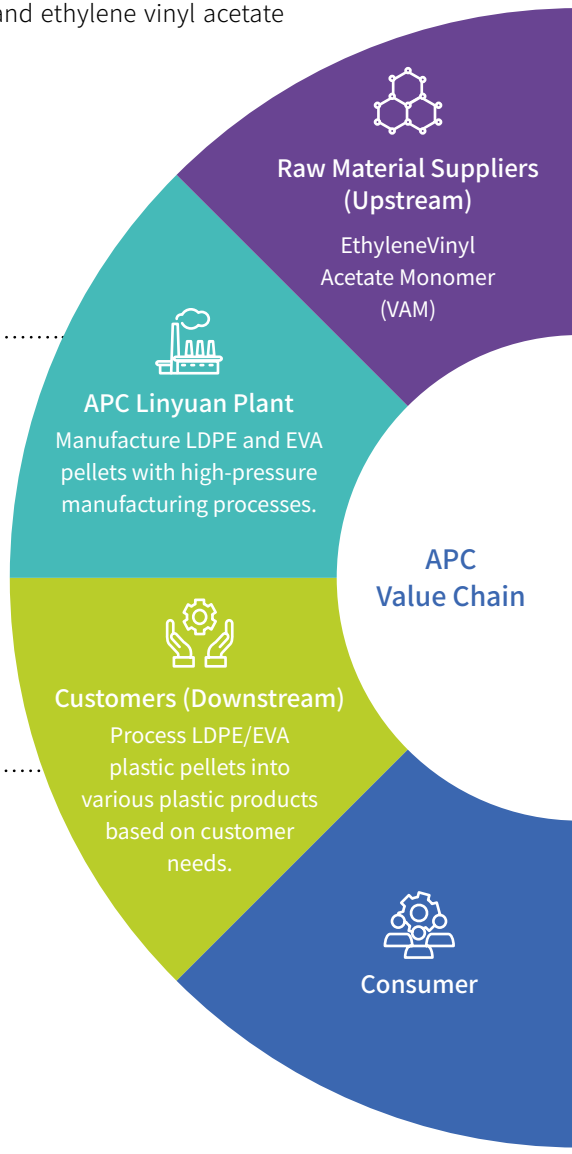
EVA Applications


Card laminating


PV module packaging films


Foamed shoe materials


Hot melt adhesives



Business Philosophy and Goals

As a member of USIG, APC upholds USI's business philosophy: "Solid operations, professional management, seeking excellence, and serving society" to pursue operational excellence and sustainable development. Through investment in upstream material ethylene and continual product innovation and R&D, we stabilize the supply of raw materials and fulfill product customization of customers to create economic benefits and enhance production efficiency, with the ultimate goal of achieving the vision of corporate sustainable operations and social responsibility.

APC Sustainability Strategy

Innovative Technology

Through continual improvement of product quality and new product development, we aim to become market pioneers.

Sustainable Development

Through continual process improvement, energy conservation, and waste reduction, we promote environmental sustainability and survival.

Safety and Harmony

Through building a safe and harmonious workplace environment and public welfare participation, we fulfill our corporate social responsibility.

Membership Associations GRI 2-28

Industry intelligence exchange is a drive for corporate growth. APC actively participates in various professional groups and enhance influence by collaborating with external powers. Through such interaction and business association, we share and promote professional technologies and competencies in various fields. We also sponsor associations to publish journals and organize activities so as to promote industry development.

Major External Associations Participated by APC in 2024

Name of Organization	Petrochemical Industry Association of Taiwan	Taiwan Synthetic Resins Manufacturers Association	Taiwan Responsible Care Association (TRCA)	Industrial Safety and Health Association of the ROC	Kaohsiung Industrial Association
Member	●	●	●	●	●
Supervisor/Director	●		●		

1.2 Sustainable Development Visions and Goals

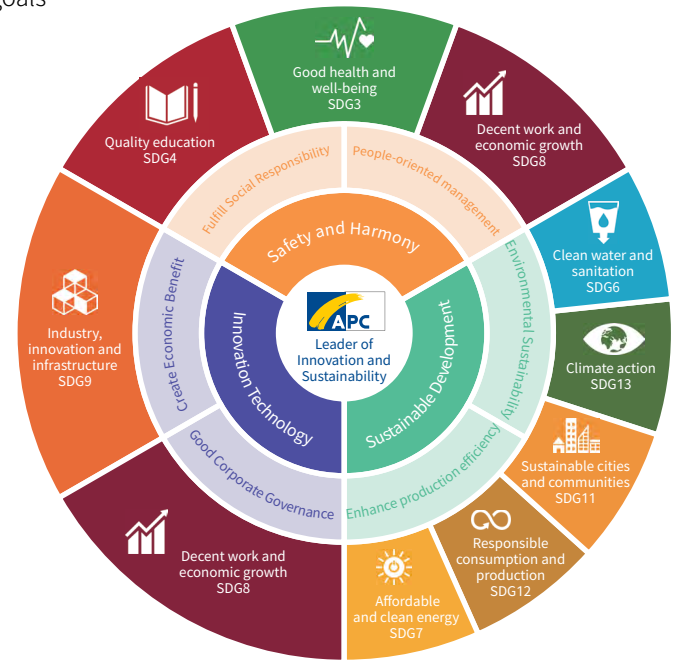
USIG Vision: Create sustainable value for a sustainable society.

We aim to continuously create and concentrate sustainable value through our core competencies, thereby contributing to social sustainability.

The three core strategies derived from the Sustainable Development Visions and Goals: "R&D Innovation," "Solid Operations," and "Social Inclusion," with the aim of co-creating value with stakeholders. We continue the development of Core Strategy Contents by focusing on 7 Key Topics, and collaboratively build a foundation with partners who embody integrity and insight.

APC Sustainability Vision	Leader of Innovation and Sustainability
Principles of Sustainable Strategy	Innovative Technology, Sustainable Development, Safety and Harmony
Sustainability Approaches	Create economic benefits, Good Corporate Governance, Enhance production efficiency, Environmental sustainability and survival, people-oriented management, ESG fulfillment

As a member of USIG, APC follows the group's Sustainable Development Visions and Goals (GRI 2-23), establishing APC's sustainable development vision under the group's business philosophy and cultural characteristics. APC formulates sustainable strategy principles and guidelines, integrating USIG's key topics as the basis for APC to pursue its vision and goals



Respond to the United Nations Sustainable Development Goals GRI 2-24

With the core values of sustainable development as a basis, and integrating the United Nations Sustainable Development Goals (SDGs) with Asia Polymer's sustainability approaches, we identify the relevance of sustainability approaches to the SDGs through the three stages of "Analysis and Identification," "Goal Setting," and "Response and Disclosure," and set related goals to incorporate them into operations management.

Analysis and Identification
9 corresponding SDGs of APC

- We analyzed and identified the corresponding SDGs based on the results of material issues identification and during operations.
- In 2024, there were 9 corresponding SDGs.

Goal Setting
26 Sustainability Indicators

- By linking SDGs with APC material issues, we set goals and evaluate their performance.
- In 2024, there were 26 sustainability indicators.

Response and Disclosure

Through disclosing the performance in implementing the plans in relation to the sustainability indicators, APC understands the insufficiencies required for improvement and make continual innovation and improvement to bring substantive social contributions.

Correspondence and Actions between SDGs and Sustainability Approaches Goals

Note: ( ) represents detailed goals of the SDGs

SDGs	Sustainability Approaches	SDGs	Sustainability Approaches
Good Health and Well-being (3.7、3.9、3.d) Provide employees with high-quality healthcare service through a well-established welfare system and reduce causalities and accidents through management of highly hazardous chemicals.	People-oriented management	**Industry Innovation and Infrastructure (9.5、9.b)** Provide R&D resources and engage in product innovation and R&D to increase product added value.	Create economic benefits
Quality Education (4.3、4.5) Support and sponsor education and sustainable development in remote townships to ensure equal opportunity of education for underseved children.	ESG fulfillment	**Sustainable Cities and Communities (11.6)** Reduce air pollutant emissions and improve waste management to reduce the production of hazardous substances and enhance environmental quality.	Environmental sustainability and survival
Clean Water and Sanitation (6.3、6.4、6.5) Enhance water efficiency and reduce impacts on water and ecosystems through the quality control, recycling, and reuse of effluents.	Environmental sustainability and survival	**Responsible Consumption and Production (12.2、12.4、12.5、12.7)** Enhance materials efficiency, recycling, and reuse to reduce waste generation and practice sustainable resource management; Implement green procurement to practice sustainable purchasing.	Enhance production efficiency Environmental sustainability and survival
Affordable and Clean Energy (7.2、7.3、7.a) Enhance energy efficiency and develop renewable energy facilities for environmental sustainability through clean production and green manufacturing.	Enhance production efficiency Environmental sustainability and survival	**Climate Action (13.2、13.3)** Assess risks and opportunities due to climate change and integrating counter-measures into policies and action plans to lower the environmental impact brought by climate change.	Environmental sustainability and survival
Decent Work and Economic Growth (8.2、8.5、8.7、8.8) Improve economic performance, provide a safe workplace environment, ban child labor, and ensure remuneration equality to maintain human rights and the right to work for workers.	People-Oriented Management Good Corporate Governance		

Note: (X) represents unachieved

SDGs	Goals	2024 Performance	Improvement/Optimization Methods	Response
	· Provide insurance/healthcare benefits · Promote Process Safety Management (PSM) progress: 80%	· Employee group medical insurance for each employee · Birth allowance for 4 people, NT$ 10,000 each · Four sessions of employee health checkups, with a total of 216 people · On-site service of contracted physicians for 6 times · Promote Process Safety Management (PSM) progress: 75% (X) · Total Count of Process Safety Incidents (PSIC): 0 incidents	Regularly track the progress of the information platform establishment and review the issues during the PSM promotion meeting.	5.2 Talent Development 5.4 Healthy Workplace
	· Setup scholarships and grants · Practicing education for remote townships	Sponsoring NT$ 3 million to USI Education Foundation for caring about vulnerable groups, remote townships education, and setting up scholarships.	—	5.5 Social Engagement
	· Water reclamation rate (R2): >95.0% · Water consumption per unit product: <4.0 M_3/MT · Effluent water quality, COD <90 mg/L	· Water reclamation rate (R2): 97.5% · Water consumption per unit product: 3.70 M_3/MT (maintaining optimal levels) · Effluent COD 38.57 mg/L	—	4.1 Resource Management
	· Unit product energy consumption: 6.09 GJ/MT · Set energy conservation target: Electricity conservation rate 1.0% · Build green power (solar PV) installations.	· Unit product energy consumption (or energy intensity): 5.94 GJ/MT · Electricity conservation rate 1.6% · Procurement of 1.91 million kWh of green power (solar), to be supplied and used starting January 1, 2025. · A second self-generation and self-consumption solar PV power plant with a capacity of 494 kW will be installed in 2025.	1. Continue to undergo equipment replacement 2. Replace energy-saving equipment and increase green procurement expenditure 3. Implement energy efficiency improvement projects.	4.2 Climate Change and Energy Management
	· Maintain corporate growth through sustainable investment · Ban child labor and ensure remuneration equality · Maintain human rights and the right to work for workers · Zero occupational accidents	· Net loss after tax is NT$ 751 million (X) · Ratio of salary and remuneration of women to men: Intermediate and junior management 0.98:1 and general employees 0.93:1 · Employment of people with disabilities 2; No child labor. · Disabling Injury Frequency Rate (F.R.): 0; The total cumulative of zero lost-time due to disabling injury have reached 6.31 million working hours.	1. Continuous developing the products of higher-valued and high-end applications, such as hot melt adhesive. 2. Develop recycled plastic products to align with ESG trends and fulfill customer demands.	2.2 Economic Performance 5.2 Talent Development 5.3 Human Rights Policy 5.4 Healthy Workplace
	· At least 1 product development or quality improvement per year · Provide resources required for R&D and innovation	· Product development: 1, Quality improvement: 2 · R&D Workforces: 31 people; R&D Funds: NT$ 4,107 thousand.	—	3.1 Technology R&D
	· Air pollution emission monitoring and improvement · Monthly inspection points for equipment components ≧ 420 points. · Effective waste management reduces environmental impact	· Unit product air pollutant emissions (NOx, SOx, VOCs) are all below the target control values. · Monthly inspection of 770 points for equipment and component leakage · Waste intensity 0.0025 MT/MT, reduced by 41.86% compared to the previous year.	—	4.3 Emissions Management 4.4 Waste Management
	· Ethylene efficiency ≤ 1.009 · Flexible intermediate bulk container (FIBC) recovery rate >78% · Circular economy, waste metal recovery · Development and Certification (ISO 14021) of Recycled Plastic Products (LDPE) · Green procurement amount > NT$ 5 million	· Ethylene efficiency 0.9973 · Flexible intermediate bulk container recovery rate 79.5% · Waste metal recovery 46.41 MT · Passed material certification for recycled plastic products ISO 14021 and met customer demand standards. · Reported green procurement amount for 2024 is NT$ 7.57 million.	—	4.1 Resource Management 4.2 Climate change and Energy management 3.3 Supply Chain Management
	· Climate Change Risk Management · Establish the carbon reduction commitment to reduce emissions by 27% over baseline year 2017 by 2030. · Achieve a 27% reduction and reach carbon neutrality by 2050.	· We have identified 24 climate-related risks and opportunities, identifying 10 significant climate topics and formulated countermeasures to address the potential financial impacts based on the TCFD framework. · Implement the ISO 50001 Energy Management System, monitor energy performance indicators, and continuously improve. · The GHG emissions in 2024 have been reduced by 13.9% compared to the base year (2017).		4.2 Climate Change and Energy Management

Asia Polymer establishes the following short-term action plans and medium- to long-term plans in accordance with the SDGs-linked sustainability approaches are as follows:

Sustainability Approaches	Short-term Action Plans (2024~2026)	Medium- to Long-Term Plan (2027~2030)
Governance Create Economic Benefits Good Corporate Governance	● Enhance materials dispatch flexibility for Kaohsiung Intercontinental Container Terminal (ICT) Phase II Investment Project ● Gulei Petrochemical Integrated Plant has officially began production, with optimal adjustments to the process. ● Remains flexible in adjusting its product portfolio in the domestic production line. ● Leveraging AI intelligent production and adding a DCS + data platform toenhance production efficiency.	● Actively developing markets outside of Mainland China (Southeast Asia, South Asia regions) ● Integrate product and production lines to enhance market influence. ● Continuous developing the products of higher-valued and high-end applications.
Environmental Enhance Production Efficiency Environmental Sustainability and Survival	● Complete the progress of GHG inventory and assurance, in compliance with government regulations. ● Enhance resource efficiency and reduce effluents and waste. ● Equipment replacement, implement energy saving and carbon reduction programs, and climate adaptation measures. ● Install a self-consumption solar PV power plant (494 kW). ● Procurement of 1.91 million kWh of green power, to be supplied and used starting January 1, 2025. ● Passed the ISO 14021 certification for recycled plastic products.	● Align with International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. ● Promote clean production and green manufacturing. ● Response to the potential financial impact of risks and opportunities on the topic of climate change. ● Implement the Group's 27% carbon reduction goal by 2030 and achieve the carbon neutral goal by 2050.
Social People-Oriented Management ESG Fulfillment	● Execute human rights due diligence, identify human rights risks, reduce measures of human rights risks, provide training on human rights protection practices, and implement protection of human rights. ● Promote Process Safety Management (PSM) ● Implement Occupational Health and Safety management and maintain a record of zero occupational accidents ● Invest resources in caring for underserved groups, education in remote areas, assist in community development, and promote domestic cultural development, along with other charitable activities.	● Value employee rights, ensure workplace safety, and foster an environment of respect and dignity for all employees. ● Implement retirement succession plans to prevent talent gaps. ● Enhance industrial safety checks for zero workplace accidents. ● Continuously sponsor charitable activities to enhance social service capacity. ● Support local community activities and maintain good neighborly relations.

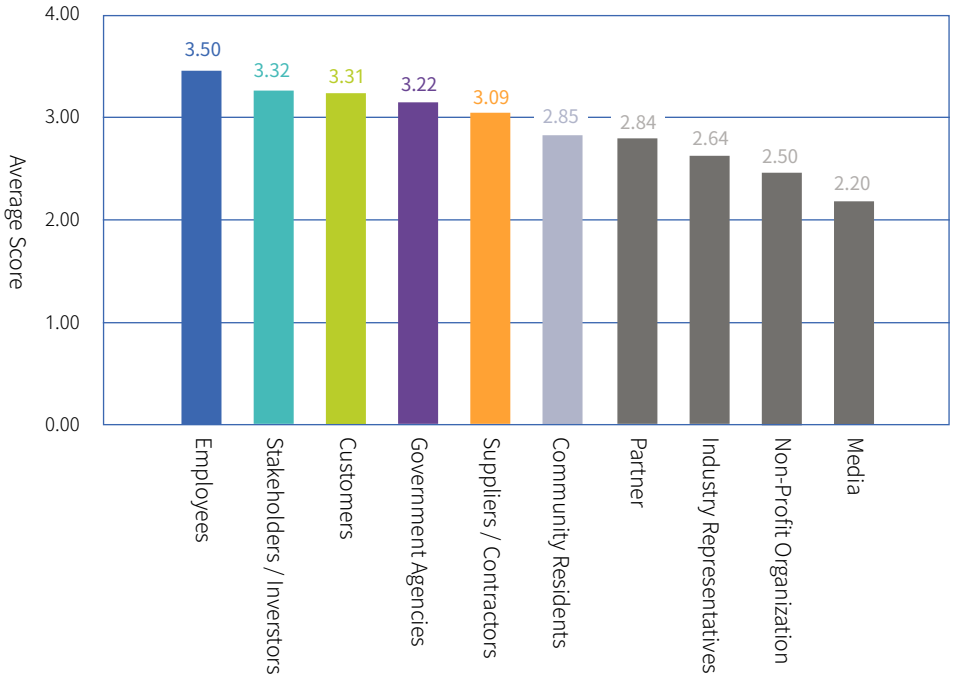
1.3 Stakeholder Engagement GRI 2-12, 2-29

Identification of Key Stakeholders

The annual assessment is conducted by a working group under the "ESG Committee"comprised of representatives from 19 APC departments. Each group member lists the stakeholders with close contacts and influence by business, such as employees, stakeholders/investors, customers, suppliers/contractors, community residents, government agencies, non-profit organizations, industry representatives, partners, and the media.

According to the Responsibility, Influence, Dependency, Diverse Perspectives, and Tension items in the AA 1000 Stakeholder Engagement Standard (SES 2015), stakeholders are evaluated based on the closeness of their relationship to each standard on a scale of 0 to 4. The results of the stakeholder identification assessment are sorted by average score, as diagrammed below:

Prioritization of APC Stakeholders in 2024



After discussing the results of stakeholder identification and evaluation by the project secretary and three team leaders of the ESG Committee, determined the following six major stakeholder categories based on the evaluation score **"employees, stakeholders/investors, customers, government agencies, suppliers/contractors, and community residents". Stakeholder engagement results, including stakeholder identification, concerned topics, communication channels and frequency, and APC response methods were approved by the ESG Committee and reported to the Board of Directors.**

APC Major Stakeholders in 2024

Concerned Topic and Response

Through the external business communication in routine operations, the ESG Committee working group collected the "Concerned Topics and Communication Channels/ Frequency"of the six major stakeholder categories and addressed the concerned issues and the status of implementation. The concerned topics, communication channels, and responses of major stakeholder groups in 2024 are tabulated below:

Major Stakeholder	Materiality	Concerned Topic	Communication Channels (Frequency)	APC Response (Responsible Units)	Status of Implementation	Response
 **Employees**	Employees are essential assets of APC. Through robust salary structure, benefit system, and educational training, employees' cohesion is strengthened, enhancing professional knowledge and skills, coexisting and thriving with the sustainable development of the company.	· Economic Performance · Talent Attraction and Retention · Occupational Safety and Health · Climate Change and · Energy Management	· Employee Welfare Committee (3 times/year) · Occupational Health and Safety Committee (1 time/quarter) · Employee health checkup (1 time/ year) · Educational training (Implemented according to plan) · Enterprise union members meeting (1 time/year) · The enterprise union supervisor/ director meeting (4 times/year) · The Labor Retirement Reserve Supervision Committee (2 times/ year) · Performance review (1 time/year) · Material Topics questionnaire survey (1 time/2 years)	· The annual report and financial statements are disclosed regularly according to regulations. (Accounting Division) · Through labor occupational safety and health educational training and emergency response drills, achieve the goals of zero occupational accidents. (Industrial Safety Office) · Provide appropriate remuneration and a robust benefits system, with annual performance appraisal and salary adjustments and comprehensive job education and training to achieve the goals of nurturing and retaining talent. Human Resources Division/Human Resources Section · USI Green Energy will sign Corporate Power Purchase Agreements (CPPA) with each plant within the group. (Instrumentation and Electricity Section) · Pass the self-consumption solar PV installation project. (Instrumentation and Electricity Section)	· The annual report and financial statements are disclosed according to regulations. · Employee Welfare Committee conducted meetings 4 times. · Yearly performance appraisal and salary adjustment conducted once. · Occupational Health and Safety Committee conducted 4 times. · The Labor Retirement Reserve Supervision Committee conducted 2 times. · Four sessions of employee health checkups · Contracted physicians conduct health services a total of 6 times. · OHS Education and Training for 1,331 persons, 6,689 hours. · A Corporate Power Purchase Agreement (CPPA) for renewable energy has been signed, and it is expected to supply green power in 2025. · A self-consumption solar PV power plant (494 kW) will be installed in Q3 2025.	4.2 Climate Change and Energy Management 5.1 Talent Selection 5.2 Talent Development 5.4 Healthy Workplace
 **Customers**	Customers are important partners in APC's operations and development. Through technical collaboration and product improvement, we provide products and services that satisfy our customers.	· Climate Change and Energy Management · Technology R&D · Supply Chain Management	· Salesperson customer visits (irregular schedule each month) · Customer satisfaction survey (at least 1 time/year) · Market research (irregular schedule) · Customer feedback and Customer Dispute Management (irregular schedule)	· Establish energy-saving and carbon reduction goals, identify climate change risks and opportunities, and potential financial impacts. (Energy Management Department of Equipment Preventive Maintenance and Environmental Risk Control Division, Technology Department) · APC requires that the raw materials provided by suppliers must not contain relevant restricted substances to comply with sustainable material regulations. Procurement Section 1 and 2 · Complete the signing of Supplier Commitments, conduct on-site audits of suppliers, and provide guidance and require improvement for suppliers that do not meet APC's social and environmental assessments. (Materials Division)	· The GHG emissions have been reduced by 13.9% compared to the base year. · APC products do not contain relevant restricted substances. · Sales representatives visit customers an average of 14 times per month. · Technical customer service covers 55 companies throughout the year. · Overall Customer Satisfaction 98.1% · Customer feedback handling achievement rate 100% · The signing of Supplier Social commitments has been embedded. · Supplier evaluation items	3.1 Technology R&D 3.3 Supply Chain Management 4.2 Climate Change and Energy Management

Major Stakeholder	Materiality	Concerned Topic	Communication Channels (Frequency)	APC Response (Responsible Units)	Status of Implementation	Response
 Government Agencies	Government agencies serve as an important directional indicator for business development and market expansion. Responding to compliance with the regulations of government agencies is a fundamental concept and principle for business survival and development.	· Compliance with laws and policies · Compliance with laws and activities · Information disclosure transparency · Process Safety Management · Occupational Safety and Health · Water Resource Management · Air Pollution Control · Climate Change and Energy Management · Waste Management	· Official correspondence, significant information, and data reporting (handled according to regulations) · Regulatory briefing sessions or public hearings (handled according to regulations) · Panel discussions, seminars, or annual meetings (handled according to regulations) · On-site inspection (handled according to regulations) · Public Information Observatory (released according to regulations) · Environmental Department Waste Reporting Platform (1 time/month)	· Promote the 14 items of Process Safety Management as required by regulations and reduce process risks through group audits. (Inspection Section) · Comply with relevant laws of government agencies to achieve the Occupational Health and Safety Policy goals of zero occupational accidents. (Industrial Safety Office) · Water conservation programs and measures are in place to align with the government's stage implementation of water rationing. (Finished Goods Section) · Air pollution emission monitoring and control. (Environmental Protection Section) · Implement energy conservation and carbon reduction according to the group's 2030 carbon reduction goal to achieve a 27% reduction over the baseline year. (Energy Management Department of Equipment Preventive Maintenance and Environmental Risk Control Division, Technology Department) · Complies with the Energy Administration's annual average electricity conservation rate goal of 1%. (Technology Department) · Statistics on the waste delivery manifest are reported monthly on a regular basis. (Environmental Protection Section)	· Official government correspondence averages 18 items per month. · Total Count of Process Safety Incidents (PSIC): 0 incident · Regulatory briefing sessions average 4 per month. · Panel discussions or seminars average 3 sessions per month. · On-site inspection: 51 times/year · Industrial safety: 23 incidents; Environmental protection: 28 incidents · The GHG emissions have been reduced by 13.9% compared to the base year. · Reduced electricity consumption by 1.57% on average each year during 2015-2024, which complies with the Energy Administration's regulatory requirement of 1%. · The total waste treatment was 327 MT, with a decrease of 41.86% compared to the previous year.	4.1 Resource Management 4.2 Climate Change and Energy Management 4.4 Waste Management 5.4 Healthy Workplace
 Stakeholders / Investors	Stakeholders/ investors are crucial supporters for the survival and development of APC. Through capital investment and Corporate Governance supervision, they enable the company to sustain its growth and development.	· Economic Performance · Occupational Safety and Health · Technology R&D · Climate Change and · Energy Management	· Annual General Meeting (1 time/year) · Public Information Observatory (released according to regulations) · Publication of financial statements and annual report (released according to regulations) · Spokesperson Contact Information (irregular schedule) · "Investor Service" section on the corporate website (irregular schedule) · Information on the corporate website "Union Stock Affairs Network" (irregular and immediate) · Publication of the ESG Report (1 time/year) · Publication of the TCFD report (1 time/year) · Audit Committee mailbox (irregular schedule) Investor conferences (2 times/year) · Material Topics questionnaire survey (1 time/2 years)	· Hold "Investor Conferences," to explain the company's operations status and future outlook. (Sales Division, Accounting Division) · Release quarterly financial statements and annual report according to regulations. (Accounting Division) · Immediate release of material information. (Accounting Division) · The group plans to establish the "Tai Poly Group Safety Incentive Measures" to achieve the goals of zero occupational accidents. (Industrial Safety Office) · Complete at least 1 product R&D test per year. (Technology Department) · Implement energy conservation and carbon reduction according to the group's 2030 carbon reduction goal to achieve a 27% reduction over the baseline year. (Technology Department) · Plan to install self-consumption solar PV power plant, and sign a Corporate Power Purchase Agreements (CPPA) with USI Green Energy. (Technology Department)	· The annual shareholders' meeting will be held in May 2024. · Release quarterly financial statements and annual report according to regulations. · Hold investor conferences 2 times. · By 2024, the cumulative zero lost-time due to disabling injury has reached 6.31 million hours. · New product development: 1, Quality improvement: 2. · A self-generation and self-consumption solar PV power plant (494 kW) will be installed in Q3 2025. · A Corporate Power Purchase Agreement (CPPA) for renewable energy has been signed, and it is expected to supply green power in 2025.	2.2 Economic Performance 4.2 Climate Change and Energy Management 5.4 Healthy Workplace

Major Stakeholder	Materiality	Concerned Topic	Communication Channels (Frequency)	APC Response (Responsible Units)	Status of Implementation	Response
 **Suppliers/ Contractors**	Suppliers are important partners for APC, providing essential raw materials and equipment that directly impact production operations and product quality. Contractors, on the other hand, play a key role in equipment maintenance and engineering construction. Ensuring their operational safety is part of our responsibility.	· Supply Chain Management · Process Safety Management · Occupational Safety and Health · Raw Material Management	· Procurement procedures (Implemented as needed) · Supplier questionnaire survey (when new manufacturers are added, 1 time/ year) · Contract performance review meetings (conducted as needed) · Face-to-face review meetings (conducted according to product type) · Procurement personnel visits (irregular schedule) · Market research (1 time/week) · Raw material supply stability confirmation (irregular schedule) · Consultative Organization Meeting for Joint Operations with Contractors (irregular schedule)	· Complete the signing of supplier commitment letters, conduct on-site audits of suppliers, and provide guidance and improvement for suppliers that do not meet APC's social and environmental assessments. (Materials Division) · Promote the 14 items of Process Safety Management as required by regulations and reduce process risks through group audits. (Inspection Section) · The group plans to establish the "USI Group Safety Incentive Measures" to achieve the goals of zero occupational accidents. (Industrial Safety Office) · The goal for the flexible intermediate bulk container recovery rate is ≧ 78%. (Finished Goods Section)	· Supplier Concerned Topic questionnaire survey 1 time · Procurement of auxiliary materials planning meeting, 1 time · Market research report, 1 time per week · Procurement personnel visits, 4 times · Total Count of Process Safety Incidents (PSIC): 0 incident · By 2024, the cumulative zero lost-time due to disabling injury has reached 6.31 million hours. · Flexible intermediate bulk container recovery rate 79.5%	3.3 Supply Chain Management 5.4 Healthy Workplace
 **Community Residents**	Community residents are close partners of APC, not only serving as one of the sources of human resources but also as supervisors of company operations in terms of occupational safety and environmental protection.	· Social Engagement · Occupational Safety and Health · Air Pollution Control · Underground Pipelines Transportation · Waste Management	· Irregular community neighborhood visits · Participation in community activities (irregular schedule) · Entrust community fellowship ball games (at least 1 time/year) · Setup scholarships, promote talent cultivation (1 time/year) · Government unit on-site inspection (irregular schedule) · Educational activities involvement (irregular schedule) · Prevention of third-party damage (irregular schedule) · Environmental Department waste reporting platform (1 time/month)	· Establish a good interaction with community residents through participation in community activities and visits, allowing residents to understand the factory's safety operation mechanisms. (Human Resources Division/ General Affairs Section) · Through community fellowship games and charity games, understand the needs and expectations of community residents. (Human Resources Department/General Affairs Section) · The group plans to establish the "USI Group Safety Incentive Measures" to achieve the goals of zero occupational accidents. (Industrial Safety Office) · Through regular VOCs leakage detection by internal and external units, ensure the health and safety of the workplace environment and community residents. (Environmental Protection Section) · Take advantage of pipeline construction surveys and stationed opportunities to explain the current status of pipeline operations and related topics to community residents. (Inspection Section) · Waste Treatment, Compliance with Laws and Regulations, and Regular Reporting. (Environmental Protection Section)	· Irregular community neighborhood visits · Adoption of Air Quality Purification Zone at Wang Gung Elementary School in the Linyuan District. · The Environmental Protection Bureau of Kaohsiung City participated in Wang Gung Elementary School's GHG Reduction Matching Plan. · The 21st USI Cup Community Tennis Tournament 1 match · Charity softball and basketball games, a total of 2 events. · USI Education Foundation held 2 Charity Events. · On-site inspection, Environmental protection: 28 incidents · Monthly inspection of 770 points for equipment and components. · Implementation of prevention of third-party damage with irregularly scheduled pipeline construction stationed surveys. · Waste is removed and disposed of by contractors approved by the Ministry of Environment, with no violation fines in 2024. Monthly reports are submitted regularly on the Environmental Protection Administration's website.	4.3 Emissions Management 5.4 Healthy Workplace 5.5 Social Engagement

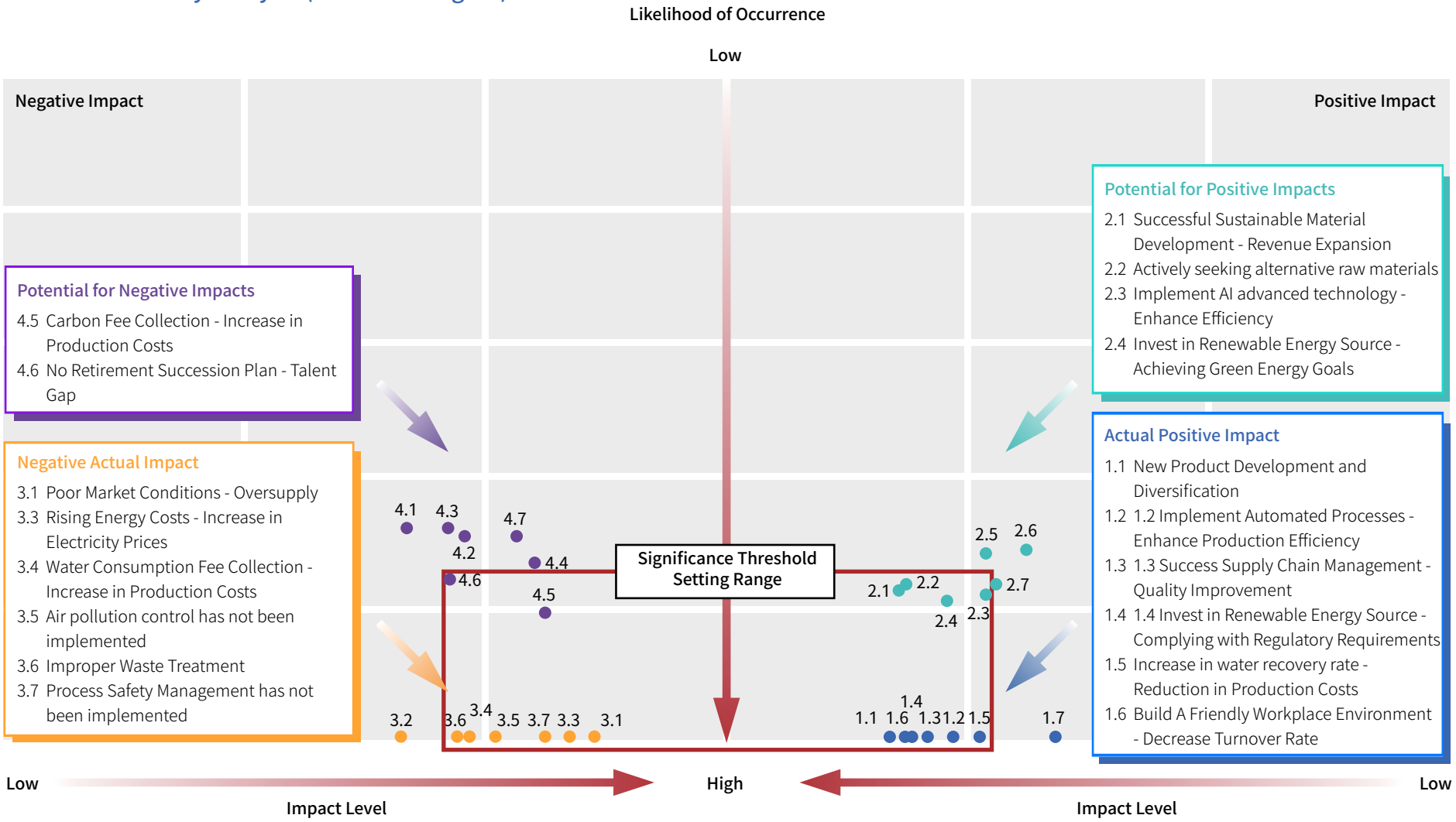
1.4 Materiality Analysis GRI 2-14

APC follows the GRI Standards for the materiality identification process, constructing three major steps: Identification, analysis, and confirmation. Materiality analysis is conducted regularly every two years, with a reevaluation in 2024 to incorporate double materiality thinking. The analysis assesses sustainable topics based on the "impact on company operations" and the "impact on economic, environmental, and human (including human rights) aspects." **The process and results of identifying material topics are discussed by the group's ESG experts before being submitted to the ESG Committee for approval and reported to the Board of Directors, ensuring that the direction of sustainable development and report contents meet the concerns and expectations of both internal and external stakeholders.**

Process of Determining Material Topics GRI 3-1

Identification	Communication Target	The ESG Committee project secretary sends a stakeholder identification questionnaire to the ESG task force leaders. This is conducted once every two years, in the same year as the materiality analysis. After the statistical results are reviewed and approved by the project secretary of the ESG Committee and the respective team leaders, six core stakeholder groups are identified based on the scores from the identification process: employees, shareholders/investors, customers, government agencies, suppliers/contractors, and community residents.	6 Types of Core Stakeholders
	Topics Collected	In line with International Sustainability Regulations and Standards (GRI Standards, SASB, SDGs, TCFD) as well as the company's operational goals and visions, the working group compiled 28 actual and potential sustainability topics, both positive and negative.	28 Sustainable Topics
Analysis	External Impact Topic Survey	A survey was conducted for core stakeholders in 2024, with scores given based on the positive and negative impact levels of the topics. A total of 237 valid feedback responses were received, including: Employees (161), stakeholders/investors (10), customers (15), suppliers/contractors (12), government agencies (8), community residents (31).	237 Valid External Responses
	Internal Impact Topic Investigation	A survey was conducted among internal managers and directors at APC in 2024, scoring each topic based on its positive and negative impact levels and likelihood of occurrence. A total of 28 valid responses were received. Weightings were adjusted according to the results of the questionnaire at the highest governance body for the statistical analysis.	28 Valid Internal Responses
Confirm	Materiality Analysis	Materiality analysis is a methodology that includes evaluating the impacts on economic, environmental, and human (human rights) of sustainable development. It incorporates the concept of Double Materiality into the analysis of materiality topics, with a frequency of once every two years. Based on the questionnaire analysis results, 18 significant ESG topics were selected from 28 sustainable topics. They were classified according to the environmental, social, and governance aspects and underwent double materiality analysis, converging into 11 material topics.	18 Significant Topics
	Material Topics	The major topics for 2024 include: Environmental aspects【Climate change and energy management, water resources management, air pollution control, raw material management, waste management】; Social aspects【Occupational Safety and Health, Process Safety Management, Talent attraction and retention】; Governance aspects【Technology R&D, Supply Chain Management, economic performance】, a total of 11 items, and the results will be submitted to the ESG Committee for approval and reported to the Board of Directors.	11 Material Topics

Method of Materiality Analysis (Continued Figure)

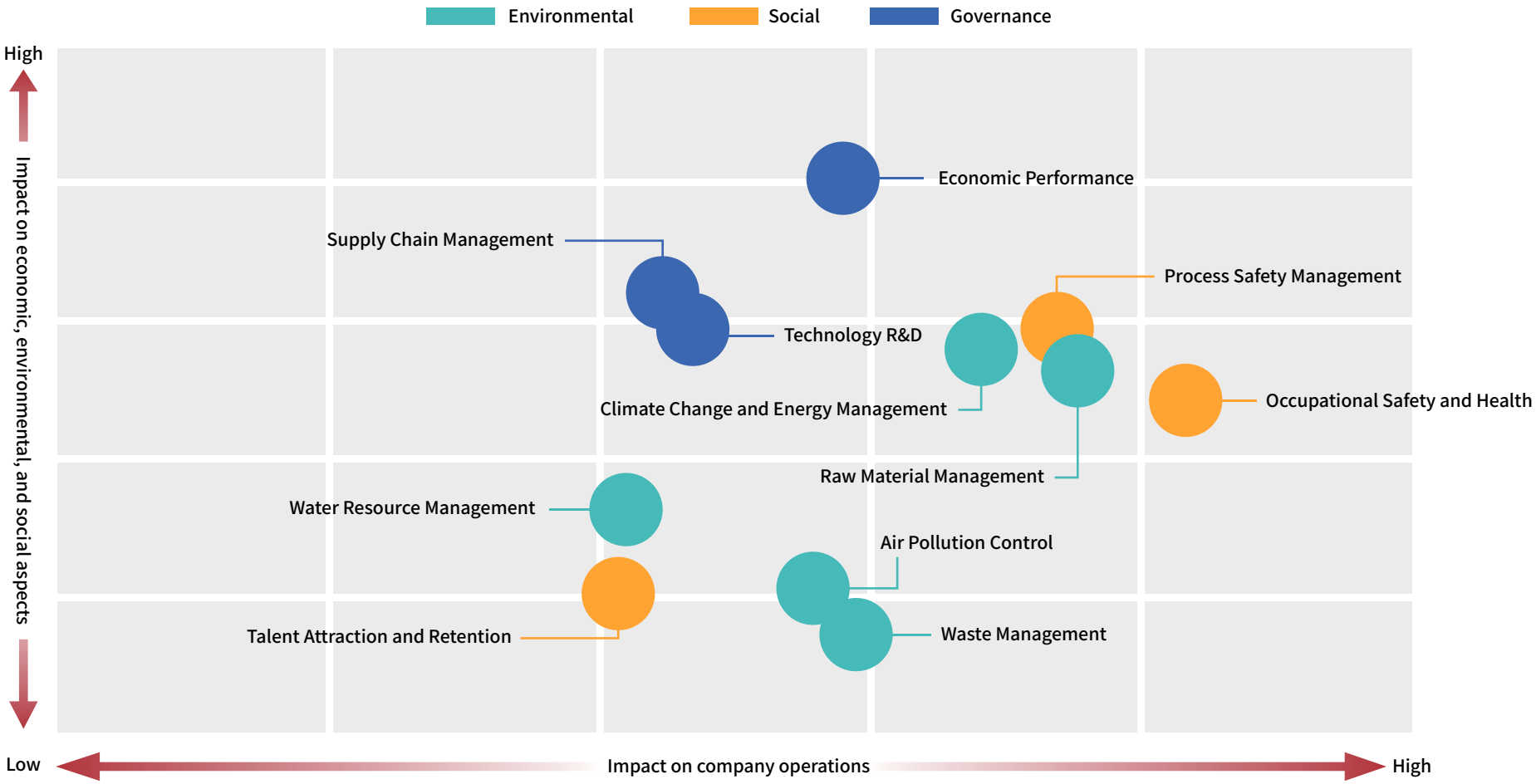


Descriptions:

1. Classify the 28 sustainable topics into four aspects: "Positive/Negative Actual" and "Positive/Negative Potential." The numbers represent the topic number of each aspect, not scores.
2. Impact Level of the Topic (from low to high: 0 to 5 points), Likelihood of Occurrence (from low to high: 0 to 5 points), Significance Threshold Setting (Positive/Negative Impact Level 3.9 points or above, Likelihood of Occurrence 3.7 points or above).
3. A total of 18 topics that fall within the significance threshold are identified as "Significant Topics."

Selection of Material Topics

APC classified the 18 significant topics according to environmental, social, and governance aspects, and narrowed them down to 11 material topics. A double materiality analysis was then conducted based on the “impact on company operations” and the “impact on the economy, environment, and society.” Among them, [Waste Management] is a newly added material topic for 2024, and the results will be submitted to the ESG Committee for approval and reported to the Board of Directors.



List of Material Topics GRI 3-2

18 Significant Topics				11 Material Topics
Environmental	1	(Positive Actual)	Invest in Renewable Energy Source, Complying with Regulatory Requirements	1 Climate Change and Energy Management (GRI 302 Energy)
	2	(Positive Potential)	Invest in Renewable Energy Source, Achieving Green Energy Goals	
	3	(Negative Actual)	Rising energy costs and electricity price increase	
	4	(Negative Potential)	Carbon Fee Collection, increase in production costs	
	5	(Positive Actual)	Increase in water recovery rate - Reduction in production costs	2 Water Management (GRI 303: Water and Effluents)
	6	(Negative Actual)	Water Consumption Fee Collection - Increase in production costs	
	7	(Negative Actual)	Air pollution control has not been implemented.	3 Air Pollution Control (GRI 305: Emissions)
	8	(Positive Potential)	Actively seeking alternative raw materials	4 Raw Material Management (GRI 301: Materials)
	9	(Negative Actual)	Improper Waste Treatment	5 Waste Management (GRI 306: Effluents and Waste)
Social	10	(Positive Actual)	Build A Friendly Workplace Environment and decrease Turnover Rate	6 Occupational Health and Safety (GRI 403: Occupational Health and Safety)
	11	(Negative Actual)	Process Safety Management has not been implemented	7 Process Safety Management
	12	(Negative Potential)	No Retirement Succession Plan - Talent Gap	8 Talent attraction and retention (GRI 401: Employment)
Governance	13	(Positive Actual)	New Product Development and Diversification	9 Technology R&D
	14	(Positive Actual)	Implement automated processes - Enhance production efficiency	
	15	(Positive Potential)	Successful sustainable material development, revenue growth.	
	16	(Positive Potential)	Implement AI advanced technology - Enhance efficiency	
	17	(Positive Actual)	Success Supply Chain Management - Quality Improvement	10 Supply Chain Management (GRI 308: Supplier Environmental Assessment) (GRI 414: Supplier Social Assessment)
	18	(Negative Actual)	Poor market conditions, oversupply	11 Economic Performance

Descriptions:
1. Classify the 18 significant topics according to environmental, social, and governmental aspects, converge them into 11 material topics, and correspond them to the GRI material topics.
2. In 2024, APC added one material topic, [Waste Management], compared to last year, and tracked and reviewed the implementation results of the management policies for each material topic.

Explanation of Material Topics

Explain The significance of Asia Polymer regarding Material Topics, the scope of Impact, and the level of involvement, and set short-, medium-, and long-term goals to manage Material Topics to reduce the level of Impact, as detailed in the description:

Aspect	Material Topics	The Significance to Asia Polymer	Corresponding GRI Standards Material Topics	Material Topics Indicator	Short-term Goals (< 3 years) 2025	Medium-term Goals (3-5 years) 2027	Long-term Goals (>5 years) 2030	Scope of Impact and Involvement in the Value Chain: Stakeholder — Upstream	Company operations	Downstream	Response
Environmental	**Climate Change and Energy Management**	Under the intensifying impact of extreme climate over the years, increasingly stringent government regulations, and carbon fee collection, enhancing energy efficiency and reducing GHG emissions are challenges that our company must face.	GRI 302 Energy 2016 GRI 305 Emissions 2016	1. Unit product energy consumption (GJ/MT)	5.94	5.76	5.51	○ Government Agencies	● The Linyuan Plant	○ Community Residents	4.2 Climate Change and Energy Management
				2. Unit product GHG emissions (MT CO_2e/MT)	0.739	0.730	0.634				
Social	**Occupational Safety and Health**	The provision of a healthy and safe work environment is the most concerned topic for workers. Implementing safety and health management and providing a healthy and safe workplace environment for employees and non-employee workers is of utmost importance.	GRI 403 Occupational Health and Safety 2018	1. Disabling Injury Rate (F. R.)	0			● Suppliers/ Contractors ○ Government Agencies	● The Linyuan Plant	—	5.4 Healthy Workplace
				2. Disabling Injury Severity (S. R.)	0						
Social	**Process Safety Management**	Petrochemical plants cannot afford a single process incident, and the implementation of process safety management systems domestically has become a trend in the industry. In order to prevent the occurrence of major accidents with low probability and high hazard, the implementation of process safety management is of great importance to APC.	N.A.	1. Total Count of Process Safety Incidents (PSIC).	0			● Stakeholders / Investors ● Government Agencies	● The Linyuan Plant	○ Customers ○ Community Residents	5.4 Healthy Workplace
				2. Process Safety Total Incident Rate (PSTIR)	0						
Governance	**Technology R&D**	New product development and product quality improvement can enhance market competitiveness, and fulfilling customer demands is the foundation of APC's sustainable development.	N.A.	Number of Product Quality Improvements (cases)	≧ 1			○ Stakeholders / Investors	● Taipei HQ ● The Linyuan Plant	● Customers	3.1 Technology R&D
				Number of Product Quality Improvements (cases)	≧ 1						
Environmental	**Waste Management**	Circular economy is an environmental protection topic that enterprises increasingly emphasize; waste recovery and reuse and proper handling can reduce environmental impact.	GRI 306 Waste 2020	Proper waste treatment rate (%)	100			○ Government Agencies	● The Linyuan Plant	○ Community Residents	4.4 Waste Management
Governance	**Supply Chain Management**	The issues related to sustainable development and supply chain risk management are gaining attention. Understanding the ESG impacts on the suppliers and implementing supplier management is crucial for APC.	GRI 308 Supplier Environmental Assessment 2016 GRI 414 Supplier Social Assessment 2016	1. Signing rate of existing Supplier Commitment (%)	100			● Suppliers/ Contractors	● Taipei HQ ● The Linyuan Plant	● Customers	3.3 Supply Chain Management
				2. Local procurement rate (%)	≧ 70						
				3. Pass rate for suppliers and contractors evaluation (%)	Supplier: ≧ 90 Contractor: ≧ 90						
Social	**Talent Attraction and Retention**	Employees are important assets of the company. Through appropriate salaries, comprehensive benefits, and providing a safe work environment, we attract and retain outstanding talents.	GRI 401 Employment 2016	Overall Employee Turnover Rate (%)	< 5.0			—	● Taipei HQ ● The Linyuan Plant	—	5.1 Talent Selection 5.2 Talent Development

Aspect	Material Topics	The Significance to Asia Polymer	Corresponding GRI Standards Material Topics	Material Topics Indicator	Short-term Goals (< 3 years) 2025	Medium-term Goals (3-5 years) 2027	Long-term Goals (>5 years) 2030	Scope of Impact and Involvement in the Value Chain: Stakeholder — Upstream	Company operations	Downstream	Response
Governance	**Economic Performance**	Operational growth is a requirement for a company's survival; therefore, Economic Performance is the primary Topic for Sustainable Development.	GRI 201 Economic Performance 2016	1. Earnings per share after tax (NT$)	>0			● Stakeholders / Investors	● Taipei HQ ● The Linyuan Plant	—	2.2 Economic Performance
				2. Return on Equity (ROE) (%)	>0						
				3. Annual Total Production Achievement Rate (%)	>95						
Environmental	**Water Resource Management**	In recent years, due to global warming and abnormal climate conditions, the severe domestic water shortage situation will affect the operation of the production line when the government implements stage water rationing.	GRI 303 Water and Effluents 2018	1. Water intensity (M^3/MT)	4.0	3.9	3.8	○ Suppliers/ Contractors	● The Linyuan Plant	○ Customers	4.1 Resource Management
				2. Water Reclamation Rate (R2) (%)	95	96	97				
Environmental	**Air Pollution Control**	Exceeding air pollutant emissions not only violates environmental regulations but also affects the air quality of the living environment.	GRI 305 Emissions 2016	Unit product air pollutant emissions (kg/MT)	NOx：<0.0418 SOx：<0.0458 VOCs：<0.2214	NOx：<0.0376 SOx：<0.0412 VOCs：<0.1993	NOx：<0.0376 SOx：<0.0412 VOCs：<0.1993	—	● The Linyuan Plant	○ Community Residents	4.3 Emissions Management
Environmental	**Raw Material Management**	Improving raw material usage efficiency and reducing production costs are demonstrations of corporate performance.	GRI 301 Materials 2016	Flexible intermediate bulk container (FIBC) recovery rate (%)	>78			○ Suppliers/ Contractors	● The Linyuan Plant	—	4.1 Resource Management

CH2 Operational Governance

Performance Highlights

- Corporate Sustainability Report Awards at the 17th Taiwan Corporate Sustainability Awards (TCSA) in 2024: "Platinum Award - Traditional Manufacturing Industries"
- Comprehensive Performance Category at the 17th Taiwan Corporate Sustainability Awards (TCSA) in 2024: "Taiwan Top 100 Sustainable Enterprises Award"
- Ranked top **6~20%** among listed companies in the 11th Corporate Governance Evaluation.
- Annual total sales **132,904** MT
- The Gulei Petrochemical Project has officially begun production.

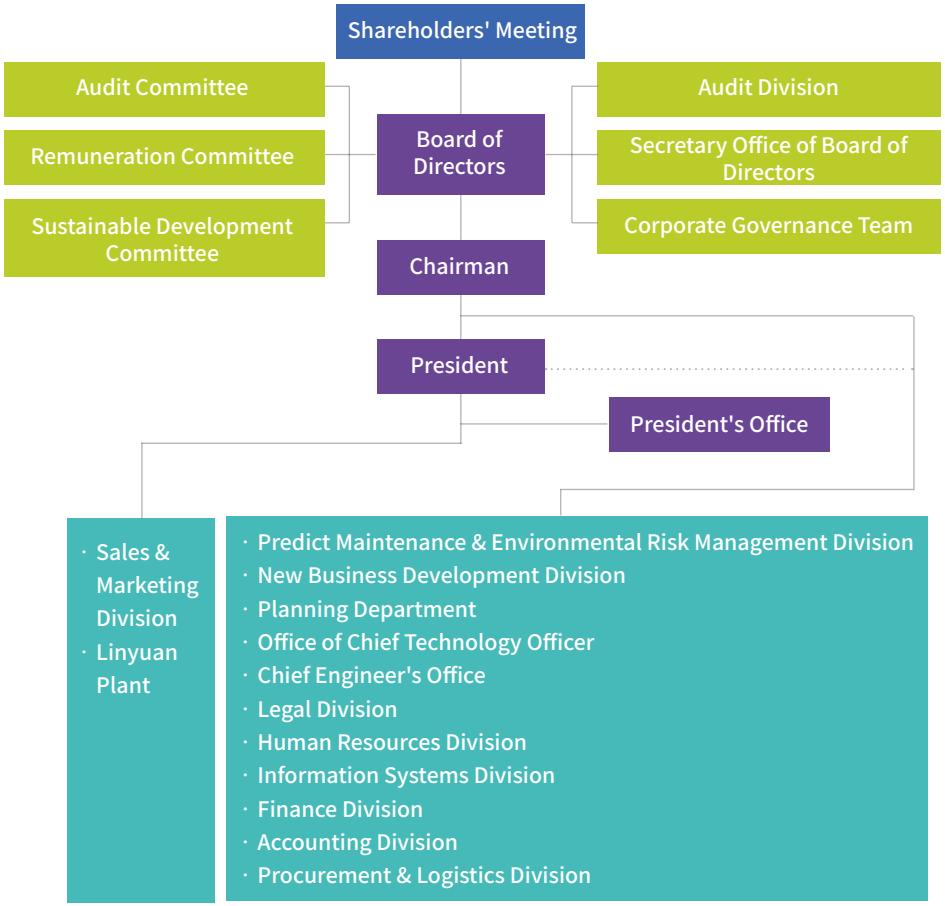
Material Topics

Economic Performance

SDGs Correspondence

2.1 Corporate Governance

Governance Structure GRI 2-9



Note: In terms of organizational framework, the Procurement & Logistics Division, Group Accounting Division, Group Finance Division, Group Information Systems Division, Group Human Resources Division, and other common departments belong to USIG, and each department has responsible staff to take charge of APC's business.

Board of Directors Operation GRI 2-9, 2-10, 2-11

The Board of Directors is the Highest Governance Body of the Company, and the Company strictly requires the Board Members to comply with laws and regulations, acting in accordance with the law as the highest operational guideline.

We adopt the candidate nomination system for the directorial (including independent directors) election. The Board along with shareholders holding over one percent of the total issued shares may propose the candidates to add to the List of Candidates for Directors and Independent Directors. After candidate qualification by the Board, the proposal is presented at the meetings of shareholders for shareholders to vote on from the List of Candidates for Directors and Independent Directors. The current board of directors was elected in 2022 and is composed of nine directors with rich experience in their respective professional fields. Among them, four positions are assigned to independent directors, who make up 44% of the Board.

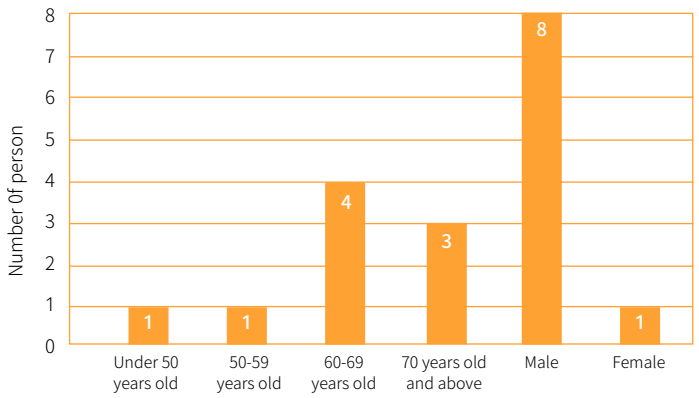
The directors of the Company serve a term of three years and may be reelected for consecutive terms. Please refer to the table below for information about the Board of Directors members.

The term of the current committee	May 27, 2022 to May 26, 2025
Member	※Directors: Quintin Wu (Chairman), Lee, Kuo-Hung, Wu, Pei-Chi (President), Wu, Hung-Chu, Pi, Shu-Chien ※Independent Directors: Chen, Ta-Hsiung, Shen, Shang-Hung, Cheng, Tun-Chien, Chen, Chien-Ping
Member Gender	Male: 8 people, Female: 1 person
Member Age	1 person Under 50 years old, 1 person 50-59 years old, 4 people 60-69 years old, 3 people 70 years old and above

A total of four board meetings were held in 2024 by the Company, with a personal attendance rate (including independent directors) of 94.44% (100% including attendance by proxies). The Board of Directors is led by the Chairman. For more detailed information on its operations, please refer to Page 23 of the 2024 Annual Report and the company's website's Board of Directors section.

The chairman convenes and chairs at least one board meeting each quarter (please refer to Rules of Procedure for the Board of Directors Meetings Regulations). Under the Board there are functional committees including "Remuneration Committee", "Audit Committee", and "ESG Committee". Each committee holds its meetings to report, discuss, and resolve proposals before referring them to the Board for reporting, discussion, and resolution.

Age and Gender Distributions of Board Members



Process of Proposal Submission to the Board of Directors GRI 2-12, 2-16

The business responsible unit submits proposals to the functional committee(s) for discussion. After making the resolution, the functional committee(s) forward the proposals to the Board of Directors for discussion and resolution. After the meeting, functional committees and the Board Secretariat Office produce the meeting minutes containing the resolution results. The process for submitting board meeting proposals is as follows:

Process of proposal submission to the Board of Directors

Responsible Units	Functional Committees	Board Submission
Proposal Submission	Meetings shall be convened according to the relevant scope of authority, where agenda proposals are reported, discussed, and resolved, with the resolution results in meeting minutes.	Proposals are reported, discussed, and resolved, with the resolution results in meeting minutes.

Important Board resolutions of 2024 (Please refer to the Important Resolutions of the Board of Directors on our company's website or the Pages 110~112 of the 2024 Annual Report.)

Additionally, we have established the " Board Secretariat Office"under the Board of Directors to plan and prepare matters relating to the Board meeting so as to enhance the efficiency of board meeting and help implement Board resolutions.

Performance of the board member diversity policy

I. Performance of the Board Diversity Policy GRI 2-10

In accordance with "Corporate Governance Best Practice Principles" Article 20 of "Corporate Governance Best Practice Principles", diversity should be considered for the Board of Directors composition and be equipped with the knowledge, skills, and competencies required by their duties.

To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

- **Ability to make operational judgments**
- **Ability to perform accounting and financial analysis**
- **Ability to conduct administration management**
- **Ability to conduct crisis management**
- **Knowledge of the industry**
- **An international market perspective**
- **Leadership ability**
- **Ability to decision-making**

In addition to the above eight abilities, considering the increasing global focus on corporate governance and environmental protection topics, the diversity of the Board of Directors aims to encompass expertise in "legal" and "environmental" aspects. In addition to the above eight professional abilities required for carrying out their duties, and in response to the increasing global concerns about topics relating to corporate governance and environmental protection, three directors are also "legal" and "environmental" specialists. All current members have the knowledge, skills, and qualities required for their duties, and they each have expertise in finance accounting, international markets, legal, environmental, and more.

II. Targets for Management of Board Diversity GRI 2-17

To recruit external excellent talent into the Board of Directors to achieve the Board diversity, the number of seats for Independent Directors was added from original 3 to 4, and elected on May 27, 2022. Mr. Chen, Chien-Ping is the newly appointed Independent Director, with a master's degree in Business Administration from the University of California, USA. He has previously served as the Chairman of Ta Chong Commercial Bank and has extensive experience in the financial industry. He specializes in financial risk control, which would contribute to the improvement of the deliberation quality of finance-related proposals by the Board of Directors and thus accomplishing the aim of the board diversity policy.

The board diversity goals aim to respond to the global trend of increasing emphasis on corporate sustainable development. The company plans to add board members who are well-versed in these specialized fields to enhance the company's sustainable competitiveness and make the board's functionality more complete. (Performance of the Board Member Diversity Policy: Pages 37~40 of the 2024 Annual Report and the Company's website).

III. Performance of the Board Member Diversity Policy GRI 2-17

Please refer to the table below for the diversity of the Board of Directors members, in which Director Pi, Shu-Chien is Female.

Name of Director	Gender	Core Item of Diversity									
		Ability to make operational judgments	Finance Accounting	Business Management	Crisis Management	Knowledge of the industry	International Market	Leadership Ability	Decision-making Ability	Legal	Environ-mental protection
Quintin Wu	Male	✓	✓	✓	✓	✓	✓	✓	✓		
Lee, Kuo-Hung	Male	✓	✓	✓	✓	✓	✓	✓	✓		✓
Wu, Pei-Chi	Male	✓		✓	✓	✓	✓	✓	✓		
Wu, Hung-Chu	Male	✓		✓	✓			✓	✓		
Pi, Shu-Chien	Female	✓	✓	✓	✓	✓	✓	✓	✓		
Chen, Ta-Hsiung	Male	✓	✓	✓	✓		✓	✓	✓	✓	
Shen, Shang-Hung	Male	✓	✓	✓	✓		✓	✓	✓		✓
Cheng, Tun-Chien	Male	✓	✓	✓	✓		✓	✓	✓		
Chen, Chien-Ping	Male	✓	✓	✓	✓			✓	✓		

Note1: The proportion of directors with employee status in the Company is 22%, while independent directors account for 44%.
Note2: None of the four Independent Directors have served consecutive terms exceeding three terms.

Enhancement of Director's Professional Competence GRI 2-17

To enhance the professional competence of directors (including Independent Directors), the Company regularly provides information on related training courses to directors and assists them in continuing education. An internal training course totaling 6 hours is planned. On July 11, 2024, a 3-hour lecture on "Digital Reinvention Creating a New AI Future - Generative AI Application Case Sharing" will be conducted by Jason Tsao, CTO of Microsoft Taiwan. Additionally, on October 16, 2024, a 3-hour training course on "Carbon Trading Mechanisms and Carbon Management Applications" will be led by Dr. Liu, Che-Chiang from the Chung-Hua Institution for Economic Research. In 2024, all directors also participated in various external courses, with total hours of continuing education amounting to 66 hours. All directors complied with the training hours stipulated by the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies". Please refer to Pages 26~28 of the 2024 Annual Report for detailed information on the continuing education courses and their durations.

A 3-hour training course on "Digital Reinvention Creating a New AI Future - Generative AI Application Case Sharing."

A 3-hour training course on "Carbon Trading Mechanisms and Carbon Management Applications."

Avoidance of Conflicts of Interest of the Board of Directors GRI 2-11, 2-15

The Company places a high value on Corporate Governance. To ensure the independence and objectivity of the Board of Directors' decisions, a comprehensive mechanism for avoiding conflicts of interest has been established, as described below:

1 System Regulations: The company has established the Rules of Procedure for the Board of Directors Meetings Regulations, the Code of Ethical Conduct for Directors and Managerial Officers, the Ethical Corporate Management Best Practice Principles, and Procedures for Ethical Management and Guidelines for Conduct, which clearly stipulate the avoidance measures directors should take in the event of conflicts of interest. (Please refer to Rules of Procedure for the Board of Directors Meetings Regulations the Code of Ethical Conduct for Directors and Managerial Officers, Ethical Corporate Management Best Practice Principles, and Procedures for Ethical Management and Guidelines for Conduct).

2 Meeting Procedure: The Board of Directors will strictly implement the recusal procedure when discussing proposals that involve a conflict of interest with the directors. The meeting chairman will remind the relevant directors to leave the meeting and, if the chairman himself has a conflict of interest, will designate another director to preside.

3 Information Disclosure: The Board Secretariat Office will detail the recusal situation of directors in each meeting and include the relevant information in the meeting minutes.

4 Annual Report: The company has duly completed the procedure for the avoidance of conflicts of interest of the Board of Directors, and relevant details can be found in the company's Annual Report - Board of Directors operation. For the responses to the conflicts of interest between Board of Directors members and stakeholders, please refer to the "Member Information of the Board of Directors", "Shareholders Among the Top Ten in Shareholding Ratio", and "Related Party Transactions" in the 2024 financial statements. Please refer to the 2024 Annual Report "Member Information of the Board of Directors" and "Shareholders Among the Top Ten in Shareholding Ratio" and the 2024 Financial Statements "Related Party Transactions".

5 Continuous Improvement: The company will continuously review and enhance the mechanism for avoiding conflicts of interest to ensure the transparency and fairness of Corporate Governance.

6 The Board of Directors' performance in avoidance of conflicts of interest in proposals in 2024 is as follows:

Name of Director	Motion Content	Reasons for Avoidance due to Conflicts of Interest	Participation in Voting	Note
Quintin Wu Wu, Pei-Chi Pi, Shu-Chien Shen, Shang-Hung Cheng, Tun-Chien	The Proposal of abolition on directors of non-compete restriction at the Shareholders' Meeting.	Directors recusing themselves from the proposal were also the directors with non-compete restrictions.	Abstained from voting	The 1st meeting in 2024 March 7, 2024
Wu, Pei-Chi	Non-compete behavior of managers.	A conflict of interest with directors.	Abstained from voting	The 1st meeting in 2024 March 7, 2024
Quintin Wu Wu, Pei-Chi	Donation to the "USI Education Foundation".	Directors recusing themselves from the proposal were also the directors of the Foundation.	Abstained from voting	The 1st meeting in 2024 March 7, 2024
Wu, Pei-Chi	Non-compete behavior of managers.	A conflict of interest with directors.	Abstained from voting	The 4th meeting in 2024 November 6, 2024

The Board of Directors Performance Evaluation Implementation Status GRI 2-18

Set assessment methods and approaches for the performance of the Board of Directors, execute regular self-assessment of the performance of the Board as a whole, individual directors, and Functional Committees every year. The Board Secretariat Office is responsible for conducting these assessments through self-evaluation, using the assessment results as a reference for the company's review and improvement.

The overall internal performance assessment results for the Board of Directors, individual directors, and Functional Committees in 2024 are as follows:

(1) Overall Board Performance

Aspect of Evaluation	Score (Note)	Results and Descriptions
Level of involvement in company operations	4.67	The overall evaluation results of the Board of Directors indicated that the average scores of the five major aspects were all above 4.6 points, with the evaluation results being [Good].
Enhancement of the Board of Directors' decision-making quality	5	
Composition and Structure of the Board of Directors	5	
Selection and Continuing Education of Directors	5	
Internal Controls	5	

(2) Individual Director Performance

Aspect of Evaluation	Score (Note)	Results and Descriptions
Alignment with the corporate goals and missions	4.85	The results of the directors' self-evaluation showed that the average scores of the six major aspects were all above 4.6 points, with the overall evaluation result being [Good].
Awareness of directors' responsibilities	4.74	
Level of involvement in company operations	4.70	
Development and communication of internal relationships	4.67	
Professional and Continuing Education of Directors	4.78	
Internal Controls	4.74	

(3) Performance assessment of the Audit Committee

Aspect of Evaluation	Score (Note)	Results and Descriptions
Level of involvement in company operations	4.75	The self-assessment results of the Audit Committee showed that the average scores of the five major aspects were all above 4.7 points, with the overall evaluation results being [Good].
Awareness of the responsibilities of the Audit Committee	4.88	
Enhancement of the Audit Committee's decision-making quality	4.92	
Composition and selection of Audit Committee members	5	
Internal Controls	4.75	

(4) Performance assessment of the Remuneration Committee

Aspect of Evaluation	Score (Note)	Results and Descriptions
Level of involvement in company operations	4.67	The self-assessment results of the Remuneration Committee showed that the average scores of the four major aspects were all above 4.6 points, with the overall evaluation results being [Good].
Awareness of the responsibilities of the Remuneration Committee	4.50	
Enhancement of the Remuneration Committee's decision-making quality	4.67	
Composition and selection of Remuneration Committee members	5	

(5) Performance assessment of the ESG Committee

Aspect of Evaluation	Score (Note)	Results and Descriptions
Level of involvement in company operations	5	The self-assessment results of the ESG Committee showed that the average scores of the four major aspects were all above 4.7 points, with the overall evaluation results being [Good].
Awareness of the responsibilities of the ESG Committee	4.75	
Enhancement of the ESG Committee's decision-making quality	4.75	
Composition and selection of ESG Committee members	4.75	

Remarks: 1. Score range: 0-5, 5 is the highest mark. The performance evaluation for the period from January 1, 2024 to December 31, 2024.
2. The performance evaluation results of the overall Board of Directors, individual director members, and Functional Committees were reported to the Board of Directors in the first quarter of 2025.

Recommendation and implementation:

In view of the increasing global focus on E (Environmental), S (Social), and G (Governance) related topics, the Company, following the "Sustainable Development Action Plan for Listed Companies (2023)" issued by the Financial Supervisory Commission, is promoting the phased disclosure of Greenhouse Gas inventory and assurance information by listed companies to build corporate Greenhouse Gas inventory capabilities. The Company has actively implemented various measures, and the directors provide relevant invaluable advice. In addition to continuously enhancing corporate governance efficiency, the Company is also carefully planning and executing the implementation of carbon reduction goals and the development of green power strategies. We are utilizing AI technology for more efficient management to help the business reduce issues and risks, aiming to meet international standards and achieve the ultimate goal of corporate sustainable development.

Chief Corporate Governance Officer (CCGO)

To protect the rights and interests of shareholders and improve the competence of the Board of Directors, the Board made a resolution on May 9, 2019 to assign Director of Legal Division, Chen, Yung-Chih to be the Chief Corporate Governance Officer (CCGO) as the top officer of the Company's corporate governance. Director Chen, Yung-Chih has over 20 years of experience as a practicing attorney and more than 10 years of experience as the head of legal affairs in listed companies. His main responsibilities include handling affairs related to the meetings of the Board of Directors and Shareholders' Meetings according to the law, preparing minutes for these meetings, assisting directors in taking office and continuing education, providing information needed by directors in conducting business, assisting directors in complying with laws and regulations, reporting to the Board of Directors on the results of reviewing whether the qualifications of Independent Directors are in compliance with relevant laws and regulations during their nomination, appointment, and tenure, and handling affairs related to changes in directors. In 2024, Chief Corporate Governance Officer Chen, Yung-Chih completed 23 hours of continuing education. Please refer to Page 27 of the 2024 Annual Report.

Functional Committees GRI 2-9, 2-13

APC has established three functional committees under its Board of Directors: the Audit Committee, the Remuneration Committee, and the ESG Committee. These committees are responsible for developing and reviewing policies related to their respective responsibilities, thereby enhancing corporate governance.

Title	Name	Audit Committee	Remuneration Committee	ESG Committee
Chairman	Quintin Wu	---	---	Committee Member
Director and President	Wu, Pei-Chi	---	---	Deputy Chief
Independent Director	Chen, Ta-Hsiung	Committee Member	Convener	---
Independent Director	Shen, Shang-Hung	Convener	Committee Member	---
Independent Director	Cheng, Tun-Chien	Committee Member	Committee Member	Committee Chief
Independent Director	Chen, Chien-Ping	Committee Member	---	Committee Member

Audit Committee

The term of the current committee commenced on May 27, 2022 and will end on May 26, 2025. All four seats of the committee are taken by all independent directors of the Company. A total of 4 committee meetings were held in 2024, with a 94% personal attendance rate (100% including attendance by proxies). Please refer to Page 28~33 of the 2024 Annual Report for more information regarding Audit Committee operation.

Remuneration Committee

1 The term of the current committee commenced on June 2, 2022 and will end on May 26, 2025. All three seats of the committee are taken by the independent directors of the Company.

2 The Committee holds meetings at least twice annually. Three committee meetings were held in 2024, with an 89% personal attendance rate of members. For more information regarding the committee's operation, please visit the Company's official website Remuneration Committee, refer to Pages 53~56 of the 2024 Annual Report, or link to the Market Observation Post System (MOPS).

3 The Committee periodically reviews the (1) salary and remuneration policy, system, standard, and structure, and (2) performance evaluation of directors and managers, and determines and assesses the salary and remuneration of directors and managers with references to factors such as the median level in the industry, individual's duration of engagement, responsibilities, achievement of personal goals, salary and remuneration for equivalent positions, accomplishment of the Company's short-term and long-term business goals, and the Company's financial condition, then submits the results to the Board of Directors for approval. GRI 2-20

4 For information regarding the remuneration of directors and senior executives, please refer to Pages 15~19 of the 2024 Annual Report.

- Salary and Remuneration: The remuneration for directors covers remuneration, director profit sharing, and income for professional practice; and the compensation for managers includes the monthly salary, fixed-amount bonuses, year-end bonus, employee profit sharing, annual special bonus, and pension contribution and benefit payments by law. The profit sharing for directors and employees are subject to Article 18 of the articles of incorporation. GRI 2-19
- The annual total compensation ratio and ratio of the percentage change in total compensation in 2024 were 4.08:1 and 141.50% respectively. GRI 2-21
- Performance Evaluation:

(1) The aspect of evaluation for directors covers the alignment with the corporate goals and missions, awareness of directorial responsibilities, level of involvement in company operations, development and communication of internal relationships, professional and continuing education, and internal controls, with additional performance evaluations specifically for the ESG Committee.

(2) The performance evaluation of Senior Executives covers the finance aspect (operating revenue, operating profits, and net income before tax), customers aspect (customer satisfaction, service quality, key market development, and others), products aspect (branding, quality innovation, and others), talents aspect (talent cultivation, potential development, and others), safety aspect (zero pollution, zero emissions, zero occupational hazards, zero accidents, zero breakdowns, and others), and project aspect (digital transformation, energy-saving and carbon reduction, circular economy, net zero emissions, and others).

(3) Related indicators linking to sustainable performance require the President to plan with at least a 20% weight, and must include climate-related items with at least 5%. Other Senior Executives should plan for relevant sustainable performance indicators with no less than 5%.

Evaluation Target	Performance Indicator	Implementation Method (Weight)
President	Financial Performance (50%)	—
	Market and Customers (20%)	—
Senior Executives	Sustainable Development Performance (30%)	Talent Cultivation Programs (10%) Energy Conservation and Carbon Reduction Effectiveness (10%) Occupational Safety and Health (10%)
	Sustainable Development Performance (15%)	Talent Cultivation Programs (5%) Energy Conservation and Carbon Reduction Effectiveness (5%) AI Smart Manufacturing (5%)

Note 1: Total compensation ratio: The ratio of the total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual).

Note 2: Ratio of the percentage change in total compensation: The ratio of the percentage change in the total compensation for the organization's highest-paid individual to the median percentage increase in the total compensation for all employees (excluding the highest-paid individual).

ESG Committee

GRI 2-13, 2-14

The term of the current committee commenced on June 2, 2022 and will end on May 26, 2025. The committee consists of a total of four members include the Chairman, President, Independent Director Cheng, Tun-Chien and Chen, Chien-Ping.

The three implementation teams of the Committee include corporate governance, environmental protection, and social relations.

The ESG Committee holds meetings at least twice annually. Two meetings were held in 2024, with a 100% personal attendance rate of members. The meeting results were reported to the Board of Directors.

Please refer to Pages 83 of the 2024 Annual Report or the Sustainable Development section of the Company's website for more information regarding committee operation.

The organizational structure, composition, and responsibilities of the ESG Committee are illustrated below:

Board of Directors

Chairman, Directors

ESG Committee

Committee Chief: Independent Directors
Committee Deputy Chief: President
Members: Chairman, Independent Directors

Responsibilities

- Discussion and establishment of the ESG policy
- Discussion and establishment of ESG strategy planning, annual plans, and project plans
- Supervision of the implementation of ESG strategy planning, annual plans and project plans, and assessment of their performance
- Review of the ESG report
- Report the annual sustainable development performance results to the Board of Directors yearly
- Other assignments instructed by the Board

Project Secretary

Responsibilities

- Plan ESG policies and set ESG targets
- Follow up on the progress of action plans and improvement performance

Corporate Governance Team

Member

Board Secretariat Office, HR Division, Auditing Division, Finance Division, Accounting Division, Materials Division, Information Division, Planning Department, Sales Division

Responsibilities

- Data collection on economic topics such as corporate governance, supply chain management
- Propose topics concerning sustainable development for discussion and review by the ESG Committee
- Compile corporate governance and economic data for the ESG report

Environmental Protection Team

Member

Technology Department, Manufacturing Department, Engineering Department, Industrial Safety Office, Environmental protection Section, Cost Section, Energy Management Department of Equipment Preventive Maintenance and Environmental Risk Control Division

Responsibilities

- Integrate data related topics such as environmental protection, energy saving and carbon emissions, and green products
- Propose topics concerning environmental protection for the discussion and review by the ESG Committee
- Compile data relating to environmental protection in the ESG report

Social Relations Team

Member

Personnel Section, General Affairs Section, USI Education Foundation

Responsibilities

- Collect and integrate topics that concern the employees, community residents, and general social groups
- Propose topics concerning labor-management relations and society for the discussion and review by the ESG Committee
- Compile data relating to labor-management relations, employee welfare, charitable activities, and community engagement in the ESG report

ESG Committee Annual Tasks and Next-Year Annual Plan GRI 2-16

1. Completed the GHG inventory and verification for the consolidated companies.
2. Promote various energy-saving and carbon reduction initiatives within the company. The GHG emissions in 2024 have been reduced by 13.9% compared to the base year, with an annual achievement rate of 106.9%.
3. Implementation results of the Energy Saving and Carbon Reduction Program: Saved electricity: 7,265 GJ, Saved steam: 1,475 GJ, Reduced carbon: 1,076 MT CO2e.
4. Waste intensity: 0.0025 MT/MT, reduced by 41.86% compared to the previous year.
5. The recycled plastic products passed ISO 14021 certification and obtained the SGS Green Label.
6. Implement the Occupational Health and Safety goals of "zero occupational accidents," with the total cumulative of zero lost-time due to disabling injury reaching 6.31 million hours, and the record continues to be maintained.
7. Donated NT$3 million to the USI Education Foundation to support caring for vulnerable groups, remote townships education, assist community development, and promote domestic cultural development.
8. Passed the Occupational Safety and Health Administration's "Occupational Health and Safety Management System Performance Review," with a recognized effective period of 3 years starting from November 12, 2024.
9. Passed the ISO 45001 (including TOSHMS) certification.
10. Obtained the Healthy Workplace and pollutants certification and Health Promotion mark, with an effective period of 3 years.
11. Sustainability Activities and Awards:

    (1) Honored with the Platinum Award - "Traditional Manufacturing Industries" of Corporate Sustainability Report Awards at the 17th Taiwan Corporate Sustainability Awards (TCSA) and "Taiwan Top 100 Sustainable Enterprises Award" of comprehensive performance categories at the 17th Taiwan Corporate Sustainability Awards (TCSA).

    (2) Ranked top 6~20% at the 11th Corporate Governance Evaluation.

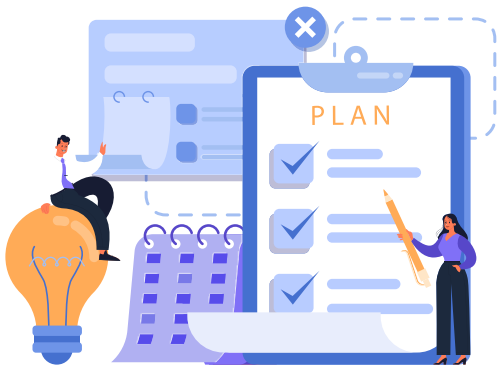
    (3) Reported green procurement and was awarded as an "Outstanding Unit in Net-Zero Green Living" by the Environmental Protection Bureau of Kaohsiung City.

    (4) Honored by the Occupational Health and Safety Administration as the top 10% outstanding enterprise in the "Proactive Evaluation of Occupational Health and Safety Indicators in Corporate Sustainability Reports".

    (5) Won the "Net-Zero Industry Competitiveness - Excellence Award" at the 3rd meeting in 2024.

2025 Work Plan

1. Continue to promote various energy-saving and carbon reduction initiatives within the company.
2. Continue participating in sustainability-related evaluation activities.
3. Continue participating in community participation activities.
4. Publication of the Chinese version of the 2024 ESG Report in August.
5. Publication of the Chinese version of the TCFD report in August.
6. Publication of the English version of the 2024 ESG Report in September.
7. Participate in group tasks related to the implementation of IFRS Sustainability Disclosure Standards.
8. Promote operational activities related to the internal control of sustainability information.



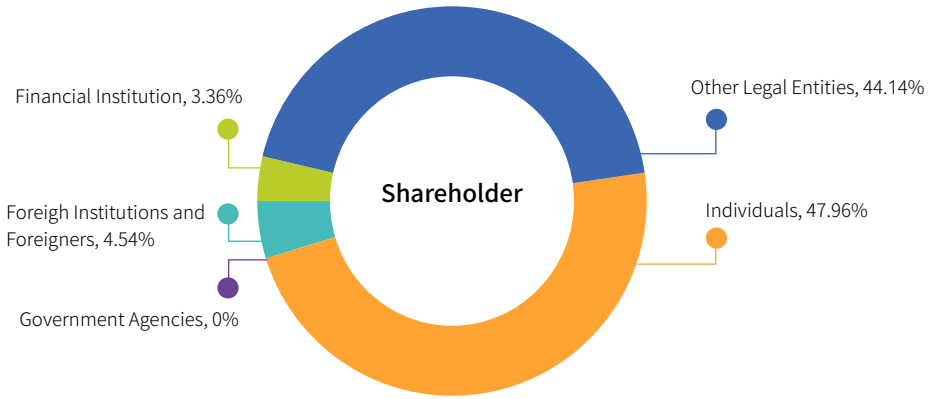
Shareholder Rights and Information Transparency

As of March 30, 2025, the shareholder structure of APC is mainly composed of individuals and other legal entities. For the shareholder structure and the list of major shareholders (note), please refer to the company's official website Shareholder Structure.

Note: Shareholders holding more than five percent of the equity or among the top ten in shareholding ratio.

APC is committed to providing shareholders with transparent and real-time corporate information. Every year, we organize investor conferences and shareholders meetings regularly, publish annual reports and ESG reports, and list operating performance, financial statements, and significant news on the MOPS of Taiwan Stock Exchange. We also set up the "Investor Services" web page in both Chinese and English, where the Company's governance status, business announcements, financial statements, investor conferences, and updates on group dynamics are disclosed. Moreover, we continuously collect shareholder opinions to provide feedback to the management team for decision-making references.

We value the rights and interests of foreign investors and the trend of enterprise internationalization. Therefore, since 2018, we began to enhance information disclosures in English in the annual report and on the MOPS and the Company website. By actively establishing various unfettered two-way communication channels with shareholders, we maintain the rights and interests of shareholders in real action.



IP Rights Management

APC established the Intellectual Property Rights Management Plan on August 12, 2020 to oversee the trade secrets relating to production operations and intellectual property from the outcomes and copyrights of R&D process to enhance the Company's competitive advantage. The performance in IP rights management is reported to the Board of Directors at least once a year. The "IP Management Practices and Implementation Status" will be reported to the 4th Board of Directors meeting on November 6, 2024, to implement the company's Intellectual Property Rights management policy.

Patent Management

(1) Innovation patent and invention application platform

We have established an "Innovation Patents and Inventions Application Platform" to keep a full record of and store the innovative ideas and experiment outcomes during R&D process. R&D outcomes are submitted to the relevant officers for review before forwarding to the chief R&D officer to determine the need for patent application.

Performance in 2024: 0 patent applications.

(2) Trademark Management

In case of disputes regarding the rights of the Company's existing registered trademarks, it signifies that either the Company's trademark rights have been unlawfully infringed upon or have faced objections, assessments, or annulments raised by others. As this could significantly impact the Company's sales and eventually its revenues, it is necessary not only to reassess the adequacy of the current trademark application management but also to devise corresponding countermeasures for trademark maintenance and disputes as they arise.

Current acquired trademarks: 3 in Taiwan (including 1 ISO 14021:Pre-consumer Recycled Content Green Label) and 4 in Mainland China.

There was no trademark dispute in 2024.

2.2 Economic Performance

Material Topics: Economic performance corresponding with sustainability principles: Innovative Technology

GRI 2-25, 3-3

Management Approach and Components

The Significance to Asia Polymer

Steady growth in financial performance is the foundation of corporate sustainable development. The Company's business performance affects the expectation of investors, employee welfare.

Management Practice and Objectives

Enhance product competitiveness and business performance through continual product R&D and innovation and market expansion to maintain continual corporate growth and sustainable development.

Strategy

- Product R&D and innovation
- Strengthen market expansion
- Increase brand awareness or brand value

Impact Management

Positive/Negative Impacts

- Positive Actual Impact - Steady Growth in Financial performance

Processes to Remediate and Prevent Negative Impacts

—

Targets Execution and Performance of Management Approach

2024 Implementation Goals

- Earnings per share after tax >0
- Return on Equity (ROE) >0
- Annual Total Production Achievement Rate ≧ 95%

2024 Performance

- Earnings per share after tax loss NT$ 1.26 (✕)
- Return on Equity (ROE) -6.05% (✕)
- Annual production target achievement rate 98% (✓)

Improvement/Optimization of Unachieved Items

- Continuous developing high-profit, high-value products.
- Enhance equipment maintenance to reduce the number of shutdowns.
- Implement energy conservation and carbon reduction to reduce Carbon Fee expenditure.
- Strengthen management to avoid penalty expenses.
- Monitor market information and adjust strategies at any time.

Short-Term (< 3 years) Goals

- Promote on-site audit mechanisms for supplier facilities; annual target: ≧ 2 suppliers
- Achieve a 100% signing rate of commitment letters from existing suppliers
- Local procurement rate: ≧ 70%
- Supplier and contractor evaluation pass rate: ≧ 90%

Medium- Long-Term (≧ 3 years) Goal Planning

- Conduct on-site audits at supplier facilities; annual target: ≧ 4 suppliers
- Establish a supplier communication platform with support and planning provided by professionals
- Achieve a 100% signing rate of commitment letters from existing suppliers
- Local procurement ratio: ≧ 70%
- Supplier and contractor evaluation pass rate: ≧ 90%

Evaluation of Management Approach

Effectiveness Assessment

- Company Financial Statements and Annual Report, ESG Reports
- Corporate Governance Evaluation

Grievance Mechanism

- "Investor Service" mailbox on the company website
- Investor Conferences, Shareholders'Meeting

Adjust Management Approach

Reviews through related meetings including executive meetings, production meetings, and development quality meetings to adjust the direction of market development in a timely manner.

Financial Performance GRI 201-1

The consolidated operational performance this year showed that crude oil prices surged to a peak in the first quarter before fluctuating downward, though overall remaining above the high level of US$ 70 per barrel. The price of naphtha rose due to the significant capacity expansion of Mainland China's naphtha cracking plants, resulting in increased ethylene procurement costs for the company compared to last year. In the EVA market, Mainland China's significant capacity expansion has also had an impact, not only continuously improving its EVA self-sufficiency rate and causing fierce price competition in the domestic market but also severely crowding out imported materials. On the demand side, due to the US-China trade conflict and the slowdown in Mainland China's economic growth, particularly in photovoltaic demand which grew less than expected, and the slump in footwear exports, the supply and demand situation for EVA in the Asian Region is gradually changing. After stabilizing and rebounding in the first quarter, the EVA market trend turned downward again in the second quarter, reaching a 5-year Low, with the prices of some general grades even falling below production costs at times. Fortunately, in recent years, our company has continued to develop differentiated products in response to Mainland China's significant expansion of EVA production capacity. Among them, coating-grade EVA sales increased by 26% over last year, as this type faces a higher production technical bottleneck and currently, Mainland China's domestic products supply only a small amount for low-end applications. Our company continues to expand the market and enhances efforts to develop the Southeast Asia region market to reduce price competition in the Mainland China's general-grade market. Additionally, by timely monitoring market dynamics, we flexibly adjust production line capacity when the EVA market is unfavorable, increasing LDPE production volume, and maintaining full production and sales for the entire year.

The annual total sales volume of LDPE/EVA increased by 4% over the last year, while the average selling price dropped by 13%. In terms of production, the total production of LDPE/EVA for the year was approximately 131,000 MT, a decrease of 1% from the previous year. The process improvement for the development of hot melt adhesive products has been completed, reaching the stage of quantitative commercial production, and is gradually being promoted to application markets. This effort aims to align with the group's sales strategy and enhance the flexibility of future production portfolios. Summarizing the operating results for the year, the decrease in sales price and the rise in raw material costs have resulted in a narrowed product margin.

Consolidated Financial Information in the Past 4 Years

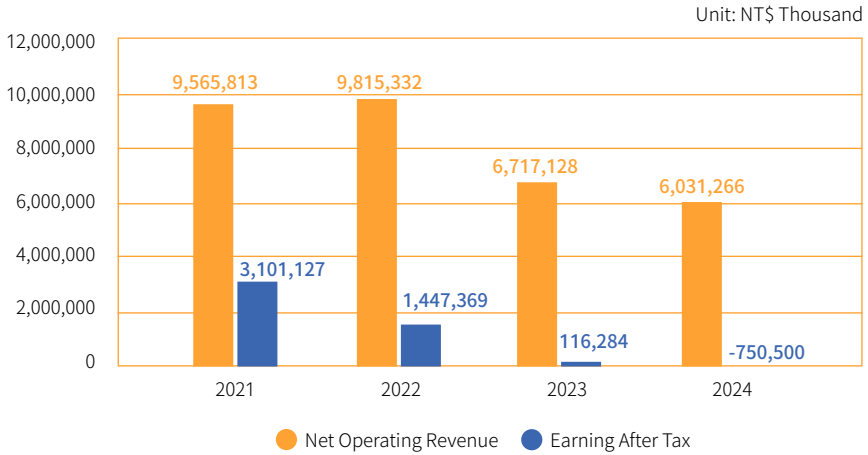
Unit: thousand dollars

Item	Basic Element	2021	2022	2023	2024
Direct Economic Value Generated	Revenue (including net sales, financial investment income, and asset sales income)	9,838,486	10,191,795	6,915,808	**6,206,248**
Distributed Economic Value	Operating Costs	5,834,461	6,468,607	5,418,126	**5,813,213**
	Employee Salaries and Benefits	401,024	389,657	365,135	**319,044**
	Payments to Investors	1,803,975	722,804	276,297	**160,897**
	Payments to Governments (including income tax, fines, land value tax, and house tax)	668,221	656,892	229,908	**9,100**
	Social Welfare Investment	6,873	7,898	8,247	**5,869**
Retained Economic Value		1,123,932	1,945,937	618,095	**-101,875**

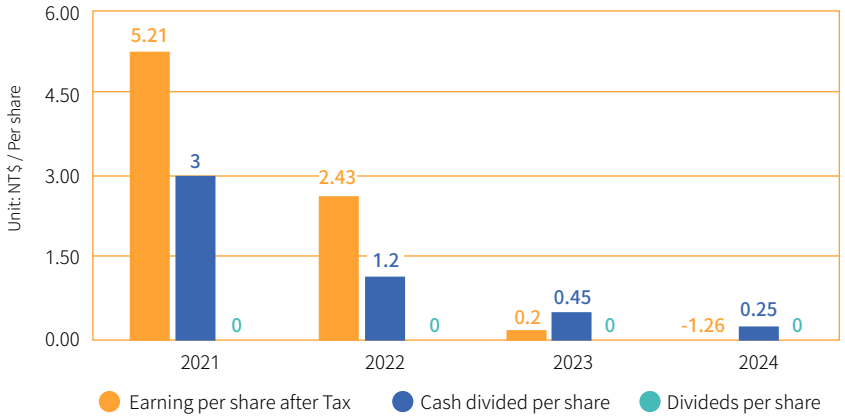
Distribution of Profit

In 2024, the operating revenues were NT$ 6,031,266 thousand, income tax (excluding estimates) was NT$ 236,204 thousand, accounting for 3.92% of the operating revenues, and the distributable earnings were NT$ 2.76 billion. A cash dividend of NT$ 0.25 per share is proposed. The charts below show the operating revenues and dividend distribution of APC over the past four years:

Asia Polymer's operating revenues and earnings after tax for the past four years



Asia Polymer's divided distributions for the past four years



Financial statements over the years

Dividend distribution over the years

Major Investments

1 Gulei Project

Investment Purpose

Many changes have emerged in the global petro-chemical industry in recent years, included the rise of the petrochemical industry in emerging regions and shale oil mining in North America, which have brought not only huge impacts to the energy structure and petrochemical material supply but also significant changes to development of the petrochemical industry across the Taiwan Strait.

To get prepared for future trends and challenges, petrochemical companies of Taiwan and Mainland China co-established the Gulei Integrated Refinery Project to achieve the vertical integration of the mid anddown-stream products.

Investment Item

The project engages in the production and sales of the following petrochemical products.

1. Ethylene, Propylene, Butadiene
2. Ethylene Vinyl Acetate Copolymer (EVA)
3. Ethylene Oxide (EO)
4. Ethylene Glycol (EG)

Investment Amount and Benefits

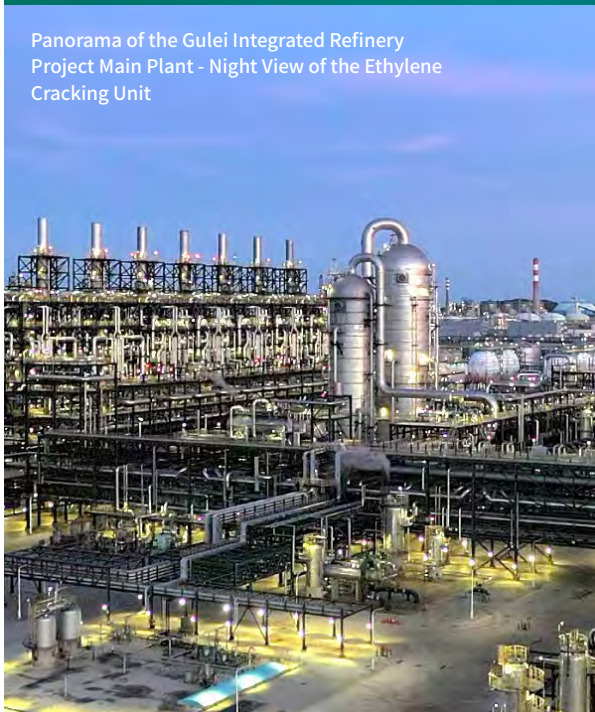
- After the approval of the relevant competent authorities, re-investment in the Gulei Port Economic Development Zone Project in Zhangzhou, Fujian Province, mainland China, was made through a third region with a maximum amount of NT$ 6 billion.
- In the future, the project will stabilize upstream material supplies, vertically integrate steam cracking, petrochemical intermediate materials, and plastic products, reduce transportation costs, and enhance competitive niche to facilitate deployment in the Greater China market and sales competition in the international market.

Investment Item Milestones

May 2023	Gulei Integrated Refinery Project has been completed and fully operational
October 2022	Intermediate delivery of the EVA plant
December 2021	Fujian Gulei Petrochemical Co., Ltd. started commercial operations
August 2021	Smooth hot commissioning of steam cracking units, SM, EO/EG
March 2021	PP hot commissioning succeeded
September 2020	Intermediate delivery of the PP processing units (Note 1.)
June 2019	Project construction started
May 2019	Approval of the land for project planning by the Gulei Committee
August 2018	Official approval was granted to the Gulei Integrated Refinery Project in Zhangzhou, Fujian
November 2016	Established Fujian Gulei Petrochemical Co., Ltd.

Note:
Intermediate delivery refers to the delivery of a construction project in the middle of the construction period. It suggests that the contractor has completed the construction of all processing routes, including running the pressure and utilities test, while the remaining projects will not affect the trial run.

Panoramic View of the West Sde of the Gulei Petrochemical Zone



Panorama of the Gulei Integrated Refinery Project Main Plant - Night View of the Ethylene Cracking Unit

2 Investment Plan for Storage and Transportation of Kaohsiung Intercontinental Container Terminal Phase II

In response to the Petrochemical Product Storage and Transportation Center Policy of the Kaohsiung Intercontinental Container Terminal Project launched by the Port of Kaohsiung, Taiwan International Ports Corporation, Ltd., China General Terminal & Distribution Corporation, the ethylene transportation side of the Linyuan Plant, will be relocated from the old port area to the Petrochemical Product Storage and Transportation Center of the Kaohsiung Intercontinental Container Terminal Project Phase II. To ensure the steady production and transportation of ethylene, APC invested NT$ 10.2 billion to build the outgoing pipelines for the ethylene cold storage at the Petrochemical Product Storage and Transportation Center of the Kaohsiung Intercontinental Container Terminal Project Phase II. This project is to be completed by 2025 and will transition to commercial operation, hoping to continuously provide existing customers with a steady ethylene supply.

Panorama of China General Terminal & Distribution Plant at Intercontinental Container Terminal Phase II

China General Terminal & Distribution Plant at Intercontinental Container Terminal Project Phase II: Ethylene Storage Plant

Financial Assistance Received from Government GRI 201-4

On January 4, 2021, the Ministry of Economic Affairs approved APC application for the "Action Plan for Accelerated Investment by Domestic Corporations"program to the Kaohsiung Intercontinental Container Terminal Project Phase II, enabling us to apply for bank project financing of up to 80% of the amount of project investment. Additionally, we will also receive a subsidy at 0.5% of the financing service change from the National Development Fund, as a form of preferential interest reduction.

The project financing credit has been fully drawn by the end of 2024, with a subsidy of **approximately NT$ 2.23 million obtained from the Government's National Development Fund in 2024.**

2.3 Risk Management

To strengthen the Company's corporate governance, reduce potential operational risks, and ensure the steady operations and sustainable development, the Audit Committee and the Board of Directors passed the establishment of the"Regulations for Risk Management Policy and Procedure"in December 2020. These Regulations cover the policy, structure, process, category, and mechanism for risk management implemented by the Board, Audit Committee, various risk management units, and the Auditing Division to effectively control risks in business activities so as to improve the effectiveness of risk management and protect the interest of the Company, employees, shareholders, and stakeholders.

Risk Management Process GRI 3-3

Based on the characteristics of the Company's business and various aspects of the internal and external environment, we establish appropriate measurement methods to identify risks as the basis for risk management, and each risk management unit continues to monitor the risks of its business and propose countermeasures to report to senior management to ensure that the management structure and risk controls functions operate normally.

Risk Management Category

Based on the characteristics of APC's business and operations, include the following risk categories into management:

Risk Category & Risk Description					
Financial Risk · Interest Rate Fluctuation Risk · Exchange Rate Fluctuation Risk · Property Loss Risk · Endorsement Guarantee Risk · Accounts Receivable Risk	**Information Security Risk** · Information Operation and Maintenance System · Information Security Education, Training and Publicity · Customer Transaction Security Protection	**Climate Change and Environmental Risks** · Risk and Opportunity Assessment due to Climate Change · Legal Compliance · Understanding of Environmental Laws and Regulations Information	**Disasters and Accidents Risk** · Contingency Handling for Unexpected Events · Operational, Property, and Personnel Loss Risk · Employee Operational Safety Risk · Operational Disruption Risk	**Legal Risk** · Compliance with Laws and Regulations Risk · Transaction Risk · Dispute Resolution · Awareness and Behavior of Compliance with Laws	**Strategy and Operational Risks** · Industry Risk · Investment Risk · Operational Disruption Risk · Raw Materials and Finished Goods Inventory Risk
Price of Raw Materials and Supply Chain Risk · Changes in Price of Raw Materials · Raw Material Inventory and Logistics Management · Production Equipment Spare Parts Plan	**Human Resources Risk** · Compliance with Laws and Regulations Risk · Risk of Human Resources Shortage · Risk of Employee Workforce Stability	**Technology Risk** · Information security risks arising from the adoption of new technology. · Changes in market consumer habits and lagging production technology.	**Occupational Safety and Health** · Compliance Audit · Contractor Occupational Safety Management · Occupational safety education and training publicity · Occupational accidents and safe working hours · Implementation of the Year Group Safety and Environmental Audit Plan	**R&D Risk** · Product Competition Risk · R&D Information Control Risk · Technological Lag and Product Development Delay · Intellectual Property and Patent Risk	**Other Risks** · Severe Special Infectious Diseases (COVID-19)

Risk Management Operations GRI 2-24

Each risk management unit analyzes the relevant risks within its unit, proposes countermeasures, and regularly reports the execution results and risk status to senior management. The president or a designated person must report on the Company's risk management operations to the Audit Committee and the Board of Directors at least once a year.

On November 6, 2024, the head of the Sales & Marketing Division reported the 2024 risk management operations to the Board of Directors. Please refer to the ESG section 2024 Risk Management Operations Report of the Company's website and the Risk and Opportunity Action Plan and Implementation Tracking for the report contents.

Information Security Policy GRI 2-23

- ISO 27001 Information Security System: Since 2014, an ISO 27001:2013 information security management system has been established and continuously operated and promoted. An impartial external organization, BSI Taiwan, has been engaged for audits. It has successfully passed certification for 10 consecutive years, with the current certificate valid from July 4, 2023, to October 31, 2025. At the same time, the auditing division of USI Group conducts internal information security audits twice a year.
- NIST CSF Cybersecurity Management Framework: Incorporate the Cybersecurity Framework (CSF) developed by the National Institute of Standards and Technology (NIST).
- Based on the ISO 27001 Information Security System, supplemented by the NIST CSF Cybersecurity Management Framework, to strengthen Risk control, enhance cybersecurity resilience, and possess the ability to endure, contain, and rapidly recover from cybersecurity incidents, thereby continuously providing critical operational services.

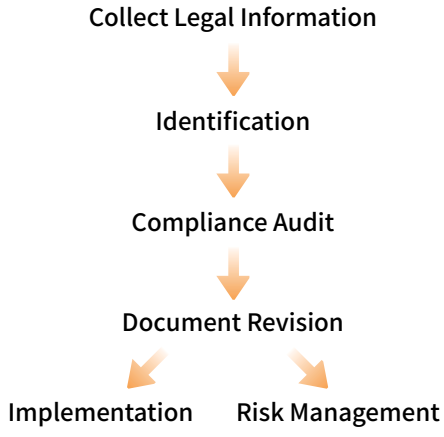
Internal Control and Internal Audit System GRI 2-23

The Auditing Division of APC is an independent unit that reports directly to the Board of Directors. It recruits professional colleagues who have obtained international internal auditor certification to join the audit team, upholding an impartial and independent spirit in conducting business. The division regularly attends the meetings of the Audit Committee and the Board of Directors to assist management in inspecting and reviewing the internal control system, as well as measuring operational effectiveness and efficiency. It formulates and implements the annual audit plan based on identified risks. The Internal Audit is the designated unit responsible for handling the Audit Committee mailbox and the report hotline for illegal, unethical, or dishonest behavior.

Annually, internal control audits are executed according to the audit plan approved by the Board of Directors. A report on the findings from the internal control audits and follow-up improvement actions is submitted quarterly to the Audit Committee and the Board of Directors. For the year 2024, the Audit Office has submitted 49 audit reports and 4 follow-up improvement reports, with all recommended improvements completed.

Compliance with Laws and Regulations GRI 2-27

In addition to ethical corporate management, APC also emphasizes legal compliance in all areas. In routine operations, we continually monitor and collect information about the establishment of and amendment to laws and regulations in areas such as corporate governance, labor human rights, environmental protection, and occupational health and safety from government agencies at all times, along with identifying the conformity of these laws and regulations to our operations, revising relevant documents, and carrying out risk management or enforce regulations. SASB RT-CH-530a.1



Ethical Corporate Management GRI 2-26

1 In accordance with legal systems, the company has legally established the "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", "Code of Ethical Conduct for Directors and Managerial Officers", and the group has set the "Code of Conduct for Employees with Part-Time Jobs" to clearly define standards for ethical corporate management and ensure their implementation.

2 Periodically analyze and assess risks of unethical conduct within the scope of business - assess the risks of unethical conduct within the scope of business based on the “Checklist for Assessing Risks of Unethical Conduct.” After assessment, there are no significant risks this Year.

3 Plan the internal organizational structure, establishing monitoring mechanisms for business activities with higher risks of unethical conduct within the scope of business - The company's financial and accounting departments are separated and have mutual supervision mechanisms. The auditing divison conducts audits based on the eight cycles and two major management operations, executing annual audit operations after being approved by the Board of Directors to effectively reduce unethical risks.

4 Promotion and Coordination of Ethical Policy Advocacy Training - The company continuously conducts ethical advocacy and educational training, using tests to enhance employees' awareness. As of October 18, 2024, ethical corporate management education and training courses have been held, with a total of 71 employee participants and total training hours amounting to 144 hours, detailed as follows:

5 Establish a reporting system to ensure the effectiveness of its implementation - Formulate the "Procedures for Handling Cases of Illegal, Unethical, or Dishonest Conduct" to encourage reporting of any conduct that is illegal or violates the code of ethics or the Ethical Corporate Management Best Practice Principles. Provide multiple reporting channels, allowing employees or external parties to report illegal, unethical, or dishonest actions through the following channels. These reports will be handled by designated personnel, and the identity of the reporter and the contents of the report will be kept confidential.

6 Assist the Board of Directors and the President in evaluating whether the preventive measures established for implementing Ethical Corporate Management are functioning effectively, and regularly assess the compliance of related business processes, compiling reports.

List of Relevant Regulatory Training Courses for APC in 2024

Item	Course Name	Hours	Person	Total Hours
1	[Ethics Lecture] Understanding Managers Should Have on Preventing Workplace Unlawful Infringement	2	23	46
2	[Ethics Lecture] Stop, Look, and Listen to Workplace Ethics	2	21	42
3	[Ethics Lecture] No-Fault Product Liability	2	25	50
4	[Ethics Lecture] Practical Cases of Insider Trading and Related Legal Responsibilities	3	1	3
5	[Ethics Lecture] Introduction to the Trade Secrets Act and Case Analysis	3	1	3
	Total		**71**	**144**

APC 2024 Governance Aspect	No violations of relevant laws and regulations.
APC 2024 Social Aspect	No violations of relevant laws and regulations.
APC 2024 Environmental Aspect	The Linyuan Plant was fined NT$ 675,000 by the Environmental Protection Bureau of Kaohsiung City for violating the "Air Pollution Control Act".

The relevant reasons for offense and improvement are described as follows: GRI 2-27

Item	Competent Authority	Reason for Offense (Violation of Regulations)	Date of Disposal	Fine Amount (unit: ten thousands)	Improvement Description
1	Environmental Protection Bureau of Kaohsiung City	On May 24, 2024, the Environmental Protection Bureau entered the plant to implement an inspection of Volatile Organic Compound (VOCs) leakage concentration from equipment components in the Low-Density Polyethylene Chemical Manufacturing Process (M01). The result indicated that 1 point had equipment component leakage net inspection values exceeding the "Kaohsiung City Equipment Component VOCs Control and Emission Standard" of 2,000 ppm, violating Article 20, Paragraph 1 of the Air Pollution Control Act.	November 1, 2024	15	1. Strengthen on-site personnel inspection of equipment and components 2. The environmental protection section conducts monthly random testing of equipment components
2	Environmental Protection Bureau of Kaohsiung City	On May 24, 2024, the Environmental Protection Bureau entered the plant to implement an inspection of Volatile Organic Compound (VOCs) leakage concentration from equipment components in the Low-Density Polyethylene Chemical Manufacturing Process (M02). The result indicated that 3 points had equipment component leakage net inspection values exceeding the "Kaohsiung City Equipment Component VOCs Control and Emission Standard" of 2,000 ppm, violating Article 20, Paragraph 1 of the Air Pollution Control Act.	November 1, 2024	15	1. Strengthen on-site personnel inspection of equipment and components 2. The environmental protection section conducts monthly random testing of equipment components
3	Environmental Protection Bureau of Kaohsiung City	On May 24, 2024, the Environmental Protection Bureau entered the plant to implement an inspection of Volatile Organic Compound (VOCs) leakage concentration from equipment components in the Low-Density Polyethylene Chemical Manufacturing Process (M03). The result indicated that 1 point had equipment component leakage net inspection values exceeding the "Kaohsiung City Equipment Component VOCs Control and Emission Standard" of 2,000 ppm, violating Article 20, Paragraph 1 of the Air Pollution Control Act.	November 1, 2024	15	1. Strengthen on-site personnel inspection of equipment and components 2. The environmental protection section conducts monthly random testing of equipment components
4	Environmental Protection Bureau of Kaohsiung City	On October 11, 2024, during the start-up of the Low-Density Polyethylene Chemical Manufacturing Process (M03), steam was used to purge residual polymers within the pipeline. Due to excessive instantaneous pressure, gas was released from the relief valve of the separator and directed to the exhaust gas combustion tower for treatment by combustion. Incomplete combustion resulted in the instantaneous release of significant particulate pollutants (black smoke), causing air pollution. This action violated Article 32, Paragraph 1, Item 1 of the Air Pollution Control Act.	November 1, 2024	22.5	1. Enhance personnel educational training 2. Reduce blower pressure.

Reporting Channels GRI 2-25, 2-26

APC established the reporting handling procedures and related confidentiality mechanisms on November 9, 2017 "Procedures for Handling Cases of Illegal, Unethical, or Dishonest Conduct", as approved by the Audit Committee and the Board of Directors. In case of reporting incidents, reports can be made in person or through the report email and hotline, and will be handled by the designated unit.

Implementation Status:

The Group Auditing Division and Human Resources Division compile a report for the Audit Committee on the receipt, processing, and improvement implementation status. **For the year 2024, the Auditing Division did not receive any report cases.**

Report Email	"Audit Committee Email" in the “Investor Service” section on the APC website.
Report Hotline	1. Group Auditing Division: (02)2650-3783
	2. Gender Equality Support Hotline (Group HR Division): (02) 8751-6888 ext. 2609
	3. Dedicated Email for Reporting Sexual Harassment and Unlawful Workplace Conduct: usighr@usig.com

CH3
Product Innovation and Supply Chain Management

Performance Highlights

- New Product Development: 1, Quality Improvement: 1
- Overall Customer Satisfaction 98.1%
- Supplier CSR Commitment Signing Achievement Rate 100%
- Local Procurement Rate 73%
- Green Procurement Amount is NT$ 7.57 million

Material Topics

Technology R&D

Supply Chain Management

SDGs Correspondence

Certified Management System

ISO 9001 Quality Management Systems
Validity Period: May 3, 2025~May 3, 2028

3.1 Technology R&D

Material Topics: Technology R&D corresponding with Sustainability Development Principles: Innovative Technology GRI 2-25, 3-3

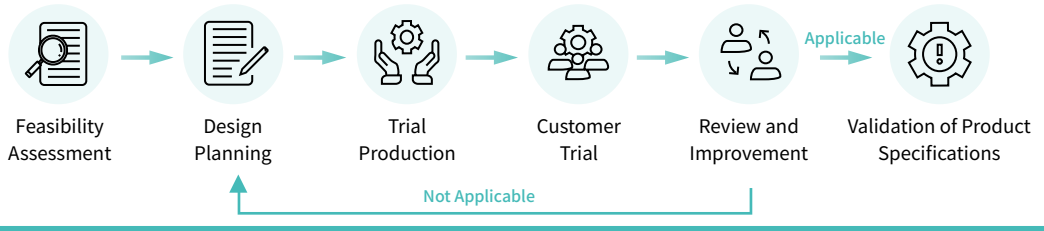
Management Approach and Components	Impact Management	Targets Execution and Performance of Management Approach	Evaluation of Management Approach
The Significance to Asia Polymer Successful sustainable materials development and corporate transformation are crucial to corporate competitiveness. Therefore, continuous improvement of product quality and the development of new products are not only key to maintaining corporate profitability but also the foundation of corporate sustainable development.	**Positive/Negative Impacts** · Positive potential impact - Getting rid of the industry burdens through manufacturing transformation. · Positive potential impact - Successful sustainable materials development. · Positive actual impact - New product development and diversification.	**2024 Goals** · At least one new product development or product quality improvement per year.	**Effectiveness Assessment** · Control product development progress with the "Product Research and Trial SOP" · Review R&D direction through the quality meeting. · Exchange Technology R&D through the executive meeting.
Management Practice and Objectives Fulfill customer demands by collect information regarding market development trends, set directions for product quality improvement and new product development, and enhance product quality and market competitiveness.	**Processes to Remediate and Prevent Negative Impacts** —	**2024 Performance** · New Product Development: 1, Quality Improvement: 1 (✓) Analysis Reason: Hot melt adhesive V19400 trial production is a cross-year project, and the plan is currently in progress. 2024 Progress Descriptions: 1. Completed the V19400 trial production in March and July 2024. 2. V19400 began commercial production in December 2024.	**Grievance Mechanism** · Customer Management Process · Customer Dispute Management Procedures
Strategy · Niche product development · High-value products		**Short-Term (< 3 years) Goals** · At least one new product development or product quality improvement per year. · Trial production of new products, with a quality achievement rate ≧ 80%.	**Adjust Management Approach** The Business Division collects market information and capture the market trends of products through technical customer service.
Goals · At least one new product development or product quality improvement per year.		**Medium- Long-Term (≧ 3 years) Goal Planning** · Development of market-leading products, at least 2.	

Product Development and Research Plan

R&D Process

Information Collection

- The Business Division collects market information and customer feedback, proposing product development or improvement needs.
- The Linyuan Plant proposes product improvement based on demand.



R&D Outcomes

	R&D Outcomes	Primary Reasons for R&D
2022	Hot melt adhesive grade EVA product Completed trial production of (Grade V08085/V19150), the quality meets the specification.	· The production technical threshold of hot melt adhesive grade EVA is high. · In response to the commencement of the Gulei Petrochemical, the diversification of the products is implemented.
2023	Hot melt adhesive grade EVA product The trial production planning (Grade V19400) has been completed, and the additional construction of the chiller was completed in December 2023.	
2024	Research and testing of hot melt adhesive grade EVA products V19400 completed trial production in March and July 2024, with commercial production finalized in December.	

In response to the high-value product strategy and changes in market demand, APC is expanding EVA's production capacity and direction towards high-end application and high VA content product development. Apart from the fast laminating grade EVA product being APC's main product, the usage of hot-melt grade EVA product is extensive. In the future, with the expansion of production capacity, the flexibility of product portfolio can be enhanced, which is the focus of product development in recent years. GRI 201-1

Resource Provision

R&D Funds

The R&D funds for 2024 were NT$ 4.107 million. In addition to the R&D funds, the group has also established a common R&D department to provide substantial resources in terms of R&D funds and manpower, leveraging the group's power to assist in achieving the R&D goals.

R&D Workforces

In 2024, there were 31 R&D personnel, accounting for 13.3% of all employees. Most outstanding talents R&D personnel are holding a bachelor's or master's degree. The distribution of education attainments of R&D personnel in the past three years is as follows:

Education Attainment Distribution of R&D Personal for the past three years

Green Products

Non-Toxic Products

GRI 403-7 SASB RT-CH-410b.2

We consider the related laws and regulatory requirements such as FDA, CNS, JIS, and EU Restrictions on Hazardous Substances (RoHS) Directive right from the feasibility assessment of product development to ensure compliance with the standards, regulations, and laws governing human health and environmental impact.

We received the SONY Green Partner certification (Green Partner Environmental Quality Approval System) in 2009, establishing our corporate image of toxic substance free and clean production. In order to meet the legal and regulatory requirements for environmental protection and quality, we request suppliers to provide raw materials that comply with the relevant environmental quality requirements to ensure no use of limited or restricted substances at the procurement stage.

Apart from engaging in energy conservation and clean production in the product manufacturing process, the Company also develop EVA products suitable for the shielding layer of electric wires and cables for producing low-smoke, halogen-free wire and cable jackets to comply with the environmental protection requirements.

APC products have passed various regulatory requirements as certified by third-party notary units, as detailed in the table below:

Item	Standards and Norms	Inspect Product Model
1	USA FDA Standards (Title21, Pt 177.1520)	LDPE
2	Halogen-free	LDPE
3	Plasticizer Test	M5100
4	EU Standards (EU 10/2011)	C7100
5	EN 71 Part 3: 2013 (19 items of migratable heavy metals)	LDPE/EVA
6	Restriction of Hazardous Substances (RoHS) Directive Standards	LDPE/EVA
7	New Balance Specifications	C7100, EV101, EV102, EV303
8	USA FDA Standards (Title21, Pt 177.1350)	EVA
9	Adidas Specifications	EVA
10	Article 4 of the Sanitary Standards for Food Utensil, Container and Packaging in Taiwan	C7100
11	Standards for Plastic Food Contact Plastic Materials in Mainland China	C7100, C4300, F2201
12	Crocs RSL Specifications	EVA
13	Nike RSL Specifications	C7100
14	Asics Specifications	EV101
15	Brooks RSL Specifications	C7100

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Product Innovation

1 New Product R&D Progress

Year	R&D Project	Progress	Invest in research funds (in thousand dollars)	Estimated Time of Mass Production Duration	Descriptions of R&D Outcomes
2024	Research and testing of hot melt adhesive grade EVA products	1. Completed V19400 trial production in March and July 2024. 2. Completed commercial production in Q4 2024.	200	2024	1. Add a center water jet and spring cutter seat to improve the pelletizing condition. 2. The product underwent testing and analysis, and the specifications are consistent with those of the same grade material from USI. 3. After Information collection, it met customer demand. 4. The hot melt adhesive grade will begin commercial production in December 2024.

2 New Product R&D Plan

Year	R&D Project	Progress	Invest in research funds (in thousand dollars)	Estimated Time of Mass Production Duration	Expected Results and Descriptions
2025	High-value EVA development.	Evaluate the development of products with high VA and low MI.	500	2026	Produce higher value-added EVA materials for electric wires and cables to enhance the differentiation and competitiveness of the materials.

3 Product Quality Improvement

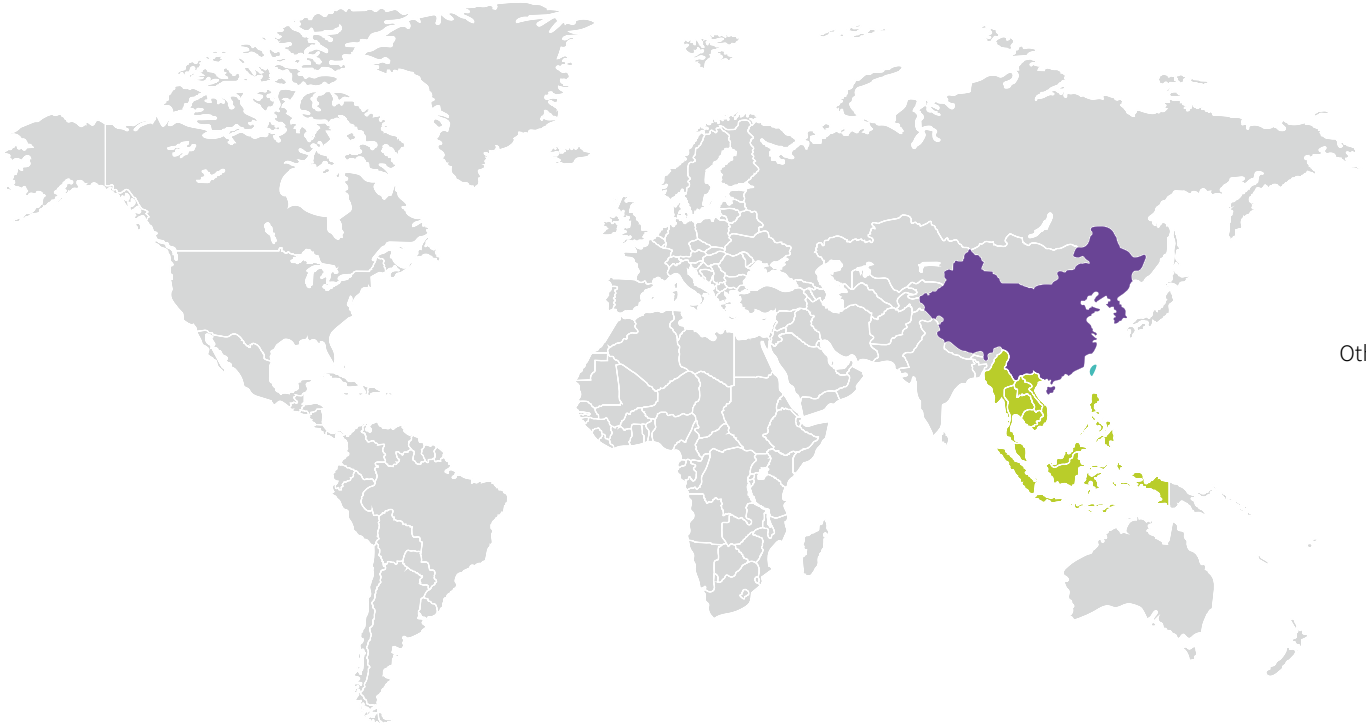
Year	Product Name	Progress	Invested Funds (in thousand dollars)	Improvement Completion Time	Expected Results and Descriptions
2024	V33122	The concentration of additive AO-1 is reduced from 600ppm to 200 ppm.	-	July 2024	Fulfill customer demands and increase market share for wires and cables.

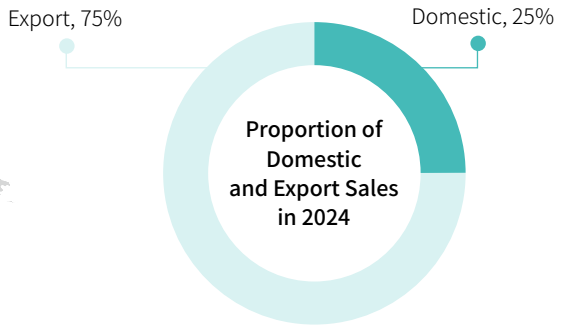
3.2 Customer Service

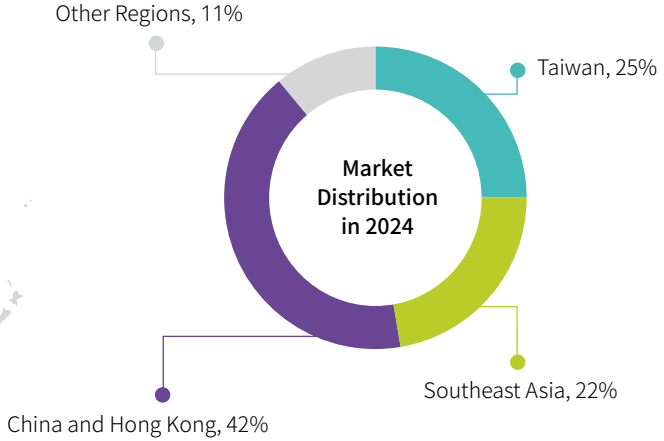
The Technology Department of the APC Linyuan Plant assists the Business Division by supporting customer services, product improvement, new product and new market development. It also supports the development of custom products and product characteristic improvement. In recent years, the sound collaboration of both departments has earned customer recognition.

Product Sales and Markets GRI 2-6

The Company's product markets: LDPE is primarily for domestic sales, while EVA is for export. In addition to Taiwan, we also distribute products worldwide to Mainland China, Hong Kong, Japan, Thailand, Vietnam, Malaysia, Singapore, the USA, Indonesia, Cambodia, India, Bangladesh, Pakistan, Sri Lanka, the UAE, Israel, Egypt, South Africa, and Russia, among others. Our customers include processing plants and traders of packaging films, food packaging materials, microfibers, plastic injection molding, foamed shoe materials, sports goods, PV packaging films, pre-coating/card laminating, etc. The proportion of domestic and export sales and market distribution in 2024 are shown below by sales volume.







Customer Privacy

In terms of customer privacy confidentiality, the Group Credit Department establishes the Customer Personal Data Control Regulations in response to the Personal Data Protection Act to ensure customer data is controlled in compliance with the Personal Data Protection Act. The control process is as follows:

1. Cancel access, including system and file access privileges, to customer personal data over the Enterprise Resource Planning (ERP) system, except for the Group Credit Department personnel.
2. Obtain the "Personal Data Collection, Processing, and Use Notification and Agreement" in advance before collecting documents containing customer personal data.
3. After receiving customer personal data, the Group Credit Department should input paper data in the ERP system. Personnel should store paper documents in media files and cover text or data containing customer personal data before archiving. Except as otherwise required, destroy paper documents afterwards.

There was no customer privacy right infringement or loss of customer personal data in 2024.

Customer Complaints Procedure

To optimize the customer complaints procedure, APC has established the Customer Dispute Management Platform to digitize the customer complaint process, control and analyze the causes of customer complaints, and follow up the progress of responsible units and corrective and preventive actions so as to implement quality improvement activities and improve the quality of customer service.

Customer Feedback to Business Division Responses to Customer Complaints → · Respond to Customers · Investigation of the Cause of Customer Complaints → Customer Complaints Closure Report → Reply the Investigation Results and Complaint Procedure to Customers by Sales Representatives

Customer Satisfaction Survey

In order to understand the opinions of customers about the products and services provided by APC, besides contacting or visiting customers personally through sales representatives, an annual customer satisfaction survey is conducted through questionnaires. This ensures that customer needs are fully understood and properly addressed. Following this, improvement plans are made in light of customer feedback and presented at the "ISO Management Review Meeting", where the results are tracked to continually enhance the quality ofproducts and services. The method of customer satisfaction surveys involved ranking the domestic and export transaction customers by the tonnage shipped to them each year. The top 25 customers from both domestic and export sales, along with 10 alternates from each category, are selected to participate in the customer satisfaction questionnaire. The survey is conducted on the four aspects of product quality, service quality, transportation quality, and overall satisfaction of APC products. The satisfaction score is calculated based on the proportion of responses marked as [highly satisfied] and [satisfied]. In 2024, a total of 54 valid customer satisfaction survey responses were collected, and the overall satisfaction was 98.1%, which is similar to the levels in 2022 and 2023. APC appreciates the vast number of customers for their recognition of our product and service quality. APC will continue to make improvements to repay the long-term support of customers. Customer satisfaction in the past three years is shown below:

Customer Satisfaction Survey Results of Asia Polymer in Past Three Years

Suggestions gathered from customer satisfaction survey have been transferred to the relevant units for assistance, such as "Assistance in solving customers' processing problems by the technical service unit", "Selection of shipping companies with better punctuality and more reasonable transportation cost by the customs department to meet the shipment expectation of customers", "Adding plastic steel ropes to secure the goods during shipment", and so on.

List of Customer Feedback Analysis and Review for 2024

Item	Customer Feedback Items	Analysis and Review	Satisfaction Type
1	Expectation for stable shipping schedules, and any delays must be communicated in advance so that customers can adjust their production plans.	In 2024, multiple shipping delays were caused by natural disasters (typhoons), and efforts will be made to avoid this in the future, with prior notice given.	Transportation quality
2	Regarding the issue of price increases, it is recommended to align with other suppliers.	There is a price difference between shipping to inland ports in China and major ports, thus the price increase reflects the cost.	Transportation quality
3	It is recommended to reinforce the packaging to avoid package breakage during transportation.	Added plastic steel rope to secure the cargo when shipping V33121 in December 2024.	Transportation quality
4	The unit price is still higher than imported materials, and we hope it can be more competitive.	Product prices change with the market and are adjusted promptly at the beginning of each month.	Other Recommendations
5	It is suggested to increase product viscosity to meet demand.	The evaluation of coating products with VA = 22% has been formulated.	Other Recommendations
6	Hope for stable supply of high-pressure coating products.	The production line will periodically switch to producing LDPE to fulfill customer demands.	Other Recommendations

Remarks: The product quality and service quality in 2024 both met customer requirements, with no Customer Feedback Items.

Product Responsibility and Technical Support

APC particularly focuses on product responsibility and services. Hence, we provide the catalogs that include the specifications, performance, and application description, and Safety Data Sheet (SDS) of existing and new products in the “Product Information” section on the Company website for customers to access related product information and meet their demands in time.

To ensure the rights and interests entitled to customers for using the Company products, there are technical service and marking units established under the Business Division to develop the new application of products to help customers improve processing issues and facilitate technological cooperation and exchange.

To meet the stringent quality requirements of global customers, all APC products comply with the relevant legal and regulatory requirements and contain no Health and Environmental Hazardous Substances as categorized in the Globally Harmonized System (GHS). In 2023, EVA products passed the testing and verification by prominent sports brands such as New Balance and NIKE, etc., demonstrating the safety of APC's products. In 2024, APC's C7100 and other LDPE products passed the GB-4806.7-2023 regulations, meeting China's national food safety standards. SASB RT-CH-410b.1

There was no legal non-compliance or fine in relation to product labeling in 2024.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3.3 Supply Chain Management GRI 2-6

Material Topics: Supply chain management; Corresponding Sustainability Development Principle: Sustainable development GRI 2-25, 3-3

Management Approach and Components

The Significance to Asia Polymer

Understanding the ESG impacts on the suppliers and implementing supplier management is crucial to the sustainable development of the Company. As an indicative business in Taiwan, APC not only pursues profit, but also has a responsibility and obligation to share the responsibility of sustainable supply chain management with our supplier partners.

Management Practice and Objectives

Establish the mechanism for supply chain sustainability risk assessment and prevention, to develop a supply sustainability management culture.

Strategy

- Improve procurement performance and establish partnerships.
- Establish safety awareness and improve the workplace environment.
- Jointly undertake corporate social responsibility.

Goals

We are committed to developing communication channels with suppliers to increase the opportunities for opinion exchange so as to achieve environmental protection, industrial safety, and human rights for sustainable operations together.

Impact Management

Positive/Negative Impacts

- Positive Actual Impact - Successful supply chain management, quality improvement
- Positive Actual Impact - Enhance supply chain management and improve the quality of raw materials.
- Negative Potential Impact - International situations, pandemics, and the weather affecting supply.

Impact Boundary

Global Raw Material and Project Contractor, Customers

Processes to Remediate and Prevent Negative Impacts

—

Targets Execution and Performance of Management Approach

2024 Goals

- Achieved a 100% signing rate for Supplier CSR Commitment with existing suppliers.
- Local procurement rate ≧ 70%
- The pass rate for suppliers and contractors evaluation is ≧ 90%.

2024 Performance

1. Achieved a 100% signing rate for Supplier CSR Commitment with existing suppliers (✓)
2. Local procurement rate 73% (✓)
3. Supplier evaluation pass rate 100% (✓)
4. Contractors evaluation pass rate is 100% (✓)

Short-Term (< 3 years) Goals

In conjunction with the Supplier Code of Conduct and Quality Requirements Self-Assessment Form, we have officially implemented the on-site audit system to investigate the risks of negative impacts on environmental and sociality, with the goal of examining two suppliers per year.

Medium- Long-Term (≧ 3 years) Goal Planning

- Conduct on-site audits at suppliers' plants, increasing to 4 suppliers each year.
- Based on the on-site audit results, build an opinion exchange platform with suppliers and ask related the Company professionals to make recommendations for their inadequacies and help them make corrective planning.
- Local procurement ratio: ≥ 70%
- Supplier and contractor evaluation pass rate: ≥ 90%

Evaluation of Management Approach

Effectiveness Assessment

Please refer to the table for "the Performance of Supply Chain ESG Risk Management" and its implementation status.

Grievance Mechanism

APC has a Group Auditing Division grievance hotline and a suggestion email on the corporate website for filing grievances

Adjust Management Approach

Internally, conduct supplier evaluation and project construction evaluation periodically, discuss the results, and make adjustments; externally, hold irregular supplier opinion exchange conferences to discuss and share opinions on unspecific topics.

Supplier Classification and Procurement Proportion

With the rise in the awareness of issues related to sustainable development and supply chain risk management, apart from proactively performing social responsibilities and contributing to society, APC has realized the need to understand the ESG impacts on our suppliers in order to implement supplier management.

APC's major suppliers include materials suppliers, equipment suppliers, and project contractors. Additionally, the procurement from information hardware and software suppliers and office equipment suppliers were omitted as the proportion was statistically insignificant. To effectively integrate group resources, the Company implements procurement in collaboration with the Group Procurement & Logistics Division. Through utilizing the internal e-procurement system, we ensure the transparency and impartiality of the procurement process, uphold business integrity and ethics, and develop a steady partnership with suppliers.

APC Supplier Category and Proportion of Transaction Amount in 2024

Supplier Type	Materials Supplier	Equipment Supplier	Project Contractor
Definition	Suppliers supplying raw materials for product manufacturing.	Suppliers supplying equipment or parts for product manufacturing.	Suppliers to which projects are outsourced.
Proportion of procurement amount (%)	92.7	5.3	2

Supply Chain Sustainable Development Policy GRI 2-23

Apart from requesting suppliers to provide high-quality products and high-efficiency services of raw materials and services, we are also committed to expanding communication channels with suppliers to increase the opportunities for exchange so as to achieve the goals of environmental protection, labor safety, and human rights.

Optimize partnership and share sustainable business opportunities

Enhance workplace safety and strengthen environmental protection

Take social responsibility and boost competitiveness

Supply Chain Risk Management GRI 308-2, 414-2

Risk Assessment	Prevention measures	Impact Response	Future Planning
In addition to the supply chain safety requirements, the identification of the special conditions for the chemicals supplier are as follows: · Risk of leakage and contamination in the chemical manufacturing process · Occupational safety and environmental pollution risks in dusty, high-temperature, noisy, and humid operating premises. · Work at height risk. · Industrial safety risk of cutting or welding. · Risk of fugitive emissions of VOCs (Volatile Organic Compounds). · Labor-intensive industries. · Supply chain and project disruption/delay in delivery and completion risk. · Raw materials and construction quality risk.	· Implement the supplier sustainability self assessment questionnaire to provide information for initial risk assessment. · Establish long-term cooperation with suppliers; cultivate a second source or multiple sources and maintain cooperation to coordinate long-term material preparation. · Develop an internal safety stock mechanism and set a purchase base point according to the supply schedule to prevent the risk of supply disruption. · Purchasers implement educational training for the sustainable supply chain. · Environmental, safety and health educational training for contractors.	· Adjust the supply proportion of suppliers, timely supplement or dispatch from other suppliers. · For construction projects, the ESH unit immediately investigates personnel safety, equipment damage, and environmental impact. After consolidation, the ESH unit will hand over the results to related units to address and understand the situations.	· Apart from setting chemical suppliers as the focus, a risk assessment mechanism will also be established based on the procurement amount, project outsourcing amount, or project importance, and the on-site audit results of the said sustainable development strategy. · Statistical analysis and subsequent disposal methods are planned according to the above risk assessment and identification mechanism as well as the respective risk levels.

Performance of Supply Chain ESG Risk Management GRI 2-24

Risk and Attribute	Supplier (Chemicals)	Project Contractor
	Environmental (E), Social (S), and Governance (G) aspects of evaluation	
Potential Risk	a. Chemical Manufacturing Process (E) b. Dusty, High-temperature, Noisy, and Humid Operating Premises (E) c. Risk of Fugitive Emissions of Volatile Organic Compounds (VOCs) (E) d. Labor-intensive Industries (S) e. Supply Chain Disruption/Delay Risk (G) f. Quality Risk (G)	a. Dusty, High-temperature, Noisy, and Humid Operating Premises (E) b. Work at height risk. (E, S) c. Labor-intensive (S) d. Industrial Safety Risk of Cutting or Welding (S) e. Project Disruption/Delay Risk (G) f. Project Quality Risk (G)
Number of audited and visited suppliers	On-site trial audits were conducted on 2 companies in 2024, with a 100% pass rate.	Implemented alongside the project construction evaluation of contractors.
Audit Details	Environmental (E): Regulatory compliance of the manufacturing and storage of environmentally controlled substances Governance (G): Management of quality, production, and orders; customer feedback and satisfaction follow-up; Employee educational training and management of outsourced processing.	

Promotion of Supplier's Code of Conduct (Supplier CSR Commitment) GRI 308-1, 403-7, 414-1

In recent years, sustainable development indicators—such as environmental, labor, human rights, and social impacts—have been getting increasing public attention. In addition to APC, we will also review the completeness of the code of conduct of suppliers. In 2022, APC already completed the revision of internal SOPs to include the Supplier CSR Commitment as a required document for new supplier evaluation.

Currently, apart from including labor and human rights, environmental, and social impacts sustainable development indicators as part of the criteria for new supplier selection and evaluation, we also request new suppliers to sign related undertakings to comply with the following:

Indicators for Screening New Suppliers

Labors and Human Rights

No forced labor, prohibition of employing child labor, provision of due remuneration and benefits, protection of labor working hours and resting time, elimination of workplace sexual harassment, bullying, and workplace discrimination, and not using conflict minerals, etc.

Health and Safety

Including necessary measures to provide occupational safety, emergency response, industrial hygiene, machine protection, public health housing accommodations, as well as health and safety information.

Environmental

Including environmental operation permits, pollution prevention and resource conservation, hazardous substances, sewage, harmless solid waste, noise, exhaust emissions, product and service restrictions, as well as energy/resource consumption and GHG emissions.

Ethics and Integrity

Includes Ethical Corporate Management, respect for IP rights, compliance with relevant confidentiality agreements, privacy protection, and avoidance of conflicts of interest.

Apart from setting the existing Supplier CSR Commitment as an incentive, APC has also requested suppliers to sign and comply with the commitment. Revised internal SOPs to include the signing of the Commitment as one of the required documents for new suppliers. Currently, the signing of the Commitment is being introduced for major bulk materials and the top five materials suppliers. After the completion of the supplier commitment signing process, unannounced on-site audits will be planned to check for compliance with the commitment. By 2024, the signing of existing Supplier Commitment was completed, achieving a 100% signing rate.

Currently, major feedstock suppliers and contractors such as Taiwan CPC, Dairen Chemical Corporation, and our partner CTCI have all obtained relevant certifications of ISO 14001 and 45001, which meet the Company's requirements for suppliers in terms of environmental management and occupational health and safety management, making them our excellent partners in sustainable development.

APC adopts the "Active Risk Management" policy to investigate suppliers with potential negative impacts, including irregular visits of THAU BING to check for the offenses or news regarding suppliers' violation of the said terms and assess if such offenses or news will bring negative or potential impacts to the Company (such as punishment or suspension order of competent authorities). In addition, we will take related risk controls and countermeasures for the potential raw materials' supply crisis based on their offenses.

SCM Mechanism GRI 403-7

With quality, ability, and environmental policy as conditions, APC performs corporate social responsibility in collaboration with outperforming suppliers on a long-term basis. We also communicate with contractors and transporters our environmental policy, comply with the EU's RoHS directive, enhance environmental educational training, and care about the safety of contractors working in our plants in order to ensure the safety of all operations, protect the life, safety, and health of personnel, and optimize risk management.

Establish long-term strategy partnerships with major raw material suppliers and set up a safety stock according to the material preparation schedule to ensure a smooth supply chain. Additionally, the Group Procurement & Logistics Division evaluates suppliers periodically in terms of quality, delivery performance, environmental protection, industrial safety (ISO 14001 & 45001 verifications), packaging, quality certification (ISO 9001 verification), and service.

Apart from conducting annual supplier evaluations to ensure that all Company suppliers comply with our commitment to environmental sustainability and sustainable operations, we also hold supplier conferences from time to time to communicate with suppliers, so as to maintain long-term cooperation and opinion exchange. In addition to new product promotion, new technology and market intelligence exchange are also included in the conferences to ensure the steady supply of major materials.

Additionally, during the project construction of contractors, the supervision and management of plant on-site personnel are key to construction quality control, and the quality monitoring of the engineering and industrial safety units is crucial to ensure environmental safety, occupational safety, human rights, and labor practices. Results are reported to HQ periodically to keep up with the latest conditions.

Selection

Selection of New Suppliers and Contractors

- New raw materials suppliers must comply with:
  1. Obtained CNS, UL, JIS, ISO certificates.
  2. Direct agents or distributors with technical capabilities and confirmed to meet the requirements.
  3. Quality validation of raw materials by the technology department.
  4. Agreement to comply with the Company's environmental protection requirements.
- Submission of raw material samples by new suppliers to the manufacturing section and the related units for examination, assessment, or trial use.
- Delivery of the "Project Contractor Investigation Form" to contractors for them to fill out the form and submit relevant certifications to facilitate and evaluation and grading of the procurement unit.

File Creation

File Creation for Qualified Suppliers and Contractors

- After sample validation, the procurement unit reports new materials suppliers to the chief of the engineering department, plant director, and president for approval, includes them in the qualified vendor list (QVL), and timely reviews and updates the QVL.
- After filling out the "Project Contractor Investigation Classified Catalog", the procurement unit will grade the contractors, create a file for each of them, and maintain a record alongside their certifications for the reference of project outsourcing and price inquiries. The procurement unit also updates the investigation contents from time to time.

Evaluation

Annual Evaluation of Qualified Suppliers and Contractors

- Rate the quality, delivery, and industrial safety performance of raw materials suppliers in terms of four grades for the reference of procurement management.
- Supervise the construction process of contractors and perform inspection and acceptance of projects for the reference of project outsourcing management.

Source: Qualified Supplier Selection and Withdrawal Regulations, Supplier Evaluation Regulations, Capital Expenditure Requests (CER) Project Outsourcing Management Regulations

Raw Materials Supplier Evaluation and Contractors Project Evaluation

Evaluation Items and Proportions for Raw Material Suppliers Annually

- Quality(G), 40%
- Delivery Punctuality(G), 25%
- Environmental Protection and Industrial Safety(E, S), 10%
- Packaging Quality(G), 10%
- Quality Certification(G), 5%
- Service(G), 10%

E, S and G represent respectively environmental, social, and governance aspect of evaluation

Results of Annual Raw Materials Supplier Evaluation in Past Three Years

Item	2022	2023	2024
Suppliers Evaluated	33	20	23
Pass Rate	100%	100%	100%

1. Source: APC Supplier Evaluation
2. Overall Rating Standard: A Grade: 85-100 points, B Grade: 75-84 points, C Grade: 60-74 points, D Grade: below 59 points; B Grade and above are qualified suppliers.
3. For A Grade Suppliers - Priority in obtaining trading opportunities or increasing their procurement volumes.
4. For C Grade Suppliers - Suggestions for improvement are proposed, and business transactions with them are reduced or suspended until reassessment confirms their improvement has been accomplished.
5. For D Grade Supplier - Stop transactions and revoke from the qualified vendor list.
6. Suppliers rated Grade A for three consecutive years are exempted from evaluation for three years.

Contractor Project Acceptance Evaluation Items and Proportions

- Site Manager(G), 10%
- Coordination Performance(G), 10%
- Safety, Health, and Environmental Measures(E, S), 20%
- Construction Quality(G), 40%
- Construction Progress(G), 10%
- Environment maintenance(E), 10%

E, S and G represent respectively environmental, social, and governance aspect of evaluation

Results of Contractor Project Evaluation in Past Three Years

Item	2022	2023	2024
Suppliers Evaluated	6	20	16
Pass Rate	100%	100%	100%

1. Source: APC contractor construction evaluation
2. Contractors receiving 70 or above are qualified contractors.
3. Contactors receiving 60~69 aresuspended from price inquiry for 6 months.
4. Contractors receiving 50~59 points aresuspended from price inquiry for 1 year.
5. Contractors receiving 49 or lower will be disqualified from tendering and transaction.

Support for Local Procurement

The proportion of the purchasing amount of major materials in 2024 accounted for 93% of the total purchasing amount for the year. To ensure a sustainable supply of raw materials and stimulate market vitality, we are actively developing new suppliers. There are a total of 12 main material suppliers, among which 2 are from Taiwan and 10 from overseas.

Materials procurement will be prioritized for local suppliers with reliable and stable supply. Due to the reduced annual repair days of domestic ethylene suppliers in 2024, the supply increased, resulting in an approximate 10% rise in the domestic procurement ratio compared to that of 2023. Due to a reduction in the number of domestic suppliers, production line anomalies, and increased annual repair days, the supply of VAM decreased, resulting in a lower domestic procurement volume compared to that of 2023.

Amount and Proportion of Local Procurement of Major Materials in Past 3 Years (%)

Year	2022		2023		2024	
Locations/Materials	VAM	Ethylene	VAM	Ethylene	VAM	Ethylene
Taiwan	84	65	100	51	84	61
Foreign	16	35	0	49	16	39
Source of Supply	3 in Taiwan, 13 from overseas		3 in Taiwan, 13 from overseas		2 in Taiwan, 10 from overseas	

Source: APC amount statistics 2024

Proportion of Local Procurement Amount of Raw Materials, Equipment, and Project Outsourcing in the Past 3 Years (%)

Location	Proportion of Procurement Amounts		
	2022	2023	2024
Taiwan	83	70	73
Foreign	17	30	27

Source: APC amount statistics 2024

Procurement of Energy-Saving and Emission-Reduction Equipment

APC has been continuously promoting energy saving and carbon reduction program in recent years, and the procurement unit has also prioritized support for eco-friendly materials by establishing SOPs to prioritize price inquiries to products certified for using the Green Mark by the Environmental Protection Administration; or products complying with Environmental Protection Administration of the Ministry of Economic Affairs' requirements for recycled materials, recyclable products, low pollution, or energy saving; or products recognized by relevant authorities that increase social benefits or reduce social costs.

APC declared a total Green Procurement amount of NT$7.57 million in 2024. The procurement items included lamps and equipment carrying the Green Mark and Energy Label, as well as the energy-efficient equipment replacement projects of the Linyuan Plant, which can reduce energy consumption to achieve energy conservation and carbon reduction effects. The total green procurement amount accounts for about 1% of the total equipment project cost. We will continue to implement energy-saving improvements in equipment to achieve environmental sustainability and advance towards corporate Sustainable Development Goals (SDGs).

CH4 Eco-Friendly

4.1 Resource Management GRI 3-3, 301-1, 301-2, 301-3, 303-1, 303-2, 303-3, 303-4, 303-5

4.2 Climate Change and Energy Management GRI 2-23, 2-24, 3-3, 201-2, 302-1, 302-3, 302-4, 305-1, 305-2, 305-4, 305-5

4.3 Emissions Management GRI 3-3, 305-6, 305-7

4.4 Waste Management GRI 306-3, 306-4, 306-5

Performance Highlights

- Reduced electricity consumption by 1.58 % on average each year from 2015 to 2024, better than the regulatory requirement of 1%.
- GHG emissions in 2024 were 100,912 MT CO2e, by 13.9 % less that of the base year (2017).
- In 2024, the water reclamation rate was 97.50%.
- The 2024 Energy Saving and Carbon Reduction Program saved energy by 8,740 GJ and reduced carbon by 1,076 MT CO2e.
- The waste volume in 2024 decreased by 41.86%, compared to that of the previous year.

Material Topics

Raw Material Management
Water Resource Management
Climate Change and Energy Management
Air Pollution Control
Waste Management

SDGs Correspondence

Certified Management System

ISO 14001 Environmental Management Systems (Left)
Validity Period: May 03, 2028

ISO 50001 Energy Management Systems (Right)
Validity Period: November 19, 2025

4.1 Resource Management

Raw Material Management

Material Topics: Raw Material Management; Corresponding Sustainability Principle: Sustainable Development GRI 2-25, 3-3

Management Approach and Components	Impact Management	Targets Execution and Performance of Management Approach	Evaluation of Management Approach
The Significance to Asia Polymer Quality control of raw materials and effective recycling for reuse can reduce production costs and lower environmental impact.	**Positive/Negative Impacts** · Continuation of 2023 Management Tracking · Positive Impact - Improve the efficiency of raw material usage, reduce costs, and decrease waste.	**2024 Goals** · Ethylene efficiency ≦ 1.009 · Equipment operation rate ≧ 96.6% · Flexible intermediate bulk container (FIBC) recovery rate ≧ 78% · Recycling and reuse of waste film rolls ≧ 60MT	**Effectiveness Assessment** · Include ethylene efficiency as a quality target to control achievement rates. · Include material recycling and reduction volumes in routine management.
Management Practice and Objectives Lower production costs, reduce waste rate monthly , and lower environmental impact through monitoring ethylene efficiency and controlling flexible intermediate bulk container recovery.	**Processes to Remediate and Prevent Negative Impacts** —	**2024 Performance** 1. Ethylene efficiency 0.9973 (✓) 2. Equipment operation rate 97.7% (✓) 3. Flexible intermediate bulk container (FIBC) recovery rate 79.5% (✓) 4. Recycling and reuse of waste film rolls 65.4MT (✓)	**Adjust Management Approach** · Periodically review ethylene efficiency at the weekly plant affairs meeting · The Finished Product Section produces statistics and follows up on the FIBC recovery.
Strategy · Raw materials use efficiency monitoring · Materials recycling and reuse		**Short-Term (< 3 years) Goals** · Ethylene efficiency ≦ 1.009 · Equipment operation rate ≧ 96.6% · Flexible intermediate bulk container (FIBC) recovery rate ≧ 78% · Recycling and reuse of waste film rolls ≧ 60MT **Medium- Long-Term (≧ 3 years) Goal Planning** · Increase dispatch flexibility of the material supply through the Kaohsiung ICT Phase II investment project to increase ethylene supply by about 19%/ per day.	

Materials Usage

The APC Linyuan Plant mainly produces low density polyethylene (LDPE) resins and ethylene vinyl acetate copolymer resin (EVA), with ethylene and vinyl acetate monomer (VAM) being the major materials and mineral spirit the secondary material. We do not use recycled materials for the major materials or recycle our products for reuse.

Usage of Major Raw Materials at the Linyuan Plant in the Past 3 Years

Materials Type	Unit	2022	2023	2024
Ethylene	MT	107,936	109,548	112,125
VAM	MT	24,270	25,163	20,964

Material Usage and Recycling GRI 301-1, 301-2

The Linyuan Plant packs products in bags or in containers. The former includes PE bags, flexible intermediate bulk containers (FIBC), container bags, top sheets, and shrinkable films. No recycled materials are used.

To minimize the environmental impact of product packaging, customers recycle and reuse packaging materials such as PE bags, container bags, Top Sheets, and shrinkable films. Flexible intermediate bulk containers (FIBC) are mostly being used for temporary packaging of customers' finished goods or debris and recovered by the Linyuan Plant for reuse. FIBCs are collected and returned during the delivery by the transport company and each FIBC is reused for about four times on average.

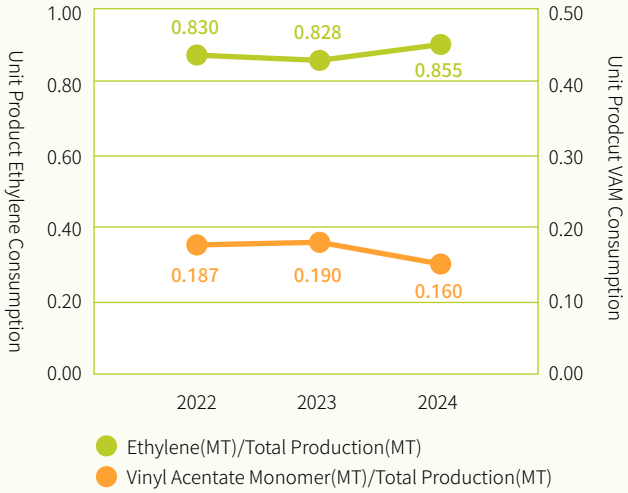
Reuse Volume and Recovery Rate of Packaging Materials in the Past 3 Years GRI 301-3

Packaging Material	Unit	2022		2023		2024	
		Usage	Recovery Rate	Usage	Recovery Rate	Usage	Recovery Rate
PE bags	MT	474	Customers recycle themselves.	458	Customers recycle themselves.	423	Customers recycle themselves.
Top Sheets and shrinkable films	MT	61	Customers recycle themselves.	55	Customers recycle themselves.	52	Customers recycle themselves.
Flexible intermediate bulk container	MT	146	78.2 %	136	78.3 %	206	79.5 %

Note: 1. Flexible intermediate bulk container (FIBC) recovery rate = (Number of FIBCs recovered / Number of FIBCs sold), using domestic sales as the basis for recovery calculation. 3. Customers have not specified container bag packaging for shipment for many years, so the statistics on container bag usage have been suspended.
2. The flexible intermediate bulk containers recovered by customers are sometimes partially damaged by customers or contaminated during transportation, which impedes the effective improvement of the recovery rate. We will communicate and coordinate with customers to ensure the recovered flexible intermediate bulk containers can be reused.

In 2024, due to the unfavorable market conditions for EVA products and a slight increase in LDPE product demand, the total production was 131,105 MT, a slight decrease of 0.86% compared to that of 2023. With adjustments in production and sales, the unit product VAM consumption decreased, while the unit product ethylene consumption increased. EVA will gradually develop towards high-value and high VA content products.

Product Consumption of Major Raw Materials at Linyuan Plant in Past 3 Years



Enforce Circular Economy

For the scraps generated during the production process, such as slag and dirty waste, as well as the waste film rolls produced during product quality testing (blown film inspection), these by-products are not recyclable for profit but can still be repurposed as valuable resources. In 2024, the Linyuan Plant generated 208.9 metric tons of production scraps and 65.4 metric tons of waste film rolls. These materials were provided to downstream businesses for reuse, helping to reduce environmental impact.

Water Resource Management

Material Topics: Water Resource Management; Corresponding Sustainability Principle: Sustainable Development GRI 2-25, 3-3

Management Approach and Components

The Significance to Asia Polymer

Global warming leading to extreme weather has caused a tight water situation in Southern Taiwan in recent years, resulting in government units, stakeholders, and corporations are emphasizing the importance of water resources management. Through water conservation measures and programs, precious water resources are recycled and resused.

Management Practice and Objectives

- Reduce pollution and emission through process and source improvement and then end-of-the-pipe treatment promote water resource recycling and reuse.
- Continue to implement water conservation and emission reduction, as well as water resource reclamation management.

Strategy

- Management and follow-up of water reclamation rates.
- Continuous follow-up and management of unit product water consumption.
- Continuous follow-up and management of process improvement projects related to water conservation.
- The data boundary of water resource management covers the Linyuan Plant, and data coverage is 100%.

Impact Management

Positive/Negative Impacts

- Negative Actual Impact - Insufficient reservoir water supply.

Processes to Remediate and Prevent Negative Impacts

- Implement three-stage water conservation approaches in coordination with the government's water rationing measure to save water by 10%.
- Continuous follow-up and management of water reclamation rates, unit product water consumption, and process improvement projects for water conservation.

Targets Execution and Performance of Management Approach

2024 Goals

- Water reclamation rate >95%
- Water consumption per unit product: <4.0 M^3/MT

2024 Performance

1. Water reclamation rate 97.5% (✓)
2. Water consumption per unit product: 3.70 M^3/MT (✓)

Short-Term (< 3 years) Goals

- Water reclamation rate >96%
- Water consumption per unit product: <3.9 M^3/MT

Medium- Long-Term (≧ 3 years) Goal Planning

- Water reclamation rate >97%
- Water consumption per unit product: <3.8 M^3/MT
- At least one water conservation-related process improvement project annually.

Evaluation of Management Approach

Effectiveness Assessment

- Water Conservation Statistics
- Water Bill
- Regular calibration of flow meters
- ISO 9001: Continuous follow-up and management of unit product water consumption.

Adjust Management Approach

- Periodically review ethylene efficiency at the weekly plant affairs meeting
- The Finished Product Section produces statistics and follows up on the FIBC recovery.

Water Source for the APC Linyuan Plant

Water Resource Risk Level: Low to Medium (10~20%)

Water source: Third-party water Type: Fresh water (≦ 1,000 mg/L TDS)
Tap water: Supplied by the Gaoping River Weir via the Fengshan Reservoir; Pure water: Supplied by the Taiwan VCM Corporation

1. Adopted the water risk assessment tool developed by the World Resources Institute (WRI).
2. The data boundary of water resource management covers the Linyuan Plant, and data coverage is 100%.
3. Our company defines regions with water stress exceeding 40% as areas of Water Stress, and uses this as a significant basis for water management and risk response.

Item	2023	2024	Increase/Decrease
Water consumption of the Linyuan Plant (thousand cubic meters)	489.730	485.689	Decrease by 0.8%
Water discharge of the Linyuan Plant (thousand cubic meters)	165.554	170.558	Increase by 5.9%
Total water consumption of the Linyuan Plant (thousand cubic meters)	324.176	315.131	Decrease by 4.3%
Water Reclamation Rate (%) (Reuse Rate, R2)	97.36	97.50	Increase by 0.14%
R2 = (Total recycled water volume + Total reclaimed water volume + Rainwater withdrawal + Condensate withdrawal - Circulation volume in cooling towers) / (Total water withdrawn + Total reclaimed water volume + Total recycled water volume - Circulation volume in cooling towers) X 100%			

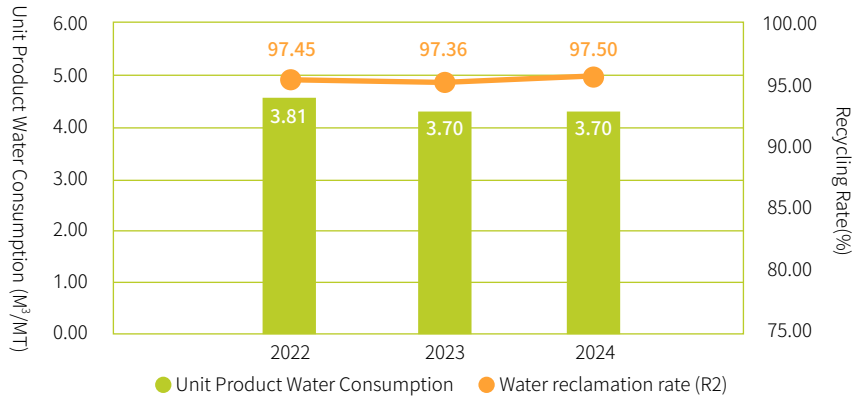
Note: Restatements of Information
1. After assurance by the third-party verification unit, the total water consumption will include the volume of purified water and emergency water truck loading for droughts.
2. The water reclamation rate is presented using the R2 calculation method.

GRI 2-4, 303-1, 303-3, 303-4, 303-5 SASB RT-CH-140a.1

Water consumption per unit product in 2024 is 3.7 M^3/MT, the same as the unit water consumption last year and still below the goal of 4.0 M^3/MT.

The APC Linyuan Plant reclaims condensate and recycles water of the cooling water tower for reuse. In accordance with the "Directions for Review of Water Consumption Plan" promulgated by the Ministry of Economic Affairs, the water reclamation rate in 2024 was 97.50%, which was the same as that of 2023. The graph below shows the unit product water consumption and unit product water reclamation rate of the Linyuan Plant in the past three years. Moreover, the Company attaches great importance to the impact of global warming and climate change. In response to the water crisis in the Kaohsiung region in recent years, we will continue to propose water solution policies to senior management in 2025.

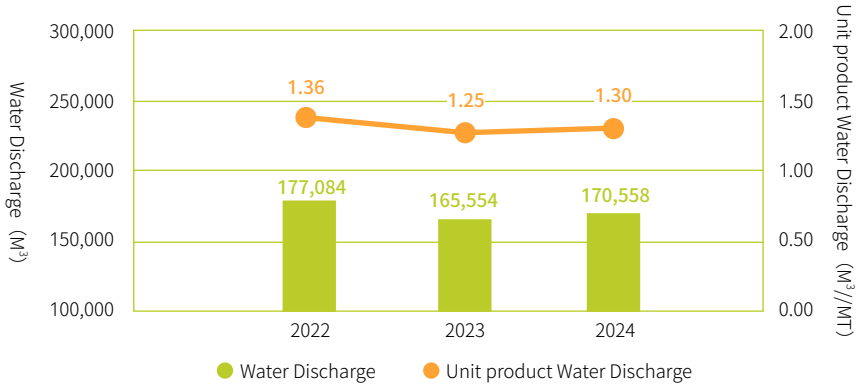
Unit product water consumption and water reclamation rate of the Linyuan Plant in the past three years



Effluent Management GRI 303-2

In the Linyuan Plant, solid polyethylene products are produced via gas compression. After equipment cooling, dicing and cooling, and rinsing product storage tanks, tap water is collected in the equalization basin. Hence, effluents can be discharged free from contamination with a quality better than the legal requirements. It is transported to the dedicated sewerage system via underground pipelines and discharged to the wastewater treatment plant of the Linyuan Industrial Park for treatment.

The 2024 effluent volume increased by 3.0% over 2023 to 170,558 M^3; the volume of unit product effluent was 1.30 M^3/MT. Due to new product development testing and quality adjustments, the required ice water replacement volume increased, resulting in a higher volume of unit product effluent compared to that of 2023.



The major effluent testing items in the Linyuan Plant include **suspended solids (SS), chemical oxygen demand (COD), and pH**. The periodic report data is lower than the sewerage water quality limits.

The table below shows the results of major water quality test items of the Linyuan Plant in the past three years:

Unit: mg/L

Test Item	2022	2023	2024	Emission Standard
Suspended Solids	9.18	5.51	11.29	**≦ 25**
Chemical Oxygen Demand	40.72	32.77	38.57	**≦ 90**
pH	7.52	7.46	7.39	**6~9**

All items of discharge water quality control tests in 2024 were within the qualified range, with no violations of discharge permission incidents.

GRI 303-2 SASB RT-CH-140a.2

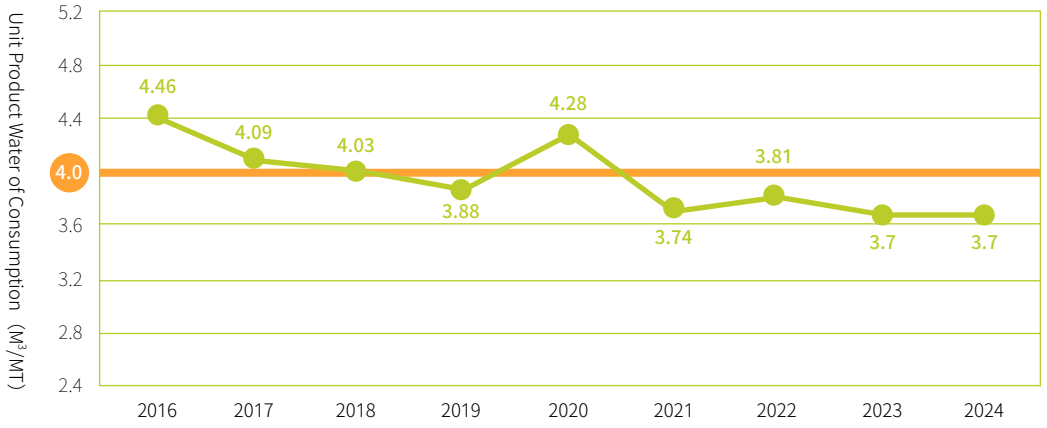
Water Conservation Measures

The enthalpy of vaporization of heat removal equipment and cooling water towers is the main source of water consumption at APC. Over the years we have implemented various water conservation programs, such as replacing the absorption chiller with the electric chiller, waste heat recovery, dicing soft water management, and increasing the concentration factor of cooling water. In 2024, by maintaining the efficiency of heat exchangers and improving leak-prone equipment, the unit product water consumption remained at the same level as that of the previous year.

Due to global warming and climate change, the situation of industrial water supply in Taiwan has been worsening in recent years. Apart from adopting progressive water rationing, the government also actively combined the wastewater discharged from various processing zones and industrial parks and further planned and built wastewater recycling plants in response to water shortages. After evaluating the construction and operational costs of in-house wastewater recycling system, we have temporarily postponed the establishment of a small-scale wastewater recycling system and planned to cooperate with government policy on wastewater recycling, and partially use the regenerated water from government-constructed wastewater reclamation plants for internal use, to achieve a win-win advantage for both the government and businesses.

SASB RT-CH-140a.3

Water Conservation Measures



Note: The target value of unit product water consumption in 2024 is 4.0 M^3/MT

The APC Linyuan Plant stage response to the government's water rationing measures:

Stage 1

- Promote water conservation to employees.
- Reclaim dicing water and cooling water for low-level water use.
- Reclaim office rinsing water for plant irrigation.

Stage 2

- Increase the concentration factor of cooling water tower water (from 5.5 times to 7.5 times).
- Reduce dicing water replenishment of production lines.
- Temporarily suspend unnecessary cleaning of product storage tanks and floor.

Stage 3

- Reduce the frequency of fire water testing andpostpone fire drills.
- Temporarily suspend supplying the employee bathroom for washing.
- Activate distillation and purification only when the liquid in the reclamation tank is at the high liquid level.

The three-stage measures can save about 10% of water, and purchase ground-water to supplement with water trucks when necessary.

2024 Water Conservation Program

Type	Energy Saving Management Program	Implementation Benefits		
		Annual Savings in Pure Water Consumption (M^3)	Annual Savings in Pure Water Expenditure (unit: NT$ ten thousand)	Engineering Expenses (unit: NT$ ten thousand)
Process Improvement	Line 3 V-1327/V-1328 Condensate Recovery	11,626	46.54	42

4.2 Climate Change and Energy Management

Material Topics: Climate Change and Energy Management; Corresponding Sustainability Principle: Sustainable Development GRI 2-25, 3-3

Management Approach and Components

The Significance to Asia Polymer

Extreme climate impacts human lives and properties, which is an inevitable global issue. In response to the EU policy, companies need to prepare in advance for impact response.

It is necessary for businesses to take immediate action to enhance energy efficiency and reduce GHG emissions.

Management Practice and Objectives

Establish the ISO 50001 Energy Management System, improve energy performance indicators through energy-saving measures, enhance energy use efficiency, and voluntarily monitor GHG emissions to fulfill the commitment of voluntary GHG reduction and legal compliance. We analyze the risks and opportunities of climate change to reduce the financial loss caused by extreme weather conditions in production operations.

Strategy

- Establishing Energy Conservation and Carbon Reduction Commitment.
- Enhance Energy Efficiency
- Legal Compliance
- Climate Change Risk Response

Impact Management

Positive/Negative Impacts

- Negative Actual Impact- Rising Energy Costs
- Negative Actual Impact - Insufficient Electricity Supply
- Negative Potential Impact - Carbon Fee Collection

Processes to Remediate and Prevent Negative Impacts

- Review in-house energy conservation and carbon reduction programs annually, in coordination with the Group Energy Management Department.
- Plan and build generation sets to ensure electricity redundancy during power supply disruption.
- Plan and implement green power strategies within the group: APC will use green power (solar PV) of about 2.5 GWh in 2025 by law.

Targets Execution and Performance of Management Approach

2024 Goals

- GHG emissions <0.803 MT CO_2e/MT
- Unit product energy consumption < 0.69 GJ/MT
- Completed the GHG inventory and verification for the consolidated subsidiary companies of APC.

2024 Performance

1. GHG emissions: 0.770 MT CO_2e/MT (✓)
2. The GHG emissions have been reduced by 13.9% compared to the base year. (✓)
3. Unit product energy consumption 5.94 GJ/MT (✓)
4. Completed the GHG inventory and verification for the consolidated subsidiary companies of APC in April and May 2024. (✓)

Short-Term (< 3 years) Goals

- GHG emissions <0.730 MT CO_2e/MT
- The 2025 Energy Saving and Carbon Reduction Program aims to reduce carbon by 1,685 MT CO_2e.
- It is anticipated that approximately 2.5 million kWh of solar green electricity, representing 10% of the contracted capacity, will be used in 2025.
- A self-consumption solar PV power plant (494 kW) will be installed in 2025.
- Unit product energy consumption <5.76 GJ/MT

Medium- Long-Term (≧ 3 years) Goal Planning

- GHG emissions <0.721 MT CO_2e/MT
- Goals for 2030 emissions: 0.634 MT CO_2e/MT
- Achieve a 27% reduction in carbon emissions by 2030 compared to the baseline year, and reach carbon neutrality by 2050.
- Unit product energy consumption <5.51 GJ/MT

Evaluation of Management Approach

Effectiveness Assessment

- Included energy conservation and carbon reduction programs in the energy management system for progress control.
- Monitor, measure, and control Energy Key Performance Index and review the differences monthly.
- "Energy Conservation Audit System Report of Energy Users" of the Energy Administration.
- "Regulations of GHG Inventory Registration Management" of the Environmental Protection Administration, voluntarily undertake the GHG inventory.

Grievance Mechanism

- "Contact Us" email section on the APC website.
- Survey on issues that concern stakeholders.

Adjust Management Approach

- USIG Technology Exchange Meeting
- Energy Management System Management Review Meeting

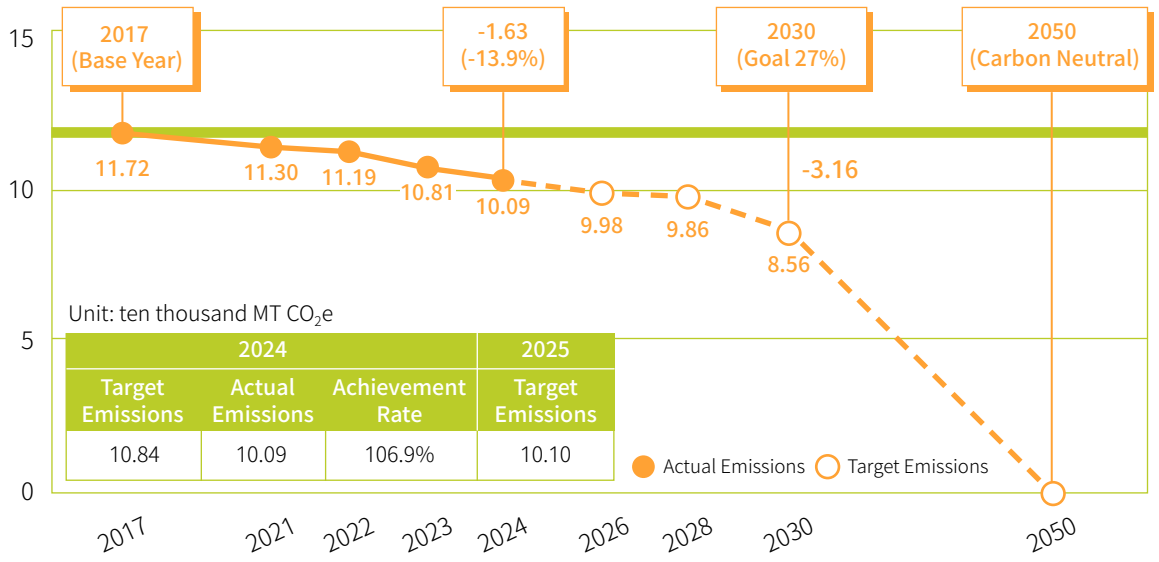
Climate Change Risk Management GRI 2-23, 2-24

Climate change is a universal challenge. To keep up with the world and match the demand for sustainable development, Taiwan announced the amendment of the "Greenhouse Gas Reduction and Management Act" to the "Climate Change Response Act" on February 15, 2023. Facing the impact of climate change, carbon reduction has become a global goal. To enhance carbon reduction, **USIG set the 2030 carbon reduction target which is "carbon reduction by over 27%, to that of compared to 2017, by 2030" in early 2022 and set "Carbon neutrality by 2050" in 2023 as the Long-term Goals of the Corporation**.

In order to achieve the corporate sustainability vision, USIG has actively implemented corresponding response strategies and management mechanisms with practical actions. The group comprehensively implements ISO 14064-1 GHG Inventory and Assurance, as well as plans and implements carbon reduction programs. The group also actively develops external renewable energy sites. By the end of 2024, the accumulative on-grid capacity of solar PV sites has reached 8.6 MW, which can generate about 10.73 million kWh of green power annually.

APC plans its carbon reduction pathway according to the Group's 2030 carbon reduction goals. **The GHG emissions in 2024 have been reduced by 13.9% compared to that of the base year (2017),** with the 2025 target emission levels achieved in advance. We will continue to strive for even lower emission targets and will implement the energy-saving carbon reduction program more actively in the future. **The Medium-term Carbon Reduction Strategy** will proceed towards the transition to low-carbon energy, enhancement of energy efficiency, intelligent monitoring, and the setup and use of renewable energy. **The long-term carbon reduction strategy** will continuously focus on low-carbon fuels, carbon capture, reuse technology, and negative carbon emissions technology, to implement the carbon neutrality goals and promote sustainable development.

Descriptions
1. We set 2017 as the base year for total Greenhouse Gas Emissions.
2. Based on the results of the ISO 14064-1 external verification in 2022, we revised the carbon emissions in base year 2017 to 117,228 MT CO_2e (formerly 110,863 MT CO_2e).



Unit: ten thousand MT CO_2e

2024			2025
Target Emissions	Actual Emissions	Achievement Rate	Target Emissions
10.84	10.09	106.9%	10.10

Carbon Reduction Planning and Action

Short-term - Implement energy saving and carbon reduction programs, replace energy-saving equipment, use green electricity.

Medium-term - Transition to low-carbon energy, Enhance energy efficiency through intelligent measures, Build green power (solar PV) installations.

Long-term - Carbon capture technology, Negative carbon emission technology, Use of low-carbon fuels.

APC utilizes the framework provided by the Task Force on Climate-related Financial Disclosures (TCFD) to identify climate-related risks and opportunities, assess risks and opportunities from different departments, evaluate financial impacts, and establish response plans. GRI 201-2

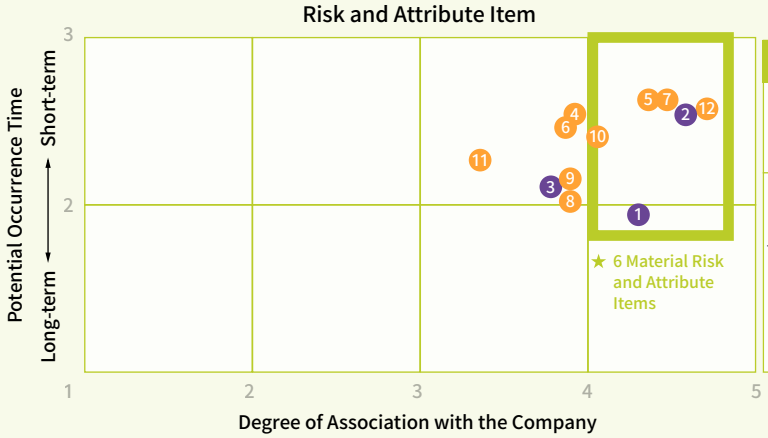
Climate Change Management Structure

Type		Management strategy and action
Governance	ESG Committee	As the highest governance body of climate change management chaired by independent directors, it reports climate change planning, implementation and performance to the Board of Directors every year
	Operations Management Meeting	Chaired by the Board chairman, it plans and implements materiality policies for energy saving and carbon reduction and reports the results from time to time.
	Group Environmental Quarterly Meeting	As the highest governance body of the USIG's energy management, it reports the planning and progress to the Group's chairman each quarter and makes decisions on energy management
	Group Green Power Team	As the USIG's responsible unit for green power promotion, it reports the status of and future plans for green power development to the Chairman every month
Strategy	Scenario analysis	Assess the physical risk based in the different climate scenarios
	Identification of Risks and Opportunities	Based on the level of association with risk factors and the likelihood of occurrence, conduct materiality risk and opportunity assessments for operational feasibility and development potential of opportunity projects
	Assessment of Potential Financial Impact	Assess the potential financial impacts of identified material risks and opportunities
Risk Management	Implementation of TCFD	Identify risks and opportunities based on the TCFD framework, communicate with all responsible units, and confirm by senior management
	Report of identification results	Include them in the annual risk assessment. The head of the Sales & Marketing Division reports the control measures and management performance to the Audit Committee and the Board of Directors every year
Indicators and Targets	Group Energy Management Targets	Set energy management targets within the group's carbon reduction initiative, with 2017 as the baseline year, aiming for a 27% reduction by 2030, and achieving carbon neutrality by 2050
	Climate-Related Response Strategy	The Short-term (<3 years) initiatives include replacing old equipment, enhancing energy efficiency, installing solar power generation facilities, implementing green procurement practices, and developing measures for water and drought response to mitigate the impact of carbon levies. The Medium-term (3~5 years) carbon reduction Strategy is heading towards the Transition to low-carbon energy, energy efficiency enhancement, intelligent monitoring, and installation and use of renewables. The Long-term (>5 years) carbon reduction strategies focus on exploring low-carbon fuels, carbon capture and reuse technologies, and negative emissions technologies.
	GHG emissions disclosure	Disclose the data of Scopes 1, 2, and 3 GHG emissions in the ESG report yearly and review the causes for changes periodically

Identification of Risks and Opportunities Due to the Impact of Climate Change GRI 201-2

In response to intensifying global climate change, APC continues to utilize the TCFD framework to deepen the understanding of potential risk items that may be faced under extreme climate conditions, and acquire new business opportunities. Referencing the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and the National Science and Technology Center for Disaster Reduction, analyzed projected changes in temperature, rainfall, flooding, and drought from 2016 to 2035 under the RCP 8.5 scenario and identified three physical risk issues. In addition, identified nine transition risks and 12 opportunity issues, totaling 24 potential risk and opportunity issues, based on the group's strategy, industry characteristics, Intended Nationally Determined Contribution (INDC), and TCFD indicators. Through a survey conducted with the ESG Committee and senior unit managers, we assessed the relevance of each risk to company operations and the duration of potential impacts, as well as the development and viability of each opportunity. A total of 9 questionnaires were collected. After statistical analysis by the group, 10 materiality climate issues were identified (2 items of physical risk, 4 items of transition risk, and 4 items of opportunity). APC evaluates potential financial impacts from 10 materiality risk and opportunity items, devises corresponding strategies, and establishes management mechanisms. The aim is to understand the potential effects of climate change across various aspects, reduce operational disruptions caused by extreme weather events and foster a resilient climate change culture.

According to the duration of impact, climate-related risk items are divided into 3 intervals: short-term (< 3 years), medium-term (3-5 years), and long-term (> 5 years). Climate-related opportunity items are categorized into 5 levels based on the impact on the company's developmental potential and the technical feasibility. The corresponding details are shown in the table below:



Category	Item	Duration
Physical Risk	Flooding	Short-term (<3 years)
	Drought	Short-term (<3 years)
Transition Risk	Carbon Fee	Short-term (<3 years)
	Renewable Energy Regulations - Risk of Energy-heavy Industries Clause	Short-term (<3 years)
	Transition of Low-carbon Technology	Medium-term (<3-5 years)
	Increase in the Price of Raw Materials	Short-term (<3 years)

Physical Risk
- ★ 1 Flooding
- ★ 2 Drought
- 3 High-temperature

Transition Risk
- 4 Government Regulation or Oversight
- ★ 5 Carbon Tax/Fee
- 6 Product Efficiency Regulations and Standards
- ★ 7 Renewable Energy Regulations
- 8 Changes in Customer Preferences
- 9 Credit Risk
- ★ 10 Transition of Low-carbon Technology
- 11 Uncertainty of Market Information
- ★ 12 Changes in the Price of Raw Materials

Descriptions: Development Potential for Company Operations (from low to high: 1 to 5 points); Feasibility for Company Operations (from low to high: 1 to 5 points)
Material Opportunity Threshold (Development Potential for Company Operations 4.6 points or above, and Feasibility for Company Operations 3.8 points or above)

Category	Item	Developmental	Technical easibility
Opportunity	High-efficiency Production	Progressive and aligned with the existing policies of the company.	Expanding development
	Reduce water usage and water consumption		In development
	Use low-carbon energy		Expanding development
	R&D and Innovation of New Products and Services - Research and development of low-carbon and energy-saving products.		Expanding development

Opportunity
- 1 Adopt more Efficient Transportation Methods
- ★ 2 Use more efficient production and distribution processes.
- 3 Recycling and Reuse
- 4 Adopt more efficient buildings.
- ★ 5 Reduce water usage and water consumption
- ★ 6 Use low-carbon energy
- 7 Use new technology
- 8 Participation in the Carbon Trading Market
- 9 Development and/or increase of Low Carbon Goods and Services
- ★ 10 R&D and Innovation of New Products and Services
- 11 Enter new markets
- 12 Utilize public sector incentive measures

Descriptions: Development Potential for Company Operations (from low to high: 1 to 5 points); Feasibility for Company Operations (from low to high: 1 to 5 points)
Material Opportunity Threshold (Development Potential for Company Operations 4.6 points or above, and Feasibility for Company Operations 3.8 points or above)

Financial Implications and other Risks and Opportunities due to Climate Change and Countermeasures GRI 201-2

Climate Change Topic	Topic Type (Impact Occurrence Time)	Description of Risk and Opportunity Items	Potential Financial Impact	Countermeasures
Flooding	Physical risk/ chronic (Short-term, <3 years)	According to the Water Resources Agency, if 500mm of rain falls within 24 hours, the plant area is estimated to experience flooding of 0 to 0.5 meters for 1 day. Due to the impact of the aforementioned heavy rainfall/flood inundation, the plant shutdown caused by flooding resulted in a decrease in revenue.	**Increase in capital expenditure and decrease in revenue** The maintenance of drainage systems and detention basins, along with irregular personnel inspections and cleaning of ditches, increases financial expenditure by NT$ 1.8 million per year.	1. Enhance the foundation of key equipment 2. Increase flood prevention and drainage measures. 3. Regularly inspect the drainage systems in the plant to ensure they are unobstructed.
Drought	Physical risk/ chronic (Short-term, <3 years)	Due to climate change leading to global warming, climate patterns are no longer as regular as they used to be. Especially in the southern region of Taiwan, there have been prolonged periods without rainfall in recent years. It is essential to be mindful of water usage to avoid production line shutdowns.	**Increase in operating costs** If there is a water shortage, external water truck purchases will be necessary, and in severe cases, production capacity will decrease or lead to a complete shutdown. The estimated cost of purchasing water is expected to increase by more than NT$ 40 thousand per day.	1. The APC Linyuan Plant stage response to the government's water rationing measures: Stage 1 (1) Promote water conservation to employees. (2) Reclaim office rinsing water for plant irrigation. (3) Reclaim dicing water and cooling water drainage for low-level water use. Stage 2 (1) Increase the concentration factor of cooling water tower water (from 5.5 times to 7.5 times). (2) Reduce dicing water replenishment of production lines. (3) Temporary suspend unnecessary cleaning operations. Stage 3 (1) Reduce the frequency of fire water testing, postpone fire drills. (2) Activate the distillation column only when the liquid in the reclamation tank is at the high liquid level. (3) Temporarily suspend supplying the employee bathroom for washing. 2. Promote water conservation improvement projects to gradually reduce water consumption annually.
Carbon Fee	Transition risk/ Policies and Legal (Short-term, <3 years)	The Environmental Ministry will issue the "Carbon Fee Collection Measures and 3 Sub-laws" in August 2024, which will impose a carbon fee on major carbon emitters with emissions exceeding 25,000 MT. (The rate will be announced to take effect on January 1, 2025, and the Carbon Fee for the whole year's emissions in 2025 must be paid by May 2026)	**Upfront costs were high, while later carbon emissions were low and operating costs were reduced.** Based on the APC Linyuan Plant's carbon emissions of 102,500 MT CO2e in 2024, with a carbon fee of NT$ 300 per tonne, and after deducting a free allowance of 25,000 tonnes, the estimated carbon fee is NT$ 23.25 million, accounting for about 0.4% of the entity's Kaohsiung City Revenue.	1. APC evaluates the use of internal carbon pricing as a shadow price, incorporating carbon costs into investment assessments to increase the opportunity for the implementation of carbon reduction items. 2. Implement energy saving and carbon reduction programs, replace energy-saving equipment, and increase green procurement expenditure. 3. A self-consumption solar PV power plant (494 kW) will be installed in third quarter of 2025. 4. Optimization of process operations, implement Energy monitoring.

Climate Change Topic	Topic Type (Impact Occurrence Time)	Description of Risk and Opportunity Items	Potential Financial Impact	Countermeasures
Renewable Energy Regulations - Risk of Energy-heavy Industries Clause	Transition risk/ Policies and Legal (Short-term, <3 years)	1. The Ministry of Economic Affairs' "Regulations on Renewable Energy Generation Equipment for Power Users with a Certain Contracted Capacity" requires large electricity users with a contracted capacity greater than 5,000 kW to install renewable energy equipment accounting for 10% of their contracted capacity by 2025. 2. In 2025, the Ministry of Economic Affairs announced the energy-saving Goals for large electricity users for each company from 2025 to 2028. For users with a contracted electricity capacity of 801 to 10,000 kW, the average annual electricity saving rate goal is maintained at 1%. For those exceeding 10,000 kW, it is increased to 1.5%.	**Increase in capital expenditure and increase in operating costs** 1. APC will install a self-consumption solar PV power plant (494 kW) in Q3 2025, with a capital expenditure of NT$ 35.86 million. 2. Procurement of 10.167 million kWh of solar green power from 2025 to 2030, with a capital expenditure of NT$ 50.74 million. (Including an additional purchase of 2.515 million kWh of green power in 2025) + 1.913 million kWh of green power over 4 years = 10.167 million kWh	1. APC already has a solar PV power plant with an installed capacity of 496 kW and plans to install a second self-generation and self-consumption solar PV power plant with a capacity of 494 kW in the third quarter of 2025. 2. APC procured 1.913 million kWh of solar green power from USI Green Energy in 2024 and officially started using the green power on January 1, 2025. 3. The total annual electricity generation of the above three exceeds 2.5 million kWh, meeting the regulatory requirement of using green power equivalent to 10% of the contracted capacity. 4. APC plans to procure 10.167 million kWh of solar green power from 2025 to 2030. 5. Starting in 2025, the APC Linyuan Plant's power-saving management goal has been increased from the original 1% to 1.5%, continuously moving toward the group's 2030 carbon reduction goals.
Transition of low-carbon technology	Transition risk/Energy, Technology (Medium-term, 3-5 years)	Investing in energy transition, efficiency improvement, fuel substitution, and other low-carbon technology developments for carbon reduction increases the technical costs for enterprises.	**Increase in capital expenditure and decrease in operating costs.** 1. Waste heat recovery improvement project, saving 2,656 MT of steam annually, can save NT$ 4 million per year. 2. APC has implemented five energy saving and carbon reduction programs in 2024, with an investment amount of NT$ 16.13 million.	1. APC's Low-Carbon Transition Program: A natural gas-fired fluid gas oxidation furnace will replace the existing fuel oil steam boiler equipment, with construction expected to be completed in June 2025. 2. Continue implementing the current year's energy saving and carbon reduction programs, undergo equipment replacement, prioritize the procurement of energy-saving equipment without compromising performance; and propose the energy-saving plan for the next year, along with the expected investment amount and anticipated benefits.
Increase in the price of raw materials	Transition risk/ Market (Short-term, <3 years)	1. Considering the future imposition of carbon fees, raw materials will inevitably include carbon emission costs, leading to increased price of raw materials. 2. Extreme weather causes uncertainty in the transportation costs and delivery times of raw materials .	**Increase in operating costs** The cost of purchasing raw materials and product transportation have increased.	1. Began promoting the Development and Certification of Recycled Plastic Products (LDPE) in 2024, and in February 2025, passed the SGS International Certification to successfully obtain the ISO 14021 Product Recycled Content certificate. 2. Continue implementing material recovery to reduce environmental impact, with a flexible intermediate bulk container recovery rate of 79.5% in 2024. 3. Diverse Suppliers.
High-efficiency production	Opportunity/ Resource efficiency (Medium-term, 3-5 years)	By leveraging AI intelligent production, industrial motors, automated packaging, and other production tools, enhance overall production efficiency and reduce energy consumption.	**Decrease in capital expenditure and operaring costs.** An investment of NT$ 10 million is planned to integrate the data of reactors and cooling towers into the DCS+ platform, executing online data analysis and monitoring.	1. With the implementation of the AI project, the 2024 execution of the [DCS+ Platform Construction Project] and the [Line 4 Reactor and Cooling Tower Data Integration Project] progress is at 80%. 2. The execution of the [L4 Reactor PdM Predictive Analysis Project] and the [MI Prediction Project] is planned for 2025.

Climate Change Topic	Topic Type (Impact Occurrence Time)	Description of Risk and Opportunity Items	Potential Financial Impact	Countermeasures
Reduce water usage and water consumption	Opportunity/ Resource efficiency (Medium-term, 3-5 years)	Water resources are an irreplaceable component of the manufacturing process. Reducing factory water leakage and increasing the proportion of water recycling and reuse can save on operating cost expenditure and enhance factory resilience.	Decrease in operating costs. 1. Include water consumption in the monthly Key Performance Indicator monitoring, perform statistical analysis and comparison of water usage, and if any anomalies are found, immediately investigate the cause and implement improvements. 2. Equipment cost investment, benefits.	1. Process equipment and operational improvements to reduce steam consumption. 2. Manually adjust the steam boiler to avoid excess steam pressure and prevent discharge waste. 3. Continuously evaluate water conservation programs annually. 4. Water intensity in 2024: 3.7 M^3/MT; Water reclamation rate of 97.5%, meeting management goals.
Use low-carbon energy	Opportunity/ Resilience, Energy Source (Long-term, >5 years)	Promote coal-to-gas transition, increase the percentage of renewable energy usage, reduce carbon costs, and lower product carbon footprint.	Increase in operating costs **and** decrease in Carbon Fee. Carbon reduction quantity, cost, and benefits of the project investment.	1. Develop self-built solar PV power plants, and focus on and participate in the renewable electricity market. 2. Purchased steam supply prioritizes natural gas as the source of supply. 3. A total of five energy saving and carbon reduction programs has been implemented in the 2024 Year, with an investment of NT$ 16.13 million, saving 2,018,000 kWh of electricity and 512 MT of steam, and reducing carbon by a total of 1,076 MT CO_2e.
R&D and innovation of new products and services - Research and development of low-carbon and energy-saving products.	Opportunity/ Product and Services (Long-term, >5 years)	R&D low-carbon products from the perspective of a complete product and service life cycle toward developing products in circular economy, low carbon, and energy-saving.	Increase in revenue 1. The Innovative Development and Certification of Recycled Plastic Products, passed international certification, and obtained the ISO 14021 certification. 2. Photovoltaic Grade EVA products, used for PV module packaging, contribute to efforts in carbon reduction globally.	1. From 2024, the Linyuan Plant promoted the Development and Certification of Recycled Plastic Products (LDPE), and in February 2025, passed SGS international certification to successfully obtain the ISO 14021 Product Recycled Content certificate. 2. Photovoltaic Grade EVA products will continue to be produced and supplied through the Gulei Petrochemical Plant and the Kaohsiung Linyuan Plant.

Promote Group Internal Carbon Pricing GRI 2-23, 2-24

On August 29, 2024, our country announced the implementation of three subsidiary laws regarding the Carbon Fee, and on October 21, the Carbon Fee rates were announced. Starting from 2025, emissions will be formally included in the Carbon Fee Collection calculation, marking the beginning of the era where carbon carries a cost. In order to respond to government policies in advance and effectively cope with climate change and reduce carbon risk, USIG has introduced an internal carbon pricing system in 2024. The price will be based on the domestic carbon fee pricing foundation, initially set at NT$ 300 per ton of carbon, and will be reviewed and gradually increased in stages. This system primarily integrates carbon costs into the Company's decision-making and investment evaluation processes, assessing the impact of carbon emissions on business operations, accelerating the implementation of carbon reduction measures, and driving low-carbon investments.

Held two educational training sessions in July 2024 to help relevant units understand the concept and application of internal carbon pricing, assisting each plant in swift implementation. Additionally, a general course on carbon-related topics was organized in September of the same year, where colleagues were invited to participate. These initiatives successfully enhanced employees' awareness and professional capabilities in carbon reduction, contributing to the achievement of the company's carbon reduction goals.

Response to IFRS Sustainability Disclosure Standards

In response to the "Roadmap for Promoting the Adoption of IFRS Sustainability Disclosure Standards in Taiwan" released in August 2023, listed companies in Taiwan will be required to adopt IFRS Sustainability Disclosure Standards in three phases starting from 2026. In 2024, the USIG established a cross-functional IFRS project team, with quarterly implementation progress reported to the Board of Directors of USI for oversight. The project team is led by the Group Chief Financial Officer and comprises the "Operational Impact Task Force" and the "Financial Impact Task Force" to jointly assess the potential financial implications and impacts of material risks and opportunities. APC serves as a member of the Operational Impact Task Force. In 2024, the establishment of the project team, gap analysis with IFRS standards, and formulation of an implementation plan were completed.

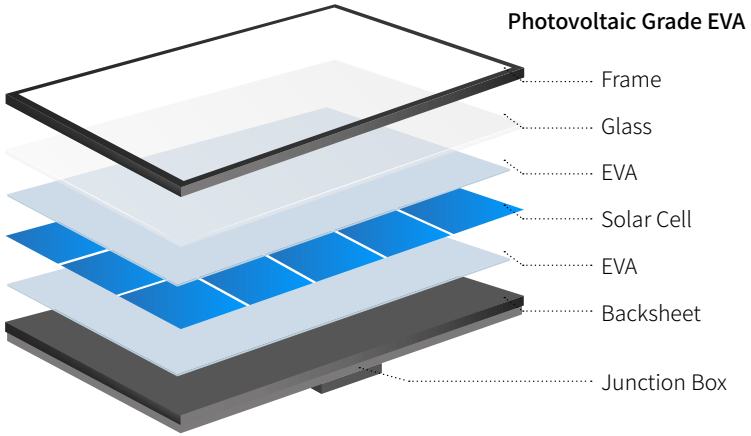
Implementation Work Plan

Stage Tasks	Stage 1 Analysis and Planning	Stage 2 Design and Execution			Stage 3 Implementation	Stage 4 Adjustment and Improvement
Schedule	2024 Q4	2025 Q2	2025 Q3	2025 Q4	2026 Q3 ~ Q4	2027 Q1
Summary of Implementation Tasks	· Establishment of a cross-functional project team for the adoption of IFRS Sustainability Disclosure Standards. · Preliminary identification of key differences and impacts between existing sustainability information and IFRS Sustainability Disclosure Standards. · Preliminary identification of the reporting entity. · Formulation of an implementation plan.	· Identification of sustainability-related risk and opportunity topics. · Assessment of the potential impacts of sustainability-related risks and opportunities on current and anticipated financial positions. · Evaluation of whether sustainability-related information constitutes material financial information, incorporating disclosure areas such as metrics and targets, risk management, and strategy.	· Inventory of sustainability-related data required within the company's reporting boundary and across the value chain. · Establishing linkages between sustainability-related data and information used in financial reporting (e.g., input values and parameters.)	· Adjustment of corporate processes including financial and non-financial reporting procedures, information systems, supply chain management processes, internal controls, and daily operations across departments.	· Pilot preparation of the sustainability section in the annual report. · Continuous updates to internal control manuals related to IFRS sustainability information and provision of relevant training.	· Disclosure of sustainability information in accordance with IFRS Sustainability Disclosure Standards in the 2026 annual report, to be announced and filed simultaneously with the 2026 financial statements.

Climate Adaptation Actions

In response to the impact of climate change, USIG is not only continuously leveraging technology and R&D capabilities to invest in the development of innovative materials and products in terms of climate adaptation, but also actively participating in environmental sustainability initiatives held by the Group to mitigate the impact of climate change.

Solar Encapsulation Material - Photovoltaic Grade EVA



In recent years, in response to climate change issues, the demand for green power products has been increasing. APC has actively developed optoelectronic industry application products with high added value, specifically "Photovoltaic Grade EVA," which is used for PV module packaging film production to meet the demand for PV module packaging materials and explore new markets.

In recent years, the rapid establishment of solar energy in China has driven the boom in the photovoltaic grade EVA market. In 2024, due to the continuous increase in PE capacity in Mainland China, every enterprise has started producing photovoltaic grade EVA, disrupting the solar photovoltaic grade EVA market. Mainland China's solar manufacturers have primarily shifted to procuring local domestic materials for production and sales needs. Consequently, the sales proportion of photovoltaic grade EVA is reduced, shifting focus to the coating-grade EVA market. Therefore, the sales volume of Photovoltaic Grade EVA products in 2024 is expected to decrease by about 69% compared to that of 2023.

Circular Economy - "Development and Certification (ISO 14021) of Recycled Plastic Products (LDPE)"

APC aims to address the rising global awareness of net-zero carbon emissions and resource recycling by seeking circular solutions for plastics from production to disposal, in order to lower production costs, reduce environmental impact, and enforce circular economy. From 2024, under the guidance of Dr. Tung from the Group's Innovation Department, the Linyuan Plant, led by Plant Manager Hsieh, Wing-Quan, along with a team of senior plant supervisors and certification engineers, will fully cooperate to develop a total of 9 recycled plastic products. They will utilize three different MI range virgin materials as substrates, blending them with process transition waste materials at ratios of 30%, 50%, and 80%.

The factory finally passed the SGS international certification in February 2025, successfully obtaining the ISO 14021 Pre-Consumer Recycled ESG Material certification. To ensure that recycled materials are sourced from verifiable origins, the accuracy of manufacturers' declarations on recycled material usage is verified through raw material tracking and production data comparison. Certificates and the SGS Green Label are obtained to reflect the plant's commitment to source reduction.

Taskforce On Nature-related Financial Disclosures (TNFD)

APC profoundly recognizes the importance of biodiversity protection for maintaining global ecosystem stability and sustainable human well-being. Therefore, the Company actively promotes various actions to reduce the impact of its operations on the ecological environment.

APC regularly utilizes Biodiversity Risk Assessment tools to examine the dependence and impact of company operations on the natural environment. Through the evaluation using the WWF Biodiversity Risk Analysis tool, it was found that APC's operational activities fall under high risk in the "Pollution" item. Therefore, APC prioritizes "avoidance" and "minimization" measures based on the TNFD Mitigation Hierarchy method. All manufacturing sites are located within industrial parks to "avoid" proximity to global or national biodiversity important areas, reducing the risk of ecosystem disturbance. "Minimize" pollutant emissions, and enhance emission control as well as monitoring mechanisms. In addition, APC values transparency of environmental information and communication strategies, and enhances climate disaster risk management and response measures.

Regarding pollution control, APC strictly implements air pollution control measures, regularly conducts equipment and component leakage tour inspection, enhances inspection frequency, and continuously updates and maintains equipment to effectively reduce environmental impact. In addition, APC has established a waste management system, where all waste generated within the plant is handled by qualified contractors. The contractors' disposal performance is regularly audited to ensure proper disposal of waste and to avoid any negative impacts on the environment.

In addition, APC also values transparency of environmental information, strengthens communication with various stakeholders, and enhances climate-related risk management and response measures. Actively participated in local environmental protection actions by adopting the air quality purification zone at Wang Gung Elementary School in Linyuan District, Kaohsiung City. Through practical actions, the goal is to improve the local ecological environment and promote sustainable development in the community.

Equipment and Component Leakage Tour Inspection

Proper Waste Treatment

Energy Management

USIG voluntarily set energy management targets in 2016 and began to make dynamic target reviews in accordance with the country's energy development policies, and by keeping track on the international trends and domestic laws and regulations. After measuring the internal and external factors, we set the 2030 carbon reduction target in early 2022, which is "carbon reduction by over 27% compared to 2017 by 2030". The 9 USIG core businesses began to implement the ISO 50001 energy management system and obtained the certificate in 2018 to effectively manage energy performance and continuously improve energy saving and carbon reduction, hoping to demonstrate USIG's influence and so to lower environmental impact.

Every year, USIG holds the "Plant Technology Exchange Meeting" and several "Northern/Southern Plants Resource Integration Meetings" for plants to share resources and improve performance in energy conservation and carbon reduction through exchange technology experience. The 2024 Group Plant Technology Exchange Meeting was held in November, featuring case presentations in a competitive format with "industrial safety and environmental protection," "equipment preventive maintenance," and "energy saving and carbon reduction" as the core themes. After plant technology case submissions and a documentary review, 7 cases made it to the final presentation. The top three outstanding cases were selected through joint voting by senior group management and representatives from each presenting plant. The group's chairman awarded certificates and bonuses. Through awards, exchange, and learning from others, the Group aims to jointly enhance its technological level.

In 2024, APC, led by Plant Director Hsieh, along with Vice Manager Hsueh, Sheng-Jen, Supervisor Lin, Jun-Hsu, and Engineer Chiu, Ming-Huan from the manufacturing department, presented with the theme of "Installation of E-1206B for Replacement of Waste Heat Recovery Function in the EVA Process", received an excellent evaluation from the group's senior management, showing outstanding performance.

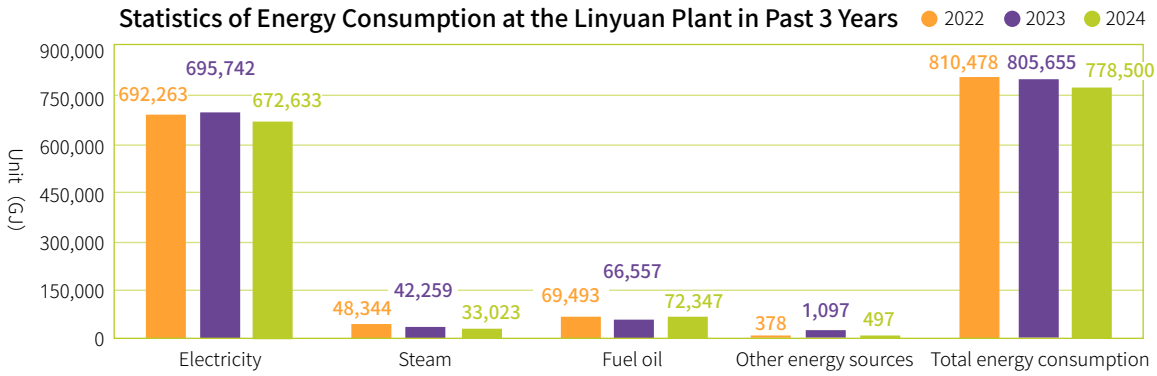
Electricity Conservation Rate List of the APC Linyuan Plant in the Past 3 Years:

Year	2022	2023	2024
Electricity Conservation Rate	0.68	1.13	1.6

Descriptions:
1. The electricity conservation rate in 2024 was 1.6%, and the average power conservation from 2015 to 2024 was 1.58%, which meets the requirement of the "Energy Administration's regulatory requirement of 1%".
2. Electricity Conservation (including Taiwan Power Company's demand bidding, with an energy conservation volume of 824,854 kWh from demand bidding)

Energy Use GRI 302-1, 302-3

The data boundary of energy management in 2024 covers the Linyuan Plant, and data coverage is 100%. The graph below shows the internal energy consumption of the Linyuan Plant by electricity, steam, fuel oil, and other energy sources in the past three years and the unit product energy consumption:



Note: 1. Conversion factor of heat value per unit GRI 2-4
The Energy Administration, Ministry of Economic Affairs announced: Electricity 860 Kcal/degree; Fuel Oil 9,600 Kcal/L; Unit conversion: 1 Kcal= 4.187 KJ
Steam supplier provides (Kcal/kg): Steam 679.22 (2024); 679.47 (2023); 679.51 (2022)
2. (Electricity/Steam/Fuel Oil) energy consumption = (Electricity/Steam/Fuel Oil) consumption x conversion factor of heat value per unit x 4.187x10-6(GJ/KJ)
3. Sources of electricity, steam, and fuel oil consumption and production data: Monthly production statistics, with bills as proof.
4. The energy used by the Company is non-renewable.
5. After fuel oil is verified by a third-party, gasoline + diesel + liquefied petroleum gas + natural gas will be included in the data disclosure for the past three years.

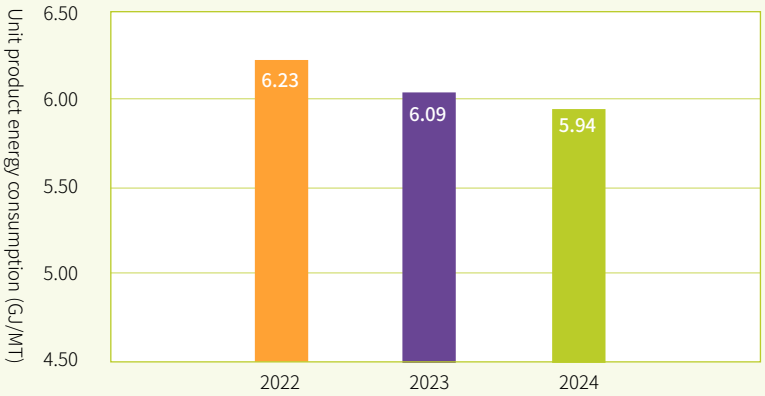
Total 2024 Energy Use 778,500 GJ decreased by 3.4%
The production process is running smoothly, reducing the number of equipment cleanings and implementing energy-saving and carbon-reduction programs to lower the usage of steam; increasing the recovery rate of the VA

Electricity energy usage 672,633 GJ, accounting for 86.4%

Percentage renewable **0%**

Self-Generated Energy (Solar PV) 2,005 GJ, Total Capacity of Self-consumption 0 GJ
All APC's solar-generated electricity in 2024 was sold to the Taiwan Power Company.
SASB RT-CH-130a.1

Unit Product Energy Consumption of the Linyuan Plant in the Past 3 Years



Note:
1. Unit product energy consumption (or energy intensity) = Total consumption (GJ) / Total production (MT)
2. Source: "Energy Conservation Audit System Report of Energy Users" of the Energy Administration

The unit product energy consumption (or energy intensity) in 2024 was 5.94 GJ/MT, which was about 2.5% lower compared to that of 2023. The main reasons were the smooth plant process, fewer equipment cleanings, the implementation of energy saving and carbon reduction programs, and the reduction in steam usage. Moreover, increasing the recovery volume of the VA system and reducing the output of fuel oil (VA waste liquid) also contributed to the decrease in unit product energy consumption.

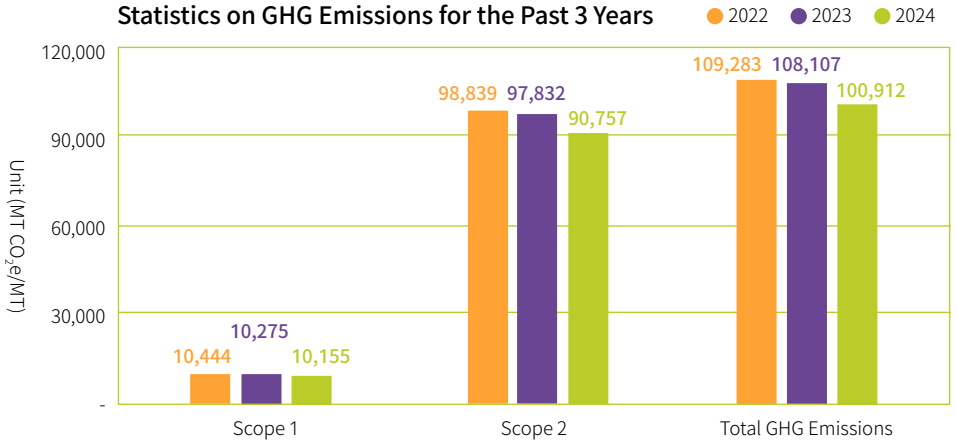
In addition, in response to changes in market demand, the production mix was adjusted, resulting in a 36% increase in low density polyethylene (LDPE) capacity compared to that of 2023, while the capacity of ethylene vinyl acetate copolymer (EVA) decreased by 13%.

Due to the higher average unit product energy consumption of EVA compared to LDPE, the reduction in EVA capacity, the increase in LDPE capacity, and the decrease in the number of yearly equipment failures are all key factors leading to the reduction in total energy consumption.

GHG Management

The Ministry of Environment announced a revision on August 8, 2022, "Businesses should inventory and register GHG emissions sources." APC's Linyuan Plant is part of the second newly added batch required to inventory and register GHG emissions. It completed the verification of the GHG inventory by a verification agency in accordance with ISO 14064-1 in the third quarter of 2022 and registered on the website designated by the Ministry of Environment. According to regulatory requirements, the APC consolidated financial statement company must complete the greenhouse gas inventory by 2025 and achieve assurance by 2027. APC has already completed the consolidated financial statement company's greenhouse gas inventory and assurance in the second quarter of 2024. The operational boundary of the Linyuan Plant includes direct, indirect, and other indirect GHG emissions. The main GHG emissions are five categories, including carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), and sulfur hexafluoride (SF_6). Ultimately, carbon emissions are presented as CO_2e by converting through the Global Warming Potential (GWP) in IPCC's sixth assessment report. In addition, in response to the "Carbon Fee Collection," the Environmental Ministry announced the Carbon Fee Collection Measures and three sub-laws on April 29, 2024. APC will submit a "Voluntary Reduction Plan" application to implement energy-saving and carbon reduction performance, set greenhouse gas reduction goals for 2030, and plan an annually reviewed carbon reduction pathway, aiming to obtain approval and favorable schemes from the central competent authorities.

GHG emissions by scope and intensity of unit product of the APC Linyuan Plant in past 3 years are as follows: GRI 305-1, 305-2, 305-4



Note 1: Electricity emission factor: 0.474 kg CO_2e/kWh (for 2024). Purchased steam emission factor: 0.1786689260 tons CO_2e/ton (for 2024).

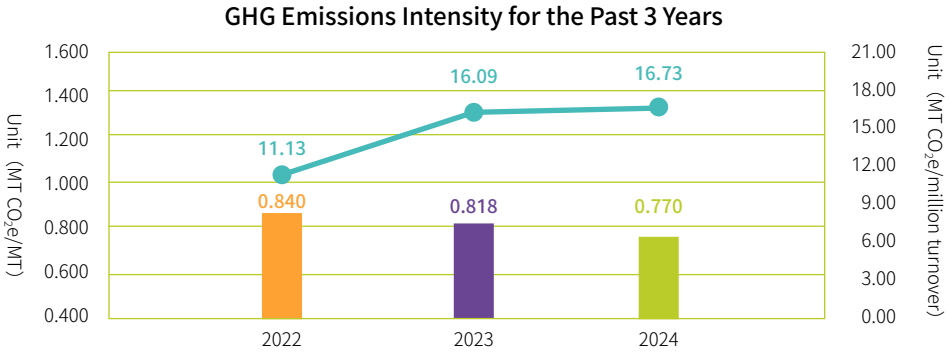
Note 2: Greenhouse Gas Emissions: Scope 1 refers to direct emissions from processes or facilities. Scope 2 refers to energy indirect emissions, such as purchased electricity (supplied by Taiwan Power Company) and purchased steam (supplied by Formosa Plastics Linyuan Plant).

Note 3: GHG Emissions = (Energy Fuel Usage) x (Emission factor announced by the Environmental Protection Administration) x (IPCC GWP value required by the Environmental Protection Administration)

Note 4: GHG emission intensity = total GHG emissions (metric tons CO_2e) / total production (metric tons) (or total GHG emissions (metric tons CO_2e) / million turnover).

Note 5: According to the GHG emission coefficient version 6.0.4 announced by the Ministry of Environment and the GWP value of the IPCC 2013 Fifth Assessment Report, the value is converted into dioxide carbon emission equivalent.

Note 6: Data boundary: 2022 is for individual companies (Taipei headquarters + Asia Poly Linyuan Plant); 2023 is for consolidated financial statements of parent and subsidiary companies (Taipei headquarters + Asia Poly Linyuan Plant + Juhua (Shanghai) + USI International Corporation); 2024 is for Asia Poly Linyuan Plant」



Direct GHG Emissions (Scope 1) **10,157** MT CO_2e, Proportion **10.1%**

Data boundary: Consolidated Financial Statements of Parent and Subsidiaries

GRI 305-1 SASB RT-CH-110a.1 Confirmation Report

Energy Indirect GHG Emissions (Scope 2), **90,815** MT CO_2e, Proportion **89.9%**

Data boundary: Consolidated Financial Statements of Parent and Subsidiaries

GRI 305-2

The total GHG emissions of the APC Linyuan Plant in 2024 were 100,912 MT CO_2e, a reduction of 6.66% compared to that of 2023. The intensity of emissions is 0.77 MT CO_2e/MT, a reduction of 5.9% compared to 2023, primarily due to adjustments in the product mix based on market demand changes, process pressure adjustments, and a decrease in equipment failure rates, leading to a reduction in unit product energy consumption. Another measure of emission intensity is 16.73 MT CO_2e per million in revenue, which represents an increase of 3.96% from the previous year, mainly due to a decrease in product prices and a reduction in annual revenue.

According to ISO 14064-1, categories 3-6 indirect GHG emissions were identified and assessed in accordance with the indicators in Appendix H of ISO 14064-1:2018. Among them, four items are Category 3 (including: upstream freight transportation, domestic product transportation inventory, employee commuting, and business travel) and eight items are Category 4 (purchased goods), which belong to Scope 3, with GHG emissions of 307,945 MT CO_2e, and have obtained third-party assurance.

APC 2024 Scope 3 Greenhouse Gas Emissions

Item	Emissions (MT CO_2e)
Category 3.1 - Transportation of upstream freight - Vinyl Acetate Monomer (VAM)	381.4654
Category 3.1 - Transportation of upstream freight - Other 5 items (domestic procurement)	115.7685
Category 3.1 - Transportation of upstream freight - Other 5 items (external procurement)	24.6525
Category 3.2 - Inventory of domestic product transportation (domestic sales)	779.5563
Category 3.2 - Inventory of domestic product transportation (export sales)	6,692.9267
Category 3.3 - Employee commuting (bus, car, motorcycle)	202.3887
Category 3.5 - Employee business trips (high-speed rail, train, taxi, car, motorcycle)	0.4681
Subtotal	**8,197.2262**
Category 4.1 - Purchased Goods (Raw Materials) - Ethylene	210,896.1590
Category 4.1 - Purchased Goods (Raw Materials) - Vinyl Acetate Monomer (VAM)	70,086.8006
Category 4.1 - Purchased Goods (Raw Materials) - Other Electricity	18,175.6462
Category 4.1 - Purchased Goods (Raw Materials) - Tap Water	107.0074
Category 4.1 - Purchased Goods (Raw Materials) - Sulfuric Acid	13.6148
Category 4.1 - Purchased Goods (Raw Materials) - Lubricating Oil	439.0956
Category 4.4 - Disposal of Solid Waste (Removal Category D + Category R)	4.3246
Category 4.4 - Disposal of Solid Waste (Incineration)	24.6888
Subtotal	**299,747.3370**
Total	**307,944.5632**

Other indirect GHG emissions (Scope 3) **307,945** MT CO_2e GRI 305-3
Data boundary: Individual company
Confirmation Report

Energy Saving Actions and Benefits GRI 302-4

A total of five energy saving and carbon reduction management programs have been implemented in 2024, as shown in the figure:

Process Improvement
1. Line 3 condensate recovery energy-saving.
2. Line 3 VA transport system energy-saving
3. Line 2 Recycle Line cooling energy-saving.

Save
Electricity 99,311 kWh
512 MT of steam
Reduce carbon 128 MT CO_2e.

Equipment Improvement
4. Line 3 initiator pump energy-saving
5. Electricity system improvement for energy conservation

Save
1,918,261 kWh of Electricity
Reduced 948 MT CO_2e of carbon

Electricity conservation by 2,017,572 kWh, steam 512 MT, and reduced carbon by 1,076 MT CO_2e in total. The table below shows the energy saved and carbon reduced by process improvement and by equipment improvement:

Type		Process Improvement	Equipment Improvement	Total
Energy Saved	Electricity (GJ)	358	6,907	7,265
	Steam (GJ)	1,475	---	1,475
Reduced carbon (MT CO_2e)		128	948	1,076

Note: 1. The calculation method for energy saving and carbon reduction program have been presented in terms of annual equivalent values.
2. The Energy Administration, Ministry of Economic Affairs announced: Electricity 860 Kcal/kWH; supplied by the steam supply plant: Steam 679 Kcal/kg, unit conversion factor 4.187×10^{-6}(GJ/KJ)

All reduced GHG emissions were Scope 2 Reduced indirect energy emissions. GRI 305-5

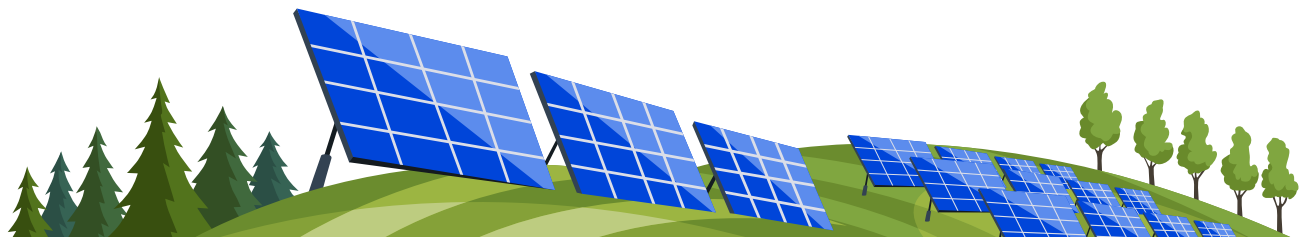
The APC Linyuan Plant establishes energy saving and carbon reduction programs and targets in response to the government's energy saving policy and in accordance with the group's energy management targets. Every month we produce statistics on the results of implementation of the energy saving and carbon reduction programs for the reference of progress control. Through the group's "Resource Integration Meetings" and "Technology Exchange Meetings", we also share resources and exchange experiences with other USIG businesses to learn from one another so as to implement practical and effective energy saving and carbon reduction programs.

Energy Saving and Carbon Reduction Programs in 2025

It is planned to implement six energy saving and carbon reduction measures, which are expected to save electricity by 3,160,903 kWh, steam by 810 MT, and reduce carbon by 1,685 MT CO_2e in total.

Investment amount for the 2025 energy-saving and carbon reduction program is NT$ 77.66 million.

Type	Energy Saving Management Program	Program Target Value	Total Energy Saved in the Program	2025 Goals for Carbon Reduction
Process Improvement	1. E-1115 Steam Saved 2. E-1111/E-1211 Energy Improvement 3. Line 4 Transport system pressure reduction energy-saving project	Electricity 1,754,917 kWh 522 MT of steam	Electricity 3,160,903 kWh 810 MT of steam	1,685 MT CO_2e
Equipment Improvement	1. Line 3 chiller replacement. 2. Expand the installation of solar PV power equipment. 3. Replacement of the packaging machine.	1,405,986 kWh of Electricity		



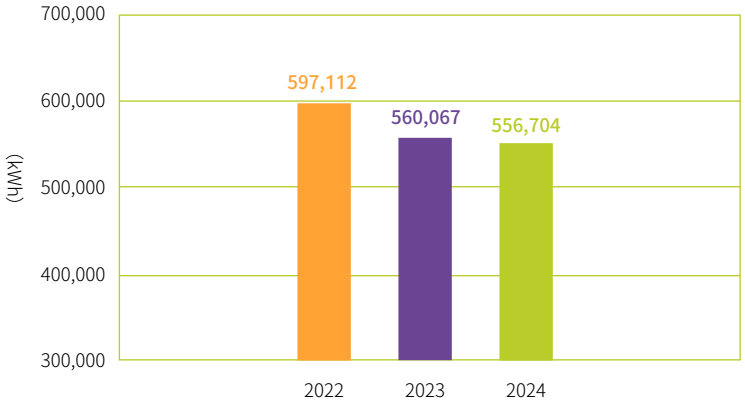
Renewable Energy

The APC Linyuan Plant completed the installation of solar PV power equipment in June 2011, with an installed capacity of 496.08 kW. All APC's solar-generated electricity in 2024 amounted to 556,704 kWh, all of which was sold to the Taiwan Power Company, bringing the cumulative generation to about 7.95 million kWh by the end of 2024, reducing carbon dioxide emissions by approximately 4,131 MT.

The USI Group is currently coordinating and leading each company towards meeting the green power requirements within five years. The Group will establish unified solar power plants, and any shortfall will be supplemented by procuring green power.

APC procured 1.913 million kWh of solar green power from USI Green Energy in 2024, with an investment of approximately NT$9.565 million, and officially started using the green power on January 1, 2025. The Linyuan Plant will follow relevant regulations of the new law and cooperate with the Group's overall planning to achieve the Group's goal of carbon neutrality by 2050. The Linyuan Plant is expected to additionally install a self-consumption solar PV system with a capacity of 494 kW in 2025.

Solar Power Generation of the Linyuan Plant in the Past 3 Years



4.3 Emissions Management

Material Topics: Air pollution Control; Corresponding Sustainability Principle: Sustainable Development GRI 2-25, 3-3

Management Approach and Components	Impact Management	Targets Execution and Performance of Management Approach	Evaluation of Management Approach
The Significance to Asia Polymer Air quality in the petrochemical industry remains a significant topic for the general public. The emission of air pollutants not only impacts compliance with environmental regulations, but also has affect environmental air quality and public health.	**Positive/Negative Impacts** · Negative Actual Impact - Air pollution control has not been implemented.	**2024 Goals** · Regular walk-through inspections of equipment components, with 420 inspection points monthly. · Process Air Pollution Reduction Program · Unit product air pollutant emissions (kg/MT), target control values: NOx：<0.0418；SOx：<0.0458；VOCs：<0.2214	**Effectiveness Assessment** Authorized testing companies that approved by the National Environmental Research Institute to regularly measure the volume of air pollutant emissions annually.
Management Practice and Objectives The APC Linyuan Plant monitors and improves air pollutant emission quality through VOCs leakage detection of equipment components and air pollutant emission reduction improvements of equipment, to meet the requirements of government air pollution regulations and improve the surrounding air quality of the plant.	**Processes to Remediate and Prevent Negative Impacts** · Enhance the frequency of regular component inspections, from 280 inspection points per month to 420 inspection points per month. · Install a liquid gas oxidizer paired with air pollution control equipment to effectively reduce emissions of particulate matter, nitrogen oxides, and volatile organic compounds. · Reduce equipment failure rate through monthly periodic maintenance.	**2024 Performance** 1. Regular walk-through inspections of equipment components, with 770 inspection points monthly (✓) 2. Air pollutant emissions (kg/MT): 3. Nitrogen Oxides (NOx): 0.0393 (✓) 4. Sulfur Oxides (SOx): 0.0325 (✓) 5. Volatile Organic Compounds (VOCs): 0.1676 (✓)	**Grievance Mechanism** Environmental Impact grievance channels.
Strategy · Equipment and component leakage tour inspection · Reduction of air pollutant emissions · Legal compliance		**Short-Term (< 3 years) Goals** · Regular walk-through inspections of equipment components, with 450 inspection points monthly. · Install a gas oxidizer paired with air pollution control equipment to replace the old steam boiler, reducing NOx emissions to below 30ppm and particulate matter emissions to below 10mg/Nm^3. · Unit product air pollutant emissions (kg/MT), target control values: NOx：<0.0418；SOx：<0.0458；VOCs：<0.2214	**Adjust Management Approach** Exchange of environmental pollution prevention technology and experience at the Group technology exchange meeting.
		Medium- Long-Term (≧ 3 years) Goal Planning · Monthly tour inspection of the 600 pieces of VOCs equipment and components by the environmental protection section. · Unit product air pollutant emissions (kg/MT) are 1% lower than the target control values. NOx：<0.0376；SOx：<0.0412；VOCs：<0.1993	

Air Pollution Control GRI 305-6

The major air pollutants emitted by the APC Linyuan Plant include nitrogen oxides (NOx), sulfur oxides (SOx), volatile organic compounds (VOCs), and hazardous air pollutants (HAPs). NOx and SOx are mainly produced by the plant's combustion facilities (e.g., regenerative thermal oxidizer (RTO), steam boiler, thermal oil boiler). The Plant does not generate ozone-depleting substances (ODS). VOCs mainly come from the emissions and leakage of the RTO, flare, storage tanks, equipment cleaning solvents, and components. HAPs mainly originate from the raw material Vinyl Acetate Monomer (VAM). In addition to regularly testing and reporting air pollutants, we have planned the following reduction programs to effectively reduce air pollutants:

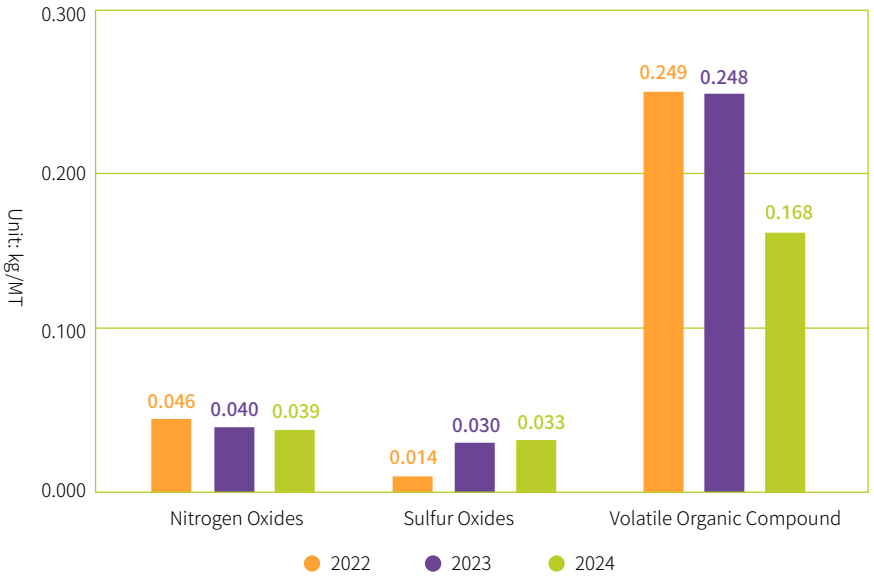
Reduce VOC emissions	We commission EPA-accredited institutions to check all equipment and components in the plant each quarter, enhance the self-imposed tour inspection of equipment and component (about 15,000 spots each month), and replace one old catalyst pump (one replaced). The environmental protection section has purchased two FID detectors (TVA-2020) to perform average up to 420 spot checks each month, the number has increase compared to previous years.
Ethylene Recovery Process	The ethylene is recycled among different production lines when the production process halts.
Off-site Underground Ethylene Pipelines Ethylene Emptying Recovery	When there is an operation issue that needs to empty the off-site underground ethylene pipelines for maintenance, we recover ethylene to each production line through the in-house ethylene recovery pipelines to reduce air pollution
Process Waste Reduction and Improvement SASB RT-CH-110a.2	· In 2019, the emission pipeline of the first-section outlet separator of the fourth production line's flash compression machine was modified to return to the inlet separator of the compressor · In 2021, the discharge pipeline of the first-section outlet separator of the boosting compressor in the third production line was modified to return to the inlet separator of the compressor. · In 2022, the steam boilers were planned on being replaced. · In 2025, it is planned to add a liquid gas oxidizer with catalytic ceramic filter tubes, which will handle process emissions and process exhaust gases, reducing emissions of particulate matter (TSP), nitrogen oxides (NOx), and volatile organic compounds (VOCs).

Air Pollutant Emissions of the Linyuan Plant in Past 3 Years: GRI 305-7 SASB RT-CH-120a.1 Unit: MT

Year	NOx	SOx	VOCs	HAPs
2022	6.025	1.813	32.400	0.742
2023	5.261	3.930	32.754	0.583
2024	5.147	4.261	21.977	1.523

Descriptions: The unit product SOx emissions in 2024 increased compared to 2023, primarily because the Environmental Protection Bureau adjusted the calculation method for SOx emissions from RTO equipment, leading to an increase in SOx emissions. VOCs emissions decreased significantly, mainly due to a reduction of 10 MT in the use of xylene cleaning equipment compared to that of 2023. In addition, the hazardous air pollutants (HAPs) related to the process at the Linyuan Plant are Vinyl Acetate Monomer (VAM), for which there are no control values, with emissions amounting to 1.523 MT.

Unit Product Air Pollutant Emissions of the Linyuan Plant in Past 3 Years



The emissions test results of the Linyuan Plant over the years have all been lower than the Emission Standards announced by the Environmental Ministry. The table below shows the 2024 emissions test results of APC's pipelines:

Pollutants	Unit	Thermal Oil Boiler	Steam Boiler	Emission Standard
Nitrogen Oxides (NOx)	ppm	75	69	100
Sulfur Oxides (SOx)	ppm	ND (< 2)	4	50
Particulate Matter (TSP)	mg/Nm^3	1	3	30

Regenerative Thermal Oxidizer (RTO)	Emission Standard
2	150
4	100
8	100

Note: Total Suspended Particulate, abbreviated as TSP

4.4 Waste Management

Material Topics: Waste Management; Corresponding Sustainability Principle: Sustainable Development GRI 2-25, 3-3

Management Approach and Components

The Significance to Asia Polymer

APC values corporate image and market competitiveness. Good waste management not only reduces raw material waste, enhances production efficiency, and lowers processing costs, but also demonstrates compliance with laws and regulations and corporate social responsibility.

Management Practice and Objectives

The APC Linyuan Plant implements classification management for Types of Waste through education and supervision, and entrusts qualified cleaning companies approved by the Ministry of Environment to adopt appropriate treatment methods for the removal of different types of waste.

Continuously reduce generation of industrial waste through process adjustments and personnel monitoring, enforce circular economy by transforming plastic waste into recycled plastic to develop green products, and lower environmental impact.

Strategy

- Waste Classification Management
- Compliant Waste Treatment
- Recycling for Reuse of Waste
- Application for the ISO Certification of Recycled Products

Impact Management

Positive/Negative Impacts

- Negative Actual Impact - Improper Waste Treatment

Processes to Remediate and Prevent Negative Impacts

- Implement waste classification within the plant through education or performance evaluation methods.
- Handled by contractors approved by the Ministry of Environment.
- Contractors treat waste according to Types of Waste using compliant Waste Treatment methods such as incineration, pyrolysis, landfilling, and physical treatment.
- Transfer waste eligible for recycling and reuse to licensed waste recovery contractors for disposal.
- Handled by contractors approved by the Ministry of Environment, with annual regular statistics on the volume of waste pollutant disposal, and data are reported on the Environmental Protection Administration's website.

Targets Execution and Performance of Management Approach

2024 Goals

- Proper Waste Treatment Rate: 100%
- Waste Intensity (MT/MT): ≦ 0.0030

2024 Performance

1. Proper Waste Treatment Rate: 100% (✓)
2. Waste Intensity (MT/MT): 0.0025
3. Reduced by 41.86% compared to the previous year (✓)

Short-Term (< 3 years) Goals

- Proper Waste Treatment Rate 100%
- Waste Intensity (MT/MT): ≦ 0.0030

Medium- Long-Term (≧ 3 years) Goal Planning

- Proper Waste Treatment Rate 100%
- Waste Intensity (MT/MT): ≦ 0.0020

Evaluation of Management Approach

Effectiveness Assessment

Handled by contractors approved by the Ministry of Environment, with annual regular statistics on the volume of waste pollutant disposal.

Grievance Mechanism

Environmental Impact grievance channels.

Adjust Management Approach

Exchange of environmental pollution prevention technology and experience at the group technology exchange meeting.

Waste Management GRI 306-3, 306-4, 306-5

Industrial waste generated by the APC Linyuan Plant includes general industrial waste and hazardous industrial waste. We sign contracts with EPA-accredited domestic contractors to remove and dispose of waste in accordance with the "Waste Disposal Act". It is required to file a waste delivery manifest on the Environmental Protection Administration's website according to the Act. After leaving the plant, we then track the waste disposal contractors to ensure compliance with the statutory period and also request contractors to provide proof of proper disposal, with on-site inspections of waste disposal facilities annually.

General industrial waste is disposed by type through intermediate waste treatment including incineration, pyrolysis, and physical disposal operations. Contractors will direct waste to landfills, production into recycled oil products, or fuel oil as final treatment according to the approved methods in their licenses.

In response to the Zero Waste through Resource Circulation Policy by Resource Circulation Administration, we have actively sought ways for recycling for reuse of waste in recent years. Waste wood, waste plastic, and waste bricks are treated via recycling for reuse and can ultimately be used as renewable fuel and construction-grade materials; while waste iron is transported to licensed waste disposal contractors for recycling purposes.

The table below shows the methods and weight of waste disposal reported by the Linyuan Plant in the past three years, according to the waste delivery manifest statistics on the Environmental Protection Administration's website:

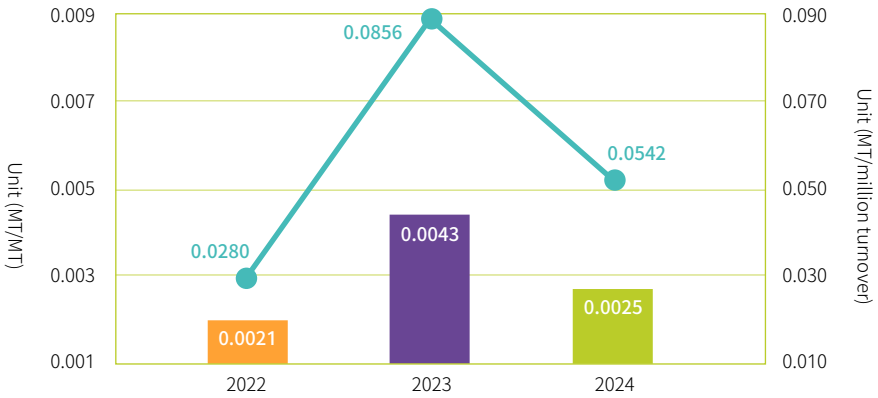
Method and Weight of Waste Disposal of the Linyuan Plant in Past 3 Years

Unit: MT

Treatment	Types of Waste	2022	2023	2024
Incineration	General Household Waste, Waste Plastic, and Waste Wood Mixture	43.70	51.53	40.81
Physical Treatment, Thermal Decomposition, Incineration Treatment	Waste Oil Mixture	145.50	219.79	157.3
Physical Treatment	Waste Lubricating Oil	68.81	48.65	36.72
Physical Treatment	General Waste Chemical Substances Mixture	16.43	17.53	16.36
Landfill Disposal	Mixture of Civil or Construction Waste	---	2.9	---
Reuse Treatment	Waste Wood, Waste Plastics, Waste Bricks	---	49.3	24.38
	Waste Iron	---	185.34	46.41
Total Weight of Non-hazardous Waste		**274.44**	**575.04**	**321.98**
Waste Recycling Rate (%)		---	40.8	21.99
Hazardous Industrial Waste				
Overseas Processing	Including Cadmium Battery	---	---	4.60
Recycling Treatment	Including Cadmium Battery	---	---	0.0
Total Weight of Hazardous Waste		---	---	4.60
Waste Recycling Rate (%)		---	---	0.0

In 2024, the plant returned to the annual routine of one full-plant shutdown for maintenance (one less shutdown than in 2023), resulting in a reduction in waste volume. Due to the slowdown in product market demand, adjustments in production and sales to align with the demand led to a reduction in capacity, resulting in a decrease in the amount of waste oil mixtures. Some inferior quality waste lubricating oil was still classified as waste oil mixtures. Changes in waste intensity over the past three years are detailed in the chart on the right.

Waste intensity over the past 3 years



In 2024, the Linyuan Plant generated 4.6 MT of hazardous industrial waste.

SASB RT-CH-150a.1

Due to the replacement of emergency backup power batteries in the plant's substation, the resulting batteries including cadmium were properly cleared through Overseas processing by qualified domestic removal companies approved by the Ministry of Environment.

Additionally, there was no spill of oils, fuels, or chemical substances was reported at the Linyuan Plant in 2024.

The proper waste treatment rate at the Linyuan Plant in 2024 was 100%.

Environmental Impact Grievance Channels

The APC Linyuan Plant has established the "Procedures for Implementation of Communication and Consultation" to establish, implement and maintain channels and procedures for the communication, engagement, and consultation of environment-related topics for internal (employees, enterprise union, Occupational Health and Safety committee meetings, etc.) and external (customers, competent authorities, community residents, and environmental groups, etc.).

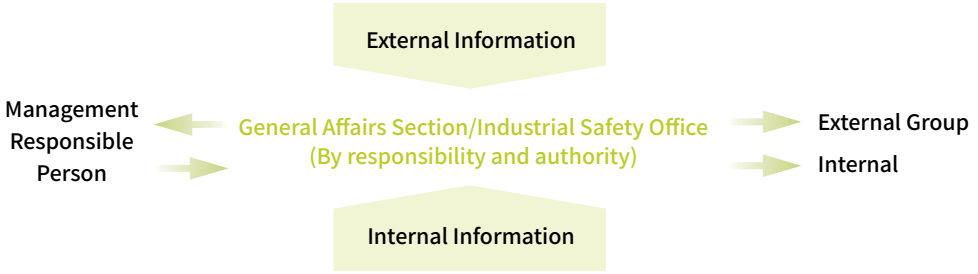
The procedure for addressing internal grievances, employees proposes environment, health and safety-related issues through meetings such as the “Enterprise Labor Union Board Meetings”, “Occupational Health and Safety Committee Meeting”. If publicity or response is required, the responsible departments will review the responses, which then will be communicated within the company through meetings, educational training, or announcements after the approval by the environmental and Occupational Health and Safety management representative.

The procedure for addressing external grievances is refer to after any unit of the Linyuan Plant receives an environment, safety, and health-related grievance from outside the company via phone, orally, or in writing, the responsible unit will verify the contents of the grievance and register it in the "Occupational Safety and Health and Environmental Information Registration Form", then take necessary actions and appropriate responses, if the grievance becomes a case study.

The statistics of external grievances about Occupational health and safety and environmental from the APCLinyuan Plant in the past three years:

Item	2022	2023	2024
Number of Grievances (cases)	3	0	0
Number of Valid Cases (cases)	3	0	0

The Linyuan Plant Environmental Impact Grievance Channels Schematic Diagram



CH5 Safety Workplace and Social Inclusion

Performance Highlights

- Employee Turnover Rate 0.85%
- Employee Educational Training 44.6 hours/person
- The total cumulative of zero lost-time due to disabling injury have reached 6.31 million working hours.

Material Topics

Talent Attraction and Retention
Occupational Safety and Health

SDGs Correspondence

Certified Management System

ISO 45001 Occupational Health and Safety Management System (Left)
Validity Period: April 23, 2028

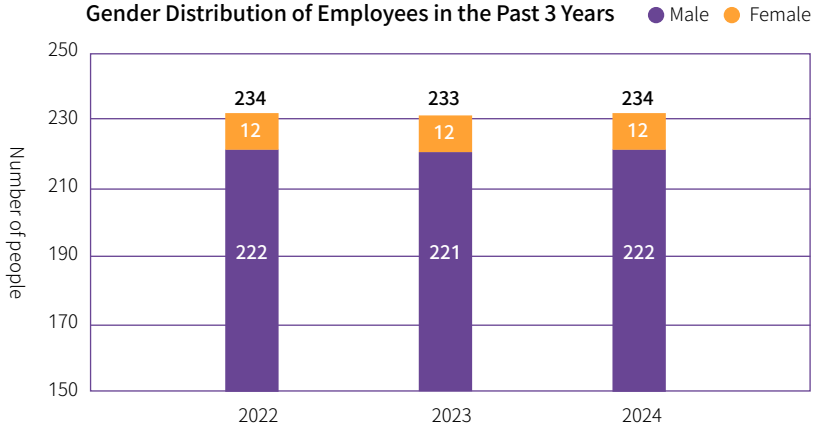
ISO 45001 (including TOSHMS) Management System (Right)
Validity Period: April 22, 2028

5.1 Talent Selection

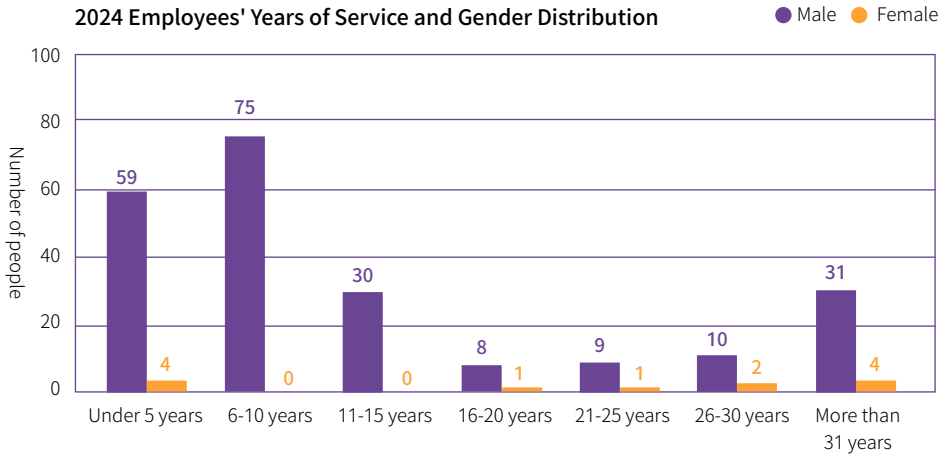
Workforce Structure GRI 2-7, 2-8

As of December 31, 2024, the total number of employees at APC was 234, all of whom were full-time employees under irregular contracts, 222 were male and 12 were female. Due to the requirements of the petrochemical industry, the proportion of male employees is higher than that of females. The average service length of employees is 13.5 years, and the average age is 44.8 years old. 86.3% of the employees have a college degree or above, all of whom are hired locally from Taiwan, mainly distributed in Taipei and Kaohsiung.

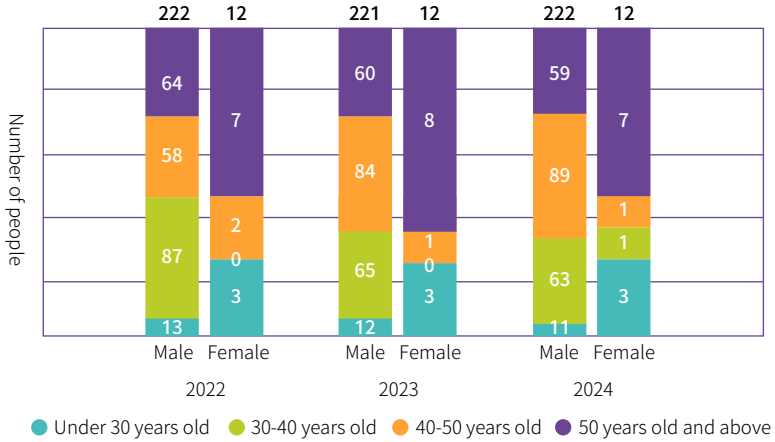
Gender Distribution of Employees in the Past 3 Years



2024 Employees' Years of Service and Gender Distribution



Employee Distribution by Age and by Gender in the Past 3 Years



Total Number of Employees Categorized by Gender and Region in 2024

Region	Taipei HQ		The Linyuan Plant in Kaohsiung	
Gender	Male	Female	Male	Female
Permanent Employee (Number of people)	13	3	209	9
Temporary Employee (Number of people)	0	0	0	0
Non-Guaranteed Hours Employee (Number of people)	0	0	0	0
Full-Time Employee (Number of people)	13	3	209	9
Part-Time Employee (Number of people)	0	0	0	0

Total Number of Workers who are not Employees Categorized by Gender and Region in 2024

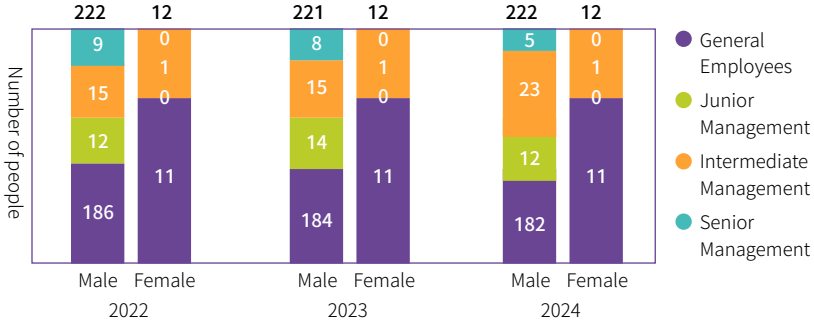
Time	2022				2023				2024			
Region	Taipei HQ		The Linyuan Plant in Kaohsiung		Taipei HQ		The Linyuan Plant in Kaohsiung		Taipei HQ		The Linyuan Plant in Kaohsiung	
Gender	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Contractors - Deyuan (packaging), Lianming (transportation), Baotian (transportation), Guoshan (cleaning)	0	0	19	8	0	0	26	11	0	0	29	5
Procurement - USIG Procurement Department	0	0	3	3	0	0	3	3	0	0	4	3
Human Resources - USIG Human Resources Department	0	0	2	0	0	0	3	0	0	0	3	0
Information - USIG Information Systems Division	0	0	1	0	0	0	1	0	0	0	1	0
Security	0	0	3	0	0	0	3	0	0	0	3	0
Restaurant	0	0	0	3	0	0	0	3	0	0	0	3
Subtotal (people)	0	0	28	14	0	0	36	17	0	0	40	11
Total (people)	42				53				51			

Talent Distribution

Given the characteristics of the petrochemical industry, APC focuses on academic backgrounds and professional abilities when recruiting employees. In conjunction with professional training and work experience upon entry, we aim to cultivate professional talents in the petrochemical field. The proportion of the Company's in-service quality employees holding a bachelor's or master's degree increases every year. In 2024, up to 86% of the new employees are graduates from universities and graduate schools, which is of great benefit to the improvement of technical and operational levels.

Employee Distribution by Education Attainment in Past 3 Years

Employee Distribution by Job and by Gender in Past 3 Years



All junior management (foremen and vice-shift supervisors), intermediate management (section chiefs and acting-section chiefs), and senior management (factory and division chiefs) hired at Taipei HQ and the Linyuan Plant in Kaohsiung are local Taiwanese residents, which helps the company to understand the local culture and demands, thus enhancing local economic benefits. The proportion of female supervisors in managerial positions at APC in 2024 was 3.45%.

Talent Attraction and Retention

Material Topics: Talent Attraction and Retention; Corresponding Sustainability Principle: Safety and Harmony GRI 2-25, 3-3

Management Approach and Components

The Significance to Asia Polymer

Retaining stable talents is an essential foundation for the operation of enterprises. Employees are important assets of APC. Through appropriate salaries, comprehensive benefits, a safe work environment, and training, we attract and retain outstanding talents to avoid a talent gap, bringing continuous development power to the Company.

Management Practice and Objectives

With the goal of recruiting excellent and suitable talents through a fair, open, transparent, and efficient recruitment system, the basic human rights of equal employment opportunities are taken into account. We aim to achieve the purpose of selecting the right talent for the right job through recruitment, talent cultivation, and retention, to ensure the quality and stability of our new employees' work, thereby strengthening our operational capabilities.

Strategy

Enhance Corporate Identity

- Establish diverse recruitment channels and recruit talents who share the same philosophy through a fair, open, transparent, and efficient recruitment system.
- Offer high-quality remuneration, diverse benefit system, and create a friendly, harmonious and safe workplace environment to retain talents.

Impact Management

Positive/Negative Impacts

- Negative potential impact - No Retirement Succession Plan - Talent Gap

Processes to Remediate and Prevent Negative Impacts

- To stabilize the workforce and retain outstanding talents, we adjust salaries annually based on the consumer price index and individual performance.
- The Company participates in the petrochemical sector compensation survey each year to assess the salary standard in the market so as to give employees an appropriate raise. We will also give a special promotion to excellent talent with outstanding performance.
- Timely replenish the workforce and plan the handover schedule based on the sales volume in response to employees at the retiring age. We also arrange educational training and business succession for new employees.
- Regularly send employees to receive external professional training and obtain the relevant certification every year to prevent talent gaps.

Targets Execution and Performance of Management Approach

2024 Goals

- No violations of human rights and labor conditions were reported.
- Employee Turnover Rate ≦ 5.0%
- Educational training plan execution rate 100%
- Average hours of educational training per employee >22.5 hours

2024 Performance

1. No violations of human rights and labor conditions were reported. (✓)
2. Employee Turnover Rate 0.856% (✓)
3. Educational Training Plan Execution Rate 100% (✓)
4. Average Hours of Educational Training Per Employee 44.6 Hours (✓)

Short-Term (< 3 years) Goals

- No violations of human rights and labor conditions were reported.
- Employee Turnover Rate ≦ 5.0%
- Educational Training Plan Execution Rate 100%
- Average Hours of Educational Training per Employee > 30 hours

Medium- Long-Term (≧ 3 years) Goal Planning

- Improve corporate image, attract fresh grads from the society, and reduce the employee turnover rate to less than 1%.
- Construct appropriate training courses to improve the training quality, with the goal to increase the average training hours per person to over 50 hours.

Evaluation of Management Approach

Effectiveness Assessment

- Internal Audit Within the Group
- Government agencies labor inspection

Grievance Mechanism

- The Linyuan Plant Enterprise Union
- APC Grievance Hotline

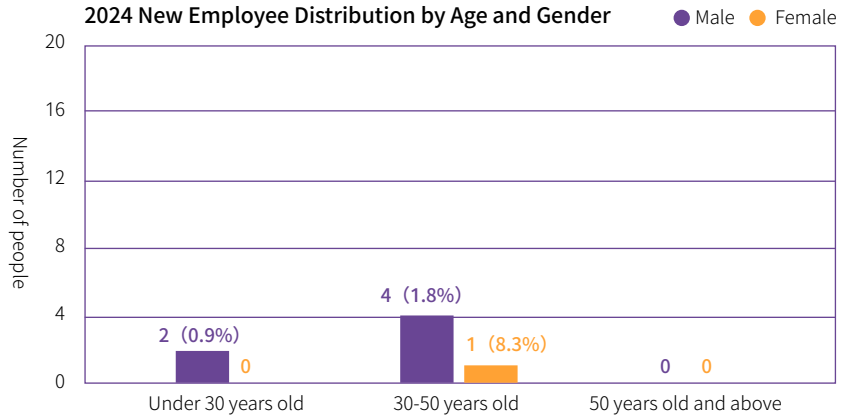
Talent Attraction

To address the issue of personnel succession and experience transfer due to employees' retirements, each unit timely replaces the manpower based on the retirement status. The Company aims to recruit exceptional talents suitable for the job based on their professional abilities and experiences through a fair, just, transparent, and efficient recruitment system. Through talent selection, talent cultivation, and talent retention, we ensure the competence and steady employment of new employees to strengthen the corporate structure. We also review the workforce composition and implement workforce dispatch and control at any time in routine operations, as well as analyze and improve the status of employee turnover to ensure workforce competence and experience succession.

When a unit needs to fill an existing position or expand the workforce due to business needs, organizational planning, or employee resignations, with the approval of their current supervisors, active employees interested in such openings may voluntarily submit their resume to the human resources unit. After further screening, the human resources unit will forward the resumes of eligible candidates to the supervisor of the requesting unit to provide multiple options to the unit and a better career development mechanism for employees.

On the other hand, we also conduct external recruitment through newspapers, human resources websites, human resources consulting agents, schools, employment service stations, etc. For vacancies in the Kaohsiung Plant, we prioritize recruiting talents from nearby communities, providing local employment opportunities as a way of giving back to the local communities.

In 2024, APC employed 7 new employees aged between 29 to 45, of which 1 was female and the rest were male, accounting for 3% of the total number of employees. The table below shows the distribution and proportion by gender and by age: GRI 401-1



Note: 1. Operational entities of APC, including Taipei HQ and the Kaohsiung Linyuan Plant, are all located in Taiwan, thus considering as one region.
2. The rate of new employee hires of different age groups is calculated with the total number of male and female employees as the denominator

Current Management Practices for Retention

To enhance the quality of talent, develop management talent, and coordinate with the organizational development needs, the Company encourages employees with outstanding performance and developmental potential to take the entrance examinations of the related graduate programs, such as EMBA, of domestic universities and receive management assistant training. We provide these employees with financial support for their studies, job rotation, and adjustments to strengthen their professional competence in each business area, actively nurturing supervisory talents. To stabilize the workforce and retain outstanding talents, apart from adjusting the salary for employees according to the consumer price index and personal performance of the employees every year, we also participate in a compensation survey of the petrochemical industry to estimate the salary standards in the market to make appropriate adjustments and planning. We also give a special raise to employees with outstanding performance to ensure that our salary is competitive with the market

Talent Mobility

The position change and resignation of employees are handled in accordance with the relevant regulations. Full-time employees may apply for retirement at 65 years old in accordance with the Labor Standards Act or for voluntary retirement at earlier ages by law. That is, all employees are entitled to voluntarily terminate employment by law. The rights, obligations, and labor conditions of resignation are handled with by law. When there are significant operational changes, such as closure, transfer, operating losses, or business contraction, that workforce reduction is required, we will notify employees from 10~30 days in advance based on the seniority of employees in accordance with the Labor Standards Act.

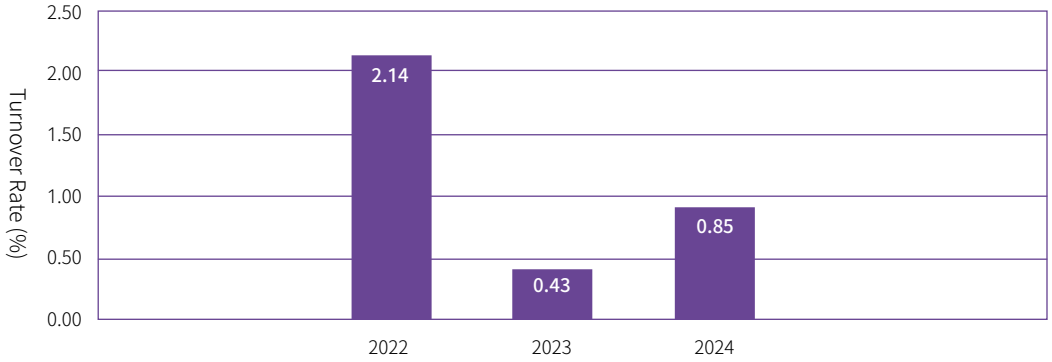
In 2024 there were 8 employees resigning from APC (including 6 retirees). After deducting the retirees, the actual rate of employee turnover was 0.85%.

The table below shows the distribution and proportion by gender and by age: GRI 401-1

Gender	Under 30 years old		30~50 years old		50 years old and above	
	Number of people (persons)	Proportion (%)	Number of people (persons)	Proportion (%)	Number of people (persons)	Proportion (%)
Male	0	0.00	2	0.45	0	0.00
Female	0	0.00	0	0.00	0	0.00

Note: 1. The proportion of employee turnover in each age group is calculated separately by gender, with the total number of male and female employees as the denominator.
2. The turnover rate is recalculated based on the actual number of resignations (excluding retirees).
3. Operational entities of APC, including Taipei HQ and the Kaohsiung Linyuan Plant, are all located in Taiwan, thus considering as one region.

Employee Turnover Rate in the Past 3 Years



Turnover Rate (%) = (Number of employees leaving during the year / Total number of employees at the end of the year) x 100

Talent Cultivation and Development

APC educational training aligns with external environment, business policy, operational goals, department performance, and employee career development needs. It is structured based on accordance with industrial safety environmental protection regulations, as well as the requirements of quality, environmental, energy, and occupational health and safety management systems to provide training courses tailored to the needs of various talents.

The training framework mainly consists of four components: "On-the-job training", "Functional training", "Digital learning", and "Self-improvement". These are organized in a comprehensive and systematic fashion to plot training courses necessary for employee career development, and further extend to the educational training system for lifelong learning. The career development training for active employees can enrich their competencies, skills, and learning capability of employees, which will become the foundation of personal lifelong learning. When employment is terminated due to retirement or resignation, such training can become the skills enabling employees to find new jobs or make retirement planning.

Educational Training Performance

APC always values the educational training of employees and arranges orientation training, on-the-job training, and work instructions for employees based on their training needs and the needs of their units. We also offer educational training through DVDs and e-learning platforms to improve the competency and skills of employees. Employee training records are kept and taken into account for monthly performance and annual performance evaluation. Additionally, each department sets the standards for "hierarchical" and "functional" training courses to identify the skills required for each position and each working area of employees. These standards serve as references for dispatching training and ensure that employees have the abilities to perform their work.

On-the-job training
- Job instructions by supervisors
- Master-Apprentice Knowledge Transmission
- Technological and vocational certification
- Job rotation

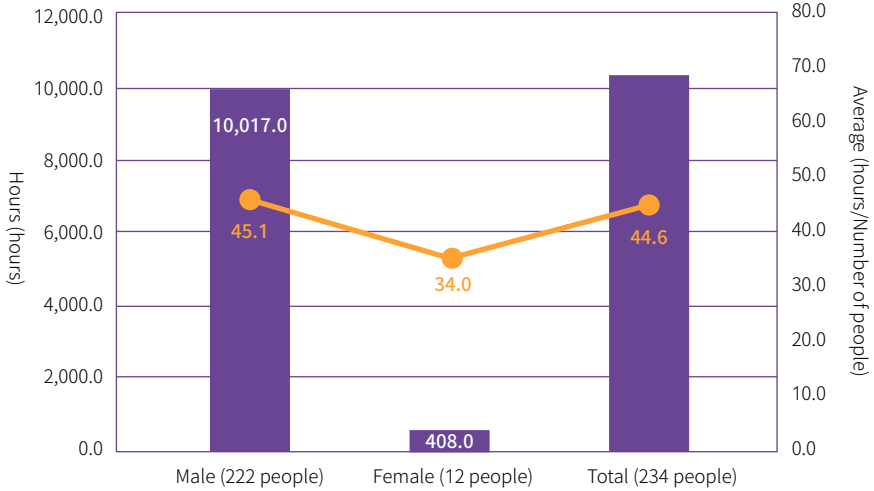
Digital Learning
- New employee orientation training
- New Employee Certification Courses
- Multimedia learning platform
- Leader Campus Learning Platform

Functional training (Internal/External Training)
- Management general education
- Hierarchical training
- Professional Competence Training
- Talent Cultivation
- Employee self-education

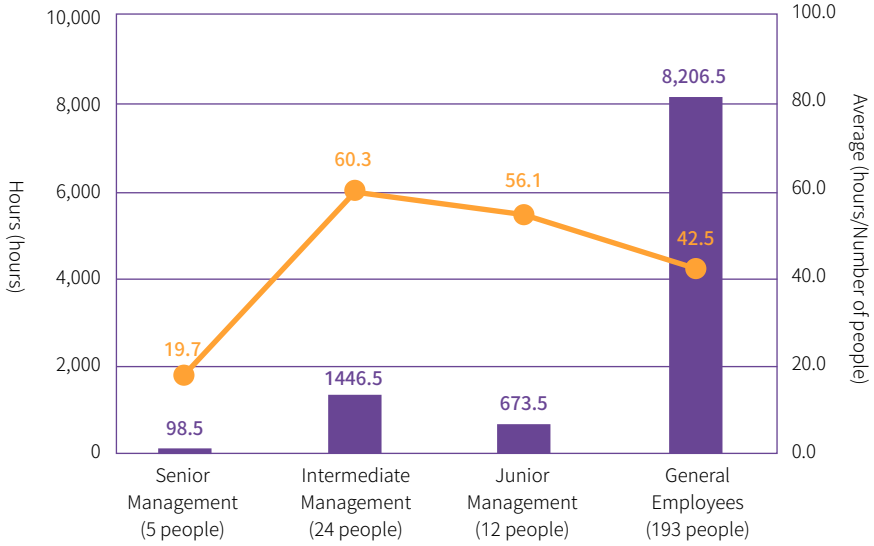
Self-improvement
- Study Group
- Humanities Intellectual Lecture
- Seminar
- Health Lecture

In 2024, the total hours of employee training reached 10,425 hours, with an average training time of 44.6 hours per employee. The distribution by gender and employee rank is as shown in the table:

2024 Total Hours of Employee Training by Gender



2024 Total Hours of Employee Training by Employee Rank



Educational Training for New Employees

The Group has developed a complete orientation training program for new employees to introduce in detail its corporate culture, corporate spirit, the organizational rules and regulations, etc., as to assist in quickly integrating into the corporate working environment and to make contributions, enhance the sense of identity and cohesion to the Company, and confirm the learning effectiveness through the digital training platform of the Group.

The personnel and industrial safety units immediately arrange awareness training courses for new employees of the Plant. These courses include the overview, environment, organization and regulations, welfare system, and labor safety and health regulations of the company, and the concept training on the quality, environmental, energy, and OHS management, product, environment, and quality assurance systems.

On-the-job training

During the employment period, in order to enhance their job functions, employees are provided with relevant job skill training through supervisors and senior colleagues to ensure their ability to perform their duties.

On-the-Job Training (OJT) is carried out by each unit based on job tasks and training needs. The training targets new employees, staff changing jobs, personnel related to process changes, and those who may affect quality, product's environmental quality assurance, those who may significantly impact the environment, those who might face occupational health and safety risks, as well as those affected by system information updates. The respective unit should promptly provide job guidance to ensure their capability to perform their duties.

To enhance the process safety management awareness of on-site personnel, ensuring the safety of plant operations, relevant units not only implement training according to the items stipulated in the Labor Safety and Health Education and Training Regulations, but also emphasize operation instructions, repair and maintenance, emergency response, and safety of machinery through job training. Examinations (including written, oral interviews, or practical operation tests) are conducted based on actual needs as a reference for retraining.

Additionally, to ensure that each employee has comprehensive competencies and a broad vision, apart from their own jobs, they also engage in other research projects, including probationary customer complaints, interpersonal relationship development, and problem-solving so as to achieve the purpose of enrich knowledge and improve skills.

The Company arranges educational training courses periodically, including professional skill training, leadership and management, computer, and general education courses, to provide internal training for potential management personnel.

Situation of occupational health and safety education and training course

Additionally, the Group Training Department hosts diversified internal training courses at Taipei HQ, accessible to employees across all affiliated enterprises in Northern Taiwan. To align with the e-management of training, we have developed a "Training Management E-Platform", besides offering diverse services such as training information, course material downloads, online registration, learning records, post-course questionnaires, learning reflections, and training highlights. It also solicits online feedback to evaluate the course effectiveness from the learners' perspective, thereby enhancing and improving the quality of the course.

Promotion and Training for Senior Employees

The Group actively addresses challenges posed by global aging and talent shortages. To optimize workforce utilization and promote intergenerational knowledge exchange, the “Group Employee Retirement Operations” guideline outlines the principles for post-retirement re-employment, covering salary structures, benefit policies, and job design.

At the same time, to support senior employees in maintaining professional competitiveness and facilitating knowledge transfer, the Group offers the following types of training programs:

1. Digital Competency: Courses on digital tools, software applications, and cybersecurity to enhance technological literacy.
2. Knowledge Sharing: Structured mentoring and sharing sessions that enable experienced employees to pass on their expertise to younger generations.
3. Health and Financial Well-being: Programs focusing on mental and physical health management, along with retirement and financial planning services to support overall peace of mind.

Through these strategies, the Group not only effectively utilizes senior talent assets but also creates an inclusive, vibrant, and sustainable development workplace environment for all employees.

Performance in External Training

Depending on business and job requirements and the need for internal seminar training, supervisors assign related business colleagues to participate in external training and technical discussions with academic institutions and obtain relevant operation certificates in order to enhance technical levels and operation safety. In 2024, APC obtained 148 related operation certificates and licenses (including 43 new certificates and licenses and 105 recurrent training certificates and licenses) through external training. All certificates and licenses were retained by the personnel section for future reference. Moreover, the Company also encourages successor candidates to actively participate in external management training courses to learn the latest management knowledge and thus enhance their management capabilities. For employees with strong learning aspirations and developmental potential, we also provide domestic university support. Provide subsidies for further studies while in employment, along with duty adjustments for training, to cultivate the leadership talent needed by the Company.

2024 External Training Performance

No.	Certificate Type	Number of certificates
1	Radiation safety for operators	2
2	Industrial Pipeline Emergency Response - Operational Level/ Foundation Level/Technical Level/Command Level	5
3	AMPP (NACE) CP1 Cathodic Protection Tester	2
4	MT Junior Tester	1
5	PT Junior Tester	1
6	UT Junior Tester	1
7	Vibration Analysis Technician (ISO 18436-2)	1
8	Lead Auditor for ISO 50001:2018	1
9	High-pressure specific equipment operation	2
10	Forklift operators	4
11	Operators of cranes above three MT	8
12	Supervisor of specific chemical operations	1
13	Acetylene welding personnel	1
14	Professional Waste Cleanup Technician (Advanced Level)	1
15	Professional Response Personnel for Toxic and Concerned Chemical Substances - Expert Level	1
16	Professional Response Personnel for Toxic and Concerned Chemical Substances - Command Level	1
17	Professional Response Personnel for Toxic and Concerned Chemical Substances - Technical Level	6
18	Corporate Sustainability Manager	1
19	ISO 14001:2015 Environmental Management Systems Environmental Protection Regulations Auditor	2
20	ISO 14064 Verifier	1
Total		43

Group Digital Training

To break free from the constraints of time and space in physical courses, USIG has built a "Group Digital Learning Platform" to provide an environment where employees of all affiliates can learn at any time and anywhere.

Employee Opinion Survey

APC conducts an employee opinion survey every two years. In August 2023, the group's Human Resources Division executed the employee opinion survey among company employees. This survey covered eight aspects: Supervisor, Remuneration, Colleagues, Work, Development, Corporate Culture, Sustainable Development, and Organizational Commitment, including 28 sub-dimensions with a total of 60 questions. **APC conducted a survey with 73 respondents, achieving a response rate of 96%, which is an increase of 5% compared to the last survey.** The overall satisfaction score was 4.57 out of 6, which is an increase of 0.3 points compared to that of last time. Among them, the satisfaction scores for the aspects of "Colleagues", "Sustainable Development", and "Organizational Commitment" were the most impressive. **Improvement and optimization efforts were focused on the three aspects with relatively weaker satisfaction: "Corporate Culture", "Development", and "Remuneration".** The investigation results and improvement methods are shown in the table:

Employee opinion survey results and improvement plans.

Aspect	Survey results (Score)	★ Enhancement and Improvement Plan
Colleagues	4.87	1. Cultivate key talents and establish a succession pipeline. 2. Management function training: Offering courses such as "Cross-Team Collaboration," "Key Talent Identification Techniques," "Subordinate Talent Development Planning and Design," and "Communication and Interpersonal Relationships." 3. Starting salary for new employees and review of supervisor position allowances: Adjustments are made by referencing the salary levels of benchmark companies in the industry and the internal average salary, while considering factors such as the supervisory span, scope of responsibilities, and organizational functions, to enhance internal equity and external competitiveness of the remuneration. 4. Continue to focus on the market competitiveness of the salary structure and actively enhance benefit measures, such as introducing the Employee Assistance Program (EAP) to improve employees' physical and mental health and overall satisfaction.
Sustainable Development	4.80	
Organizational Commitment	4.78	
Work	4.78	
Supervisor	4.76	
★ Corporate Culture	4.55	
★ Development	4.24	
★ Remuneration	3.97	

APC expects to understand the employees' opinions on the company's management operation through the employee opinion survey, find out the key indicators for talent retention, identify the significant item for talent cultivation, carry out talent cultivation projects, and grasp the future manpower pulse.

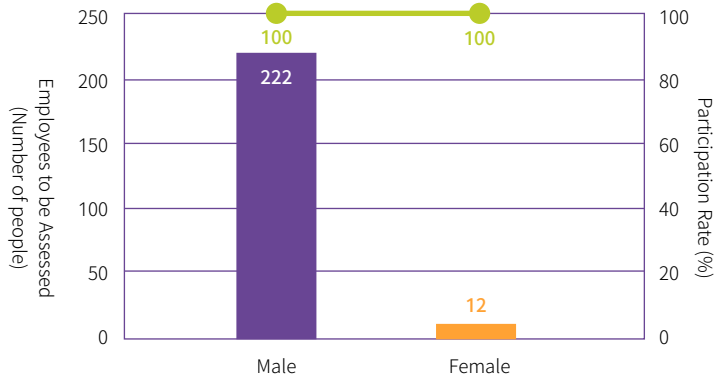
5.2 Talent Development

Performance Evaluation System

To fairly and reasonably assess the commitment, competency, and contribution of employees to the organization, APC boosts employees' morale and strengthens teamwork spirit through monthly target management and annual performance evaluation, combining them with training and promotions to facilitate individual development of employees and the Company human resource management.

The evaluation items of monthly target management include the workload, work quality, cooperativeness, as well as the implementation performance of the four major management systems and training performance of employees. The annual performance evaluation aims at evaluating the work performance and personal competitiveness (including vision, leadership, implementation, self-development, organizational commitment, innovation, and planning capabilities) of employees. Those eligible for the annual performance evaluation are full-time employees who have successfully completed their probation period. The ratio of male to female employees participating in the performance assessment in 2024 is as shown in the table:

The ratio of male to female employees participating in the performance assessment in 2024

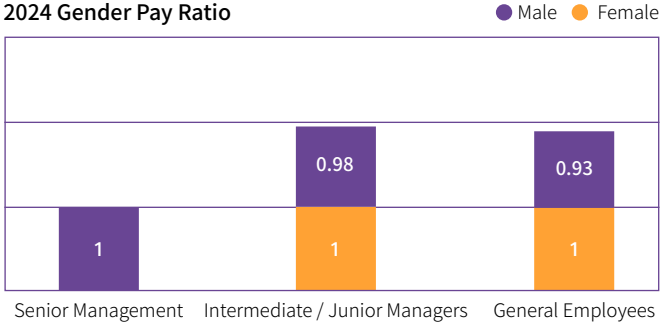


Remuneration System

To attract, retain, cultivate, and motivate excellent talents from all fields, the Company provides a diverse and competitive remuneration system. The starting salary for new employees is higher than the legal minimum wage standard and also adjusted according to the individual's education and experiences, with different position-based allowances, and salary raise based on their work performance regardless of gender. In 2024, the wage ratio for female and male, from mid- to junior-level managers and general employees at APC, nearly reached 1, which is more balanced compared to most of our peers. Due to the higher proportion of new male employees in recent years, the average wage of male general employees has been diluted. As female general employees have a higher average service length, their average salary is higher than males.

The table below shows the difference in the number and mean and medium compensation of non-management full-time employees between 2024 and the previous year.

2024 Gender Pay Ratio



Note:
1. The calculation base for females is "1," remuneration including wage, bonuses, and welfare.
2. The aforementioned statistics do not include employees who have been with the company for less than one year.
3. All senior executives of the Company are male, so there is no proportion of female executives.

Item Contents	2023	2024	Difference from the previous year
Number of non-management full-time employees (persons)	220	224	4
Non-management full-time employees "Mean compensation" of non-management full-time employees (annual salary / NT$ thousands)	1,283	1,094	-189
Non-management full-time employees "Median earnings" (annual salary / NT$ thousands)	1,199	1,035	-164

Pension System GRI 201-3

The Company handles employee pensions in compliance with the Labor Standards Act, and the pension reserve is contributed based on the Regulations for Employee Retirement, with a contribution rate of 10%.

Apart from setting up the Pension Reserve Supervisory Committee, starting from July 1, 2005, the Company contributes pensions according to the government's stipulations on wage grading charts and contribution rates every month for employees who chose the Labor Pension Act plan to their Individual Labor Pension Accounts at the Bureau of Labor Insurance.

Item	Proportion of Contribution	Employee Participation in the Retirement Plan
Pension under the Labor Standards Act (old system)	Employer contribution: 10% of the employee's monthly wage Pension Reserves	100%
Pension under the Labor Pension Act (new system)	Employer contribution: 6% of the employee's monthly wage Employee contribution: 0-6% of the employee's monthly wage	100%

Incentive System

To boost morale and promote teamwork spirit, instant bonuses are awarded to employees who show special performance in their daily work or who can timely response to and proper management of emergencies, as a way to reward them.

Additionally, to encourage employees to engage in improvement activities and stimulate their creativity, we have established the regulations for improvement suggestions. After the acceptance and review of suggestions for optimization and improvement of process technology, product quality, repair and maintenance, engineering, warehousing, production management, and routine operations; improvement of safety and health, environmental protection, energy conservation, and cost reduction, we will issue a monetary reward to the proposing employee based on the level of innovation and performance in improvement.

Diversified Benefits GRI 401-2

APC places great emphasis on employee benefits, and all employees are entitled to the benefits listed in the table:

Item	Contents
Bonus	Year-end bonus and performance bonus
Leave Benefits	Parental, menstrual, family care, maternity, pregnancy checkup, pregnancy checkup accompaniment, and paternity leaves.
Insurance Benefits	Accidental insurance, life Insurance, employee/dependents group insurance, employee condolence, group injury insurance for business trips
Food Benefits	Employee canteens and meal allowances
Transport Benefits	Employee parking spaces and travel allowances
Entertainment Benefits	Employee gym, employee tours, and regular employee gatherings
Allowances	Subsidies for on-the-job training, domestic/overseas further education
Other benefits	Employee childbirth subsidy, wedding/funeral subsidies, employee tour subsidy, citation for model employees, bonuses for three major festivals and birthday, periodic health checkups for employees

Insurance Benefits

Employees are the greatest assets of the Company and the main driver of sustainable operations and development. With this in mind, the Company not only provides Labor Insurance and National Health Insurance as legally required, but also plans an Employees Group Insurance Program for our employees. The contents of the plan covers life insurance, critical illness, accidental injury, occupational accident injuries, cancer treatment, and dependents health treatment benefits, etc., with all premiums borne by the Company (self-financed for dependent). We aim to provide employees proper protections, so that they can dedicate themselves to their work without worries and, thus, strive for higher business performance.

Health Care Benefits

Every year we arrange health checkups (general and special checkups) for employees. We equip Taipei HQ with exercise and fitness equipment and the Linyuan Plant with an infirmary and registered nurses to provide employees with heath care, health consultation, and medical assistance. We also organize health promotion activities in coordination with health education institutions and hold health lectures from time to time to invite health professionals to educate on the prevention of cardiovascular disease, hypertension, and diabetes to protect the physical and mental health of employees.

We also provide menstruation leave and individual breastfeeding space for female employees, and cooperate with childcare and educational institutions to offer childcare and after-school club services. Parental leave is granted by law to employees with children under three years old. **In 2024, no employees applied.**

To support the government's birth encouragement policy and enrich benefits for employees, we have specifically established the Regulations for Employee Birth Allowance to subsidize employees with NT$10,000 for each baby, with an increased subsidy rate implemented for twins or more. **In 2024, a total of 4 people from APC applied for the childbirth subsidy.**

Statistics on Employees' Applications and Returns from Parental Leave for 2024: GRI 401-3

Gender	Total number of employees entitled to parental leave	Total number of employees actually taking parental leave	Total number of employees due to return to work after parental leave	Total number of employees still employed 12 months after returning to work in 2023	Proportion of Employees Returning to Work after Parental Leave	Proportion of Employees Retained after Parental Leave
Male	9	0	0	0	--	--
Female	0	0	0	--	--	--

No employee applied for parental leave in 2023, so the number of employees still employed 12 months after returning to work in 2024 is 0.

Employee Assistance Program (EAP)

The USI Group values the physical and mental health and overall well-being of its employees, meticulously planning and introducing the Employee Assistance Program (EAP) to provide comprehensive, warm, and reliable support services. This is to assist employees with the pressures and challenges they may encounter in their work and life. The group has established a professional consultation channel, where employees can receive one-on-one professional counseling from qualified psychologists through phone, email, or LINE. This program emphasizes the principle of confidentiality, assisting employees in clarifying issues, alleviating stress, and enhancing coping abilities and psychological resilience, thereby promoting workplace health and well-being, creating a friendly and caring work environment, and enhancing the overall cohesion and sustainable competitiveness of the organization.

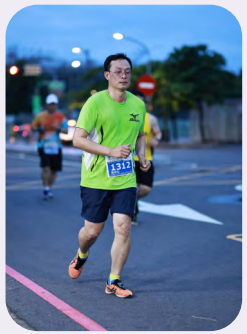
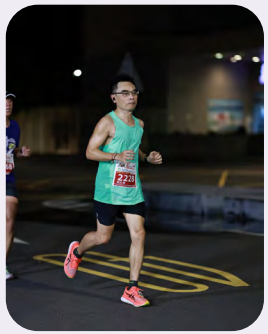
Employee Welfare Committee

APC allocated Employee Welfare Funds in accordance with the Employee Welfare Funds Regulations, **reaching NT$9.31 million in 2024 (3.6% of the annual remuneration).** These funds serve as the budget for the Employee Welfare Committee and are used for purposes such as employee travel, birthday, childbirth, marriage, and bereavement allowances, organizing social activities for employees' families, and group medical insurance, as a way to give back to the employees for their hard work.

In terms of employee club activities, 10 clubs have been established, including photography, billiards, shrimp fishing, darts, tennis, softball, basketball, badminton, road running, and bowling. The company and the Welfare Committee jointly guide and sponsor these clubs. Employees can use these activities to relieve work stress, adjust their mental and physical well-being, and improve physical health, thereby boosting work morale and enhancing organizational cohesion.

Employees Club Activities



Welfare Association Travel Activity

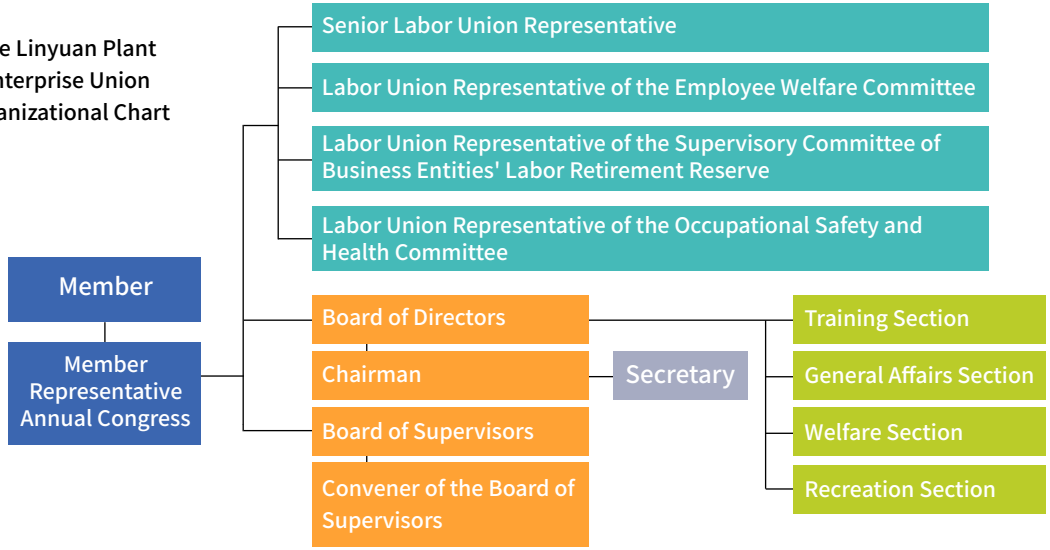


Enterprise Union GRI 2-30

The Linyuan Plant Enterprise Union was established on January 4, 1988, with the purposes of promoting mutual assistance and cooperation among members, enhancing members' intelligence, safeguarding members' rights and interests, assisting in the development of production enterprises, fostering labor-management harmony, and assisting the government in implementing policies and directives. During the regular "Board of Supervisors and Directors meetings" of the union, relevant company supervisors attend, engaging in face-to-face discussions and communications with union officials on topics related to labor rights, health benefits, work safety, and labor conditions. Every year, union member educational training is also held, with enthusiastic participation from members, to foster mutual consensus and enhance labor-management cooperation. **As the Company maintains sound communication with employees through the labor union and labor-management meeting, no collective bargaining agreement has been concluded.**

In 2024, the union had 209 members, comprising of 201 males and 8 females, representing about 89% of the total number of employees. Representatives were selected by both labor and management to form the "Labor Retirement Reserve Supervision Committee," "Employee Welfare Committee," and "Occupational Health and Safety Committee," and meetings are regularly held to provide communication channels between labor and management and to protect labor rights. Four "enterprise union supervisor/director meetings," one "temporary enterprise union supervisor/director meeting," and one "General Meeting of Members' Representatives" were held in 2024.

The Linyuan Plant Enterprise Union Organizational Chart



The labor union convenes the General Meeting of Members' Representatives

Labor Union Member Education Workshop

5.3 Human Rights Policy GRI 2-23

To fulfill corporate social responsibility and implement human rights protection, realizing the universal value of human rights, the company formulated a Human Rights Policy in March 2018. This policy, applicable to the company and all subsidiaries of the USI Group, draws reference from internationally recognized human rights standards such as the International Bill of Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. It aims to prevent infringements and violations of human rights, providing a safe and healthy work environment where employees are treated with dignity and respect.

Identification and Assessment of Human Rights Risks

Conduct annual identification of human rights risks, and for the identified human rights concerned topics, implement compliance checks and assessments. Based on the results of the risk assessment and findings from internal and external reviews, take mitigation and corrective measures, and continuously improve to achieve the purpose of risk management. The company has established the steps and implementation processes for each stage of human rights management as the foundation for maintaining and protecting human rights, including the following:

Human rights topics involve various business departments and units. Through the HR division, human rights due diligence and risk management operations are conducted for different affected parties and human rights topics.

Human Rights Due Diligence Process GRI 2-24

Stage	Step	Practice
Stage 1: Commitment	Statement	Make external commitment and support and draw up the human rights policy in compliance with international standards and local laws and regulations.
Stage 2: Management	Identification	Validate material human rights issues and the affected based on the organizational attribute and style of operations.
	Assessment and Analysis	Periodically assess human rights impacts on all employees and service processes to understand the significance of exposure.
Stage 3: Countermeasures	Action and Practice	· Draw up different action plans based on the significance of the periodically assessed human rights risks. · Follow up the status and performance of action plans and communicate to ensure the effectiveness of human rights management. · If there is a human rights violation, provide compensatory measures through system improvement, physical benefits, and counseling.
	Report	Discuss and report human rights management within the organization and disclose the practice and effectiveness of human rights management on the corporate website.

Achievements in Human Rights Management 2024 GRI 2-24

After identifying risks based on the Company's "Human Rights Policy Management Scheme," we included 14 human rights topics for this year, with 9 topics listed as material concern management items, including: "Workplace Inclusivity," "Forced Labor," "Excessive Working Hours," "Sexual Harassment," "Workplace Unlawful Assault," "Employment of Child Labor," "Personal Data Management and Privacy Protection," "Occupational Safety Management," and "Employment and Workplace Discrimination." For the items with potential risks among the above material topics, the Company has implemented risk mitigation measures and impact compensation measures, with the implementation rate of impact compensation reaching 100%. After implementing mitigation measures and impact compensation measures, the details (2024 Human Rights Risk Assessment Management Form) are as follows:

Topic	Mitigation Measure	Compensation Measure
Excessive Working Hours	1. In compliance with labor laws regarding work hours, the company conducts regular compliance reviews of its regulations and ensures their implementation. 2. Through the attendance and overtime management system, employees' attendance time is accurately recorded. 3. The system sends daily reminders for clock-in and clock-out times that exceed limits. It reminds employees of regular working hours and extended working hours regulations, and confirms whether staying late constitutes overtime. If it is overtime, employees may choose to receive overtime pay or compensatory time off. 4. Regularly review the overtime situation of each unit.	1. If there are instances of overtime work by the employees, overtime pay is provided in accordance with the law. 2. Understand the workloads and reasons for overtime of employees, and actively carry out process improvements and operation optimization to help enhance work efficiency. 3. The employees with excessive working hours are included in the list for abnormal workload identification and risk investigation, regular employee health checkups are conducted, and related operations and manpower conditions are adjusted as needed.

Human Rights Risk Mitigation Measures

The Company is committed to ensuring the safety of employees and the work environment, respecting the dignity of personnel, adhering to the spirit of ESG in operations, and complying with laws and ethics. To fulfill this commitment, based on integrity and legally respecting employees, we have assigned dedicated personnel to enforce occupational health and safety operations according to the law, continuously promoting and implementing human rights policies in daily operations through education, while establishing an effective grievance channel.

Concerns of Human Rights and Practice

1 Providing a safe and healthy workplace environment

The Company has passed the audits and certification for ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System), actively promoting energy saving and carbon reduction, disaster prevention, and pollution prevention improvements to ensure a safe and healthy working environment. Additionally, in line with USIG's carbon reduction target of reducing carbon emissions by 27% compared to that of 2017 by 2030, we monitor progress annually and implement specific measures such as timely replacement of old equipment, establishment and procurement of green electricity, etc.

In addition to providing a safe and healthy working environment as regulated by the law, the Company has established a dedicated Occupational Health and Safety unit and committee, employed professional medical doctors and nursing personnel, and regularly conducts safety and health, fire prevention, and other related educational training. We take necessary precautions to prevent occupational accidents from occurring, thereby reducing the risk factors in the work environment.

2 Friendly Workplace

Diversity, Equity, Inclusion (DEI)

The Company respects different genders, ages, and cultures to build a friendly workplace environment where everyone can leverage their talents. Creating a diverse environment that embraces people of different backgrounds, races, genders, sexual orientations, abilities, and perspectives in the workplace; offering equal opportunities and treatment to all employees in a fair and inclusive manner to bridge the gap between different groups, ensuring that each employee is respected and accepted, and able to fully participate and contribute. Continually promoting gender equality policies and preventing workplace assaults through educational training and publicity, and committed to providing employees with a dignified and friendly working environment.

3 Eliminate illegal discrimination to reasonably ensure equal job opportunities

The Company has incorporated human rights policies into its internal control procedures. We practice fairness in labor rights such as recruitment, remuneration welfare, training opportunities, promotions, dismissals or retirement. We do not discriminate against employees or job applicants based on factors such as race, social status, language, thought, religion, political party, native place, place of birth, gender, sexual orientation, age, marital status, pregnancy, appearance, facial features, physical/mental disabilities, horoscope, and blood type. As of the end of December 2024, we had a total of 234 employees, including 2 people with disabilities.

4 No Child Labor

To ensure compliance with corporate social responsibility and ethics and integrity, the Company has stipulated no child labor from the start of recruitment. By the end of November 2024, we have a total of 234 employees, none of whom are child laborers.

5 Prohibition of Forced Labor

The Company does not force or threaten any personnel who has no intention to perform labor services. Regulations governing employees' daily and weekly normal working hours, extended working hours, holidays, special leaves, and other types of leaves all comply with legal norms. A reminder function for "employee overtime" is set up in the attendance system. Overtime compensation or time-off is provided after overtime work, and dedicated personnel conduct monthly reviews and control of working hours in the plant.

Assist employees maintain physical and mental health and work-life balance

- The Company commissions large hospitals to conduct health checkups annually to ensure the physical health of employees and submits reports to the competent authority as needed. In addition, for plant employees, special health checkup operations are particularly strengthened to ensure workplace environmental safety and health management.
- Besides organizing end-of-year feasts, Mid-Autumn festivals, and other events to alleviate employees' mental and physical stress and consolidate their organizational commitment, the Company also provides sports and fitness equipment for employees to use in their spare time.
- To encourage employees to maintain physical and mental health and achieve work-life balance, the company in the Taipei region promoted the "USI Group Walking Together" event in 2024. By setting a daily goal of walking 6,000 steps, colleagues are encouraged to develop a regular exercise habit amidst their busy work schedules. Converting cumulative steps into corporate afforestation action achieves the dual value of health promotion and environmental sustainability. In the process, colleagues not only enhance their physical and mental vitality but also, through teamwork and mutual encouragement, improve workplace cohesion and solidarity.

The fitness activity "Walk Together" was transformed into an afforestation action.

Training and Practice of Human Rights Protection

- New employee training - On their arrival, new employees are requested to receive related compliance training, with topics including sexual harassment prevention, no discrimination, no harassment, working hours management, protection of humane treatment, and so on.
- Preventing workplace violence - Through publicity and notices, we let employees understand their responsibility to assist in ensuring that no unlawful infringements occur in the workplace and disclose the grievance hotline, working together to create a friendly work environment.
- Training for occupational safety - Contents include OHS educational training, fire safety training, emergency response, and first aid personnel training.
- Publicizing integrity and ethics - Arrange education and publicity on integrity and ethics in routine work and behavior to build a healthy and positive workplace culture.

The Company continuously concerns with human rights protection and implements relevant training to raise the awareness of human rights protection and lower the likelihood of the relevant risks. In 2024, training related to the promotion of human rights protection was held, with a total of 1,482 participants and total training hours of 6,186 hours. Please refer to the List of Human Rights Protection Training at APC in 2024 for details.

List of Human Rights Protection Training at APC in 2024

Item	Course Name	Person	Total hours
1	Process Safety Training	584	1,740
2	Industrial Safety Training/Publicity	220	2,145
3	Environmental Protection Training	51	236
4	On-the-job training for safety and hygiene (including training for operational supervisors and refresher training)	115	773
5	Emergency response drills	66	124
6	Self-defense fire brigade formation drills.	43	129
7	Fire Prevention Training/Publicity	38	200
8	Special Operations and Cancer Screening Seminar	21	297
9	Workplace Health Promotion Lecture	187	225
10	Education and training related to first aid personnel and occupational nursing.	73	161
11	Friendly Workplace - Maintain a work environment free from violence, harassment, and intimidation-related publicity.	84	156
	Total	**1,482**	**6,186**

Grievance System

GRI 2-25, 2-26

The Company has established unfettered grievance channels for employees to report all types of internal problems to supervisors at all levels or the Human Resources Division. In order to maintain gender equality at work and provide employees and job applicants with a workplace environment free from sexual harassment and illegal infringements, we have established a dedicated mailbox and email for sexual harassment prevention and illegal infringement prevention. All information will be kept confidential during the investigation. Neither the name nor the data valid for identifying the complainant will be disclosed to ensure complainant protection. For the Human Rights Policy and related practices, please visit the Sustainable Development section on the Company's website: https://www.apc.com.tw/ESG/zh-tw/ESG51.aspx

5.4 Healthy Workplace

Occupational Health and Safety Operations

Material Topics: Occupational Health and Safety; Corresponding Sustainability Principle: Safety and Harmony GRI 2-25, 3-3

Management Approach and Components

The Significance to Asia Polymer

The provision of a healthy and safe work environment is a concerned topic for both businesses and laborers. It is APC's responsibility to implement safety and health management and provide a friendly and happy workplace environment for employees and other workers.

Management Practice and Objectives

Implement Occupational Health and Safety management through routine plant tour inspections, health and safety audits, and contractor management to provide workers with a safe and worry-free workplace environment to achieve the goal of zero occupational accident.

Strategy

Enhance Safety Prevention

- Implementation of the Occupational Health and Safety Management System
- Promote the PSM system and cross-plant audits

Implement Health Management

- Periodic health checkups for employees
- Contracted physicians conduct on-site health services
- On-site health services by the plant's nurse

Impact Management

Positive/Negative Impacts

- Positive Actual Impact
  - Creating a friendly workplace environment.
- Positive Potential Impact
  - Achieving a happy workplace business.

Processes to Remediate and Prevent Negative Impacts

—

Targets Execution and Performance of Management Approach

2024 Goals

- Disabling Injury Rate (FR): 0
- Disabling Injury Severity (SR): 0
- Lost Day Rate (LDR): 0
- Physicians conduct on-site health services for employees 6 times
- The nurse provides employee health services more than 6 times per month on average.

2024 Performance

1. Disabling Injury Frequency Rate (FR): 0 (✓)
2. Disabling Injury Severity Rate (SR): 0 (✓)
3. Lost Day Rate (LDR): 0 (✓)
4. On-site medical services provided by physicians for employees 6 times annually (✓)
5. Occupational health services provided by nurse 7 times monthly (✓)
6. TOSHMS certification: Achieved (✓)

Short-Term (< 3 years) Goals

- Disabling Injury Frequency Rate (FR): 0
- Disabling Injury Severity Rate (SR): 0
- Continuous accumulation of work hours without disabling injuries
- Deliver at on-site medical services by physicians at least 6 times annually
- Provide employee health services by nurses at least 6 times monthly

Medium- Long-Term (≧ 3 years) Goal Planning

- Continuously implement the PSM system and introduce it to the management platform.
- Zero accident through underground pipeline safety management.
- Promote comprehensive industrial safety/environmental protection/ fire safety inspection performance indicators in the Linyuan Industrial Park.

Evaluation of Management Approach

Effectiveness Assessment

- The Occupational Health and Safety Committee meeting is held quarterly to discuss the implementation status and progress tracking of safety and health related improvement incidents.
- The Occupational Health and Safety Management System Review Meeting conducts an effectiveness review of the operation of the occupational health and safety management system.

Grievance Mechanism

Establishing "Procedures for Implementation of Communication and Consultation", the Company builds, implements, and maintains channels and procedures for communication, participation, and consultation on environmental and OHS related topics. For detailed operations, please refer to the information provided in the "Environmental Impact Grievance Channels" section.

Adjust Management Approach

Through the Occupational Health and Safety Committee meeting, the improvement topics of workers' occupational health and safety are reviewed in a timely manner.

Occupational Safety and Health GRI 2-23, 2-24, 403-1

USI Group places great emphasis on employee operational safety by establishing the "Zero Accident Safety Commitment". It requires all plants in the group to adhere to and implement the "Group Safety Philosophy" to construct and maintain a safe and healthy workplace, in order to achieve the goal of "zero occupational accidents". By implementing the occupational health and safety management systems in the APC Linyuan Plant and coordinating with USIG's "Group Safety and Health Partnership Regional Joint Defense" system, we conduct on-site tour inspections to enforce OHS management through mutual supervision and experience sharing among group all affiliates. Each month we attend the "Linyuan Industrial Park Safety and Health Promotion and Industrial Park Regional Joint Defense" meeting held by the Linyuan Industrial Park Service Center of Ministry of Economic Affairs. Through the exchange of practical experiences among various manufacturers in the industrial park and the concept of regional joint defense, safety and health within the industrial park are further ensured.In accordance with the Ministry of Economic Affairs' general examination of Linyuan, regulatory compliance checks are carried out for industrial safety, environmental protection, and fire fighting. Relevant regulatory performance indicators and lead indicators are established to implement daily checks and consolidate awareness of industrial safety and environmental protection, reducing the risks in operational industrial safety and environmental protection.

The APC Linyuan Plant obtained the ISO 45001 Occupational Health and Safety Management System certification in 2019 and successfully renewed the certification on May 13, 2022. The validity of the new certificate will expire on April 23, 2025, and it has passed third-party verification every year. **The scope of the management system verification is the APC Linyuan Plant Area, covering employees and non-employee workers at the Linyuan Plant, excluding Taipei HQ employees. The employee coverage rate is 90%, and the coverage rate for non-employees (including contractors, outsourced service providers, contractual workers, and visitors who are non-employees but whose work and/or workplaces are controlled by the organization - hereinafter the same) is 100%.** GRI 2-8

Through the Plant, Do, Check, and Act (PDCA) cycle, the management system meets the goals of occupational health and safety management. It continuously inspects and identifies issues, promptly takes corrective actions, establishes a complete occupational health and safety management system, and creates a safe and comfortable working environment to ensure the safety and health of employees and non-employee workers.

The Process of the Occupational Health and Safety Management System at the APC Linyuan Plant

Occupational Health and Safety Policy

Continuous enhancement of safety and health management (SM) + periodic assessment of safety and health performance (SP) = Provision of a safe and healthy workplace environment for workers (SE)

Performance of the Occupational Health and Safety Management System in 2024:

Safety and Health Performance

Performance Indicator Item

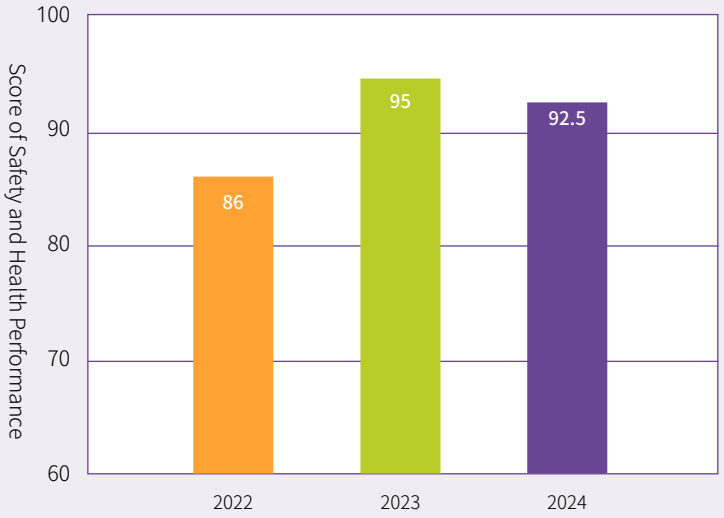
Active Indicators

1. Safety and Health Management Program Achievement Rate
2. Work environment test
3. Permissible concentration of organic solvents in the work environment
4. Health checkups and health lectures
5. Publicity of safety and health and educational training

Passive Indicators

1. Number of incidents (including close calls)
2. Violations and fines

Score of Safety and Health Performance of the APC Linyuan Plant in Past 3 Years



We conducted a self-assessment of active and passive indicators, and the total score of Safety and Health Performance in 2024 is 92.5. However, there is still one target management plan that is not yet completed, which will be documented in the nonconformity handling report and will be included in the management plan for the next year for continuous management and tracking. By identifying related hazards and assessing related risks and opportunities within the APC Linyuan Plant organization through employee competence and behavior, work, activities, facilities, and changes, we can identify more clearly the hazards of risks required for prioritized handling in the occupational health and safety management systems and the opportunities for early action to improve occupational health and safety performance so as to control risks within the acceptable level and improve occupational health and safety performance. GRI 403-2, 403-9

Hazard identification and risk and opportunity assessment procedure

Risk Level = Frequency x Severity x Loss Likelihood

- Frequency, severity, and loss likelihood are divided into five levels by significance
- Unacceptable Risk: Risk level ≧ 30 marks

Results of Hazard Identification and Accident Investigation in 2024 GRI 403-2

Unacceptable Risk

Operational activities	Deviation from the Standard	Control Method	Corresponding action plan and performance
Taiwan Power Company Power Supply	Insufficient power supply or low reliability can lead to frequent outages	Administrative Management	Conducted 4 sessions of emergency response drills every quarter
Equipment was suspended and discontinued	The application for resumption of operations, work procedures, or contents did not meet the government requirements	Administrative Management	Request for assistance from experts, scholars, or government units to meeting the government requirements
Recycle line Xylene Clean-In-Place	Pipelines or equipment are not emptied, diaphragm valves are not closed	Engineering Control	Plan budgets, make modifications, increase online xylene CIP equipment
Reactor (R-1101/R-120) startup	Misuse of incorrect initiator, abnormal activity	Engineering Control	Conditions of reaction for production, regulations on initiator use, and control on storage duration
Reactor (R-1101/R-120) stop	Uncontrolled reaction due to failure to stop the catalyst pump	Administrative Management	Implement scenario simulated drill from time to time each month for operators to get familiar with various situations, organize four emergency response drills each quarter
Formulated initiator	Workplace collapsed	Replacement	Plan budgets for replacement and repair
Routine patrol inspections by personnel	Personnel falling, equipment collapse	Replacement	Plan budgets for replacement and repair
Avoid reactor temperature control anomalies	The outdated equipment caused instability in reaction temperature control	Engineering Control	Plan budgets for equipment replacement.
Ethylene Underground Pipelines Management	Ethylene leakage in underground pipelines	Engineering Control	Perform regular inspections and flow pressure monitoring alarms every five years
External thickness inspection of pressure vessels and pipelines	Burn risk due to personnel measurement negligence and equipment contact	Personal Protective Equipment	Inspectors are required to wear gloves or use infrared thermometers to check temperatures in advance

Accident Investigation

Type of Accident	Situation Description	Corrective Action and Preventive Measures
No accidents occurred in 2024.	—	—

Investment Projects and Amounts for Healthy Labor in 2024

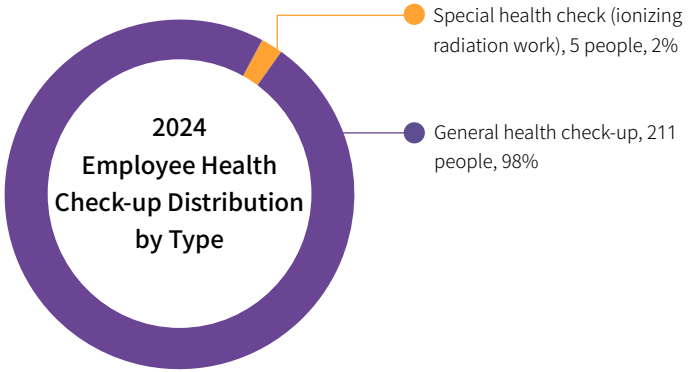
Investment Item	Risk Reduction (Equipment and Engineering Improvements)	Professional Training for Personnel (External Training)	Healthcare (Including Health Checks and Physician Consultations)	Employee Welfare Funds
Amount (unit: ten thousands)	2,118	81.4	64.8	70.6
Total Amount (unit: ten thousands)	2,334.8			

Occupational Health Management

GRI 403-3, 403-10 SASB RT-CH-320a.2

APC places great emphasis on the individual health of workers and the impact of the working environment on workers' health. We require new employee training to undertake physical examinations to understand employees' physical conditions, based on which appropriate work is allocated. In addition, we commission hospitals announced by the Occupational Health and Safety Administration to conduct employee health checkups every year to ensure the physical health of employees, with all expenses borne by the company. In July 2024, the Linyuan Plant arranged four sessions of employee health checkups for a total of 216 people, and implemented the graded management system for special health checkups. The results were reported to the competent authority for record. The number of health checkups categorized by type is shown in the graph:

Despite the employees in high risk and special operation areas at the Linyuan Plant, **no work-related incidents or health hazards occured in 2024.** Moreover, no work-related illnesses were reported. **All employee health checkup results were incorporated into tier 1 or 2 management for tracking.** The plant nurse visited the site for care at least 6 sessions per month, and a contracted physician visited the plant for service every two months, overseeing health checkup results, management, and statistics.



Note: Special health checkups are added in addition to general health checkup items based on the nature of the work.

APC 2024 Occupational Incident Health Classification Management Table

Special health checkup items	First-Level Management (Number of people)	Second-Level Management (Number of people)	Third-Level Management (Number of people)	Fourth-Level Management (Number of people)	Total number of people	Number of reported occupational injuries	Proportion of occupational injury cases (%)
Ionizing radiation	0	5	0	0	5	0	0

Health Examination Management Hierarchy	First-Level Management	Second-Level Management	Third-Level Management	Fourth-Level Management
Determination of health checkup results	No anomalies.	Some anomalies are not related to the occupation.	Anomalies may be related to the occupation.	Anomalies may be related to the occupation.
Management practices	Provide health information	1. Factory physicians provide health guidance. 2. The occupational physician advises against engaging in unsuitable work.	1. Factory physicians provide regular health tracking and guidance. 2. The plant physician conducts operational assessments and reclassifies based on the assessment results. 3. Report to the Competent Authority	1. Implementation of Hazard Control 2. Engineering Improvements 3. Enhance operational protection 4. Improvements in Administrative Management 5. Adopt Health Management Measures 6. Report to the Competent Authority

APC 2024 Abnormal Workload-Induced Disease Assessment Statistics Table

Department	Number of people	Workload evaluation of overwork	Cardiovascular WHOz risk value	Combined Risk Level	Combined Risk Level
Plant director's office	1	Low workload	10% (1 person)	1	Medium Risk
Synthesis Section	6	Low workload	10% (3 people), 13% (3 people), 16% (1 person)	1	Medium Risk
Finished Goods Section	3	Low workload	10% (2 people), 16% (1 person)	1	Medium Risk
Instrumentation Section	3	Low workload (1), Medium workload (2)	10% (2 people), 16% (1 person)	1 (1 person), 2 (2 people)	Medium Risk
Quality Control Section	2	Low workload	10% (1 person), 13% (1 person)	1	Medium Risk
Maintenance Section	2	Low workload	13% (2 people)	1	Medium Risk
Environmental Protection Section	1	Low workload	16% (1 person)	1	Medium Risk
Recipe Section	3	Low workload	11% (1 person), 13% (1 person), 16% (1 person)	1	Medium Risk
Finished Goods Section	2	Low workload	13% (1 person), 18% (1 person)	1	Medium Risk
General Affairs Section	2	Low workload	10% (1 person), 13% (1 person)	1	Medium Risk
Cost Section	1	Low workload	10% (1 person)	1	Medium Risk

Descriptions:

1. Based on the 2024 labor health examination data and individual and work load, it is predicted that the cardiovascular WHOz risk value will develop within 10 years.
2. The statistical results show that a total of 26 individuals belong to the "Medium Risk" category with a cardiovascular disease risk value of ≥ 10%, accounting for 12.03% of all Employees.
3. Adopt Health Management Measures:

(1) Medium Risk Level 1 personnel: It is recommended to change lifestyle, pay attention to working hours adjustment, and track at least once every 3 years.

(2) Medium Risk Level 2 personnel: It is recommended to arrange a physician consultation, change lifestyle, consider medical assistance, adjust working hours, and track at least once every six months.

Health Promotion GRI 403-6

Contracted physicians conduct on-site health services

- 6 times/year, contracted physicians provide on-site health service for employees and non-employees every even month
- 33 people, number of employees and non-employees participated in health service

Health Lecture

- 63 persons, the number of employees participating in health lectures
- Held two employee health lectures in 2024 to provide health consultation service

On-site nurse health services

- 7 times/month, the plant nurses provided health services to employees and non-employees for a total of 84 times

Employee Club Activities

- 252 People/Year
- As COVID-19 situation eases, various club activities have gradually resumed. Among the 6 clubs established by the Employee Welfare Committee in 2024, 6 have held annual activities, with the number of participants increased compared to the previous year. Participation in these club activities allows employees to relieve work stress and improve their physical health.

Healthy Workplace Certification GRI 403-6

APC passed the "Healthy Workplace and Pollutants Certification" review promoted by the Ministry of Health and Welfare's Health Promotion Administration for the 2024 Year and obtained the "Health Promotion Mark," with an effective period from January 1, 2025, to December 31, 2027, for a total of 3 years. In order to encourage enterprises to actively implement a smoke-free workplace, provide employees with a healthy work environment, shoulder their corporate social responsibility, and enhance the effectiveness of workplace Health Promotion work, the Health Promotion Administration promotes the Healthy Workplace and pollutants certification. The certification system includes two types of marks:

I. Health Initiation Mark: Encourages workplaces to actively promote a smoke-free environment and start promoting Workplace Health Promotion work.

II. Health Promotion Mark: Encourages workplaces to actively promote a smoke-free environment, systematically promote workplace Health Promotion, and achieve outstanding performance.

APC is dedicated to promoting workplace health promotion. In addition to continuing to implement health check frequencies and items that surpass regulatory requirements and executing employee health management, it provides employees with health resources through internal mailboxes, health lectures, and other channels. Various clubs regularly organize activities or competitions, which not only enhance emotional bonds and cohesion among employees but also promote physical and mental health. Moreover, employees are invited to participate in USI Group's hiking activities, accumulating points through group challenges and planting trees, encouraging employees to actively engage in exercise to promote health while achieving sustainable development goals. All activities receive attention and participation from top management and extend to employees' families and the community's corporate social engagement, fulfilling corporate social responsibility and creating a healthy workplace.

Worker Participation, Consultation, and Communication on Occupational Health and Safety GRI 403-4

The Occupational Health and Safety Management Review meetings (at least once a year) and Occupational Health and Safety Committee meetings (quarterly) are held regularly. These meetings are attended by the plant director, the chief of the industrial safety office, the tier-one/tier-two supervisors of each unit, 6 labor representatives, and the worker representative (1 person, the chairman of the enterprise union), to discuss matters related to OHS management with the goal of achieving zero accidents in occupational safety.

Occupational Health and Safety Management Review Meeting

1 time/year

Meeting Participants

- Top Management Level
- Management Representative
- Plant director, chief of the industrial safety office
- Tier-one/tier-two officers, worker representatives

Review Items

Occupational Health and Safety Policy, Safety and Health Performance, Hazard Identification results, Management Program, Preventive measures, discussion on the results of emergency response drills, accident investigation, legal compliance review,Improvement of non-compliant items (including internal/external audits), educational training, changes in management systems

Occupational Health and Safety Committee

4 time/year

Meeting Participants

- Committee Chief: Director of the Linyuan Plant
- Executive Secretary: Chief of the Industrial Safety Office
- Committee members: Deputy Manager of the Manufacturing Department, Manager of the Technology Department, Deputy Manager of the Engineering Department, Labor Representatives, Worker Representatives

Discussion Items

- Performance in procurement, contract undertaking, operation environment monitoring, accident investigation, and employee health promotion
- Equipment replacement, contractor management, fire equipment management, emergency response drill, health management, and others for improvement

OHS Education and Training GRI 403-5, 403-6

The table below shows the hours of OHS Education and Training of the APC Linyuan Plant in 2024:

Training Type	Training Participants	Training Hours	Compliance Rate (%)
On-the-job training for safety and hygiene (including non-employees)	1,331	6,689	100
Process Safety Management (PSM)	75	350	100
Fire Prevention Training	48	281.5	100
Underground Pipelines Personnel Training	131	244	100
Health Management Training	142	170	100
Hazardous Chemicals Training	10	61.5	100

Educational training and publicity on occupational health and safety are the foundation to enhance the OHS awareness in employees. We have established the “Regulations for Educational Training on Occupational Health and Safety” to arrange training on the related knowledge and skills for all types of employees based on the actual needs. Apart from external training, we also hold various sessions of internal educational training on occupational health and safety in collaboration with the labor union each year. We also commission physicians to deliver “health education lectures” to employees based on the results of health checkups. **A total of 1,331 people participated in the OHS educational training with total hours of industrial safety training in 2024 were 7,039 hours, including occupational health and safety (6,689 hours) and process safety management (350 hours), accounting for about 68% of APC total hours of educational training (10,425 hours) in 2024.**


OHS Educational Training


Process Safety Management (PSM) Training


Labor Educational Training


Employee Health Lecture

Contractor Safety Management GRI 2-8, 403-7

The safety management of contractors and suppliers is very important to the Linyuan Plant. Hence, apart from establishing "Regulations for Safety and Health Management of Joint Operations with Contractors" and the "Workplace Health and Safety Rules for Contractors", we also hold the consultative organization meeting to inform contractors of the hazards in the workplace environment and counteractions before their entry for construction. Construction personnel are required to undergo occupational health and safety training before starting work and are only permitted to start construction after passing an examination. This ensures the safety and health of contractors' employees.

Every day the Industrial Safety Office conducts occupational health and safety tour inspections on both employees and non-employees. In 2024, there were 66 nonconformities found during on-site tour inspections, mostly related to violations of occupational health and safety regulations in general operations (such as violations of SOP operating procedures, instrument anomalies, and improper on-site labeling). By December 31, 2024, 55 nonconformities had been corrected, resulting in a completion rate of 83%. The remaining 11 nonconformities were hardware-related, categorized as pipeline, instrument, and equipment repairs (7 items), damaged railings and ladders (3 items), and on-site environment and labeling (1 item). To ensure personnel safety, these issues must be addressed during the whole plant shutdown.

Safety and Health Notice Training for Contractors

Contractors' on-site coordination

102 times
Number of consultative organization meetings held before contractors started construction in the plant

66 items
102 cases Number of nonconformities found during occupational health and safety on-site tour inspection

100%
Pre-construction safety and health training rate for construction workers

83%
Rate of completed corrections of nonconformities found in occupational health and safety on-site tour inspection

Workers Covered by the Occupational Health and Safety Management System GRI 403-8

The scope of the Occupational Health and Safety Management System certification is the APC Linyuan Plant Area, covering both employees and non-employee workers.

Internal Audit

The Linyuan Plant has established procedures for "Occupational Health and Safety Audit SOP" and "Process Safety Management Audit SOP". We draw up the internal audit program in accordance with ISO 45001:2018 standards and the Regulations for Periodic Implementation of Process Safety Assessment to audit the management systems regularly. Audit subjects include both employees and non-employee workers.

217 people
Number of employees at the Linyuan Plant

100 %
Audit Coverage Rate

External Audit

Third-party audit unit: SGS, Audit standard: ISO 45001: 2018 edition

9,851 people
Number of workers who are non-employees (contractors) working at the Linyuan Plant

100 %
Audit Coverage Rate

Work-Related Injuries GRI 403-9, 403-10 SASB RT-CH-320a.1

Work-related Injuries Statistics in 2024:

Region	Taipei HQ Employees		Employees of the LinYuan Plant in Kaohsiung	
Gender	Male	Female	Male	Female
Disabling Injury Rate (FR)	0	0	0	0
Disabling Injury Severity (S.R.)	0	0	0	0
Occupational Disease Rate (ODR)	0	0	0	0
Lost Day Rate (LDR)	0	0	0	0
Lost Time Injury Rate (LTIR)	0	0	0	0
Number of Cases of Death in the Line of Duty	0	0	0	0

Note:

1. Injury (disabling): Calculations include employees could not go to work on the following day after treatment and applied for work-related sick leave or work-related injury with fatalities. Excluding minor injuries (problems solvable by on-site first aid or hospitalization).
2. Disabling Injury Rate (F.R.) = Lost Time Injury Frequency Rate (LTIFR)= Number of disabling injuries x 1,000,000 / Total hours.
3. Disabling Injury Severity Rate (S.R.) = Total number of lost workdays x 1,000,000 / Total hours.
4. Occupational Disease Rate (ODR) = Number of people with work-related ill health / Total number of people.
5. Days Lost: Calculated from the day after the accident when one cannot work and takes a work-related sick leave, counted by calendar days.
6. Lost Day Rate (LDR) = Number of lost days / Total Days (1 working day is calculated as 8 hours).
7. Non-employees, including: Contractors, visitors and other individuals who are active in the plant. ODR and LDR were excluded because no data was collected.
8. Lost Time Injury Rate (LTIR): Number of lost time injuries x 200,000 / Total hours worked

Statistics of Disabling Injury Types for 2024:

Injury Class	Fall/Tumble	Inhalation/ Poisoning/ Hypoxia	Pinching Injury	Burns	Involved	Electrocution	Cuts and Abrasions	Noise	Sprains	Bruising Injury	Fire explosion	Objects falling and collapsing
Employees	0	0	0	0	0	0	0	0	0	0	0	0
Workers Who are Not Employees	0	0	0	0	0	0	0	0	0	0	0	0

In the event of an accident, the party involved initiates emergency response, immediately reports and requests support from the supervisor, and maintains the completeness of the accident scene. Afterward, the supervisor is informed of the cause, status, and handling of the accident, an accident investigation is launched, and an accident investigation report and improvement measures are proposed. Once the report is approved, progress in implementing accident improvement measures is tracked, and the case is closed upon completion of the improvement actions.

Emergency Response Drills

APC participates in the Taiwan Responsible Care Association (TRCA), Linyuan Industrial Park Safety and Health Promotion Association, and Regional Joint Defense Organization, conducting annual fire and Underground Pipelines Emergency Response Drills regularly to develop employees' emergency response and self-safety management capabilities.

List of Fire and Underground Pipeline Emergency Response Drills of the Linyuan Plant in 2024

Date	Process Safety Emergency Response Drilling Item
June 13, 2024	Self-defense fire brigade formation drills.
April 28, 2024	H1 Self-Defense Fire Safety Taskforce Drilling Plan. (Location: APC Linyuan Plant)
May 31, 2024	Mobilization Effectiveness Test of the 3rd Industrial Pipelines of the Underground Pipelines Organization. (Location: Cui Ping Park)
August 02, 2024	Annual Self-Imposed Drill of the 3rd Industrial Pipelines of the Underground Pipelines Organization. (Location: Linyuan No. 11th Park)
September 20, 2024	H2 Self-Defense Fire Safety Taskforce Drilling Plan. (Location: APC Linyuan Plant)
September 06, 2024	Self-defense fire brigade formation drills.

Fire Damage Statistics in the Past 3 Years:

Year	Total Hours Worked (hrs)	Number of Fire Incidents	Number of fire-related injuries	Number of fatalities	Proportion (%)
2022	458,184	0	0	0	0
2023	495,756	0	0	0	0
2024	497,182	0	0	0	0

Fire emergency response drills






No record of disabling injury GRI 403-9

From 14 October 2010 to 31 December 2024, Linyuan Plant accumulated a total of **6,314,090** working hours of zero disabling injury, and the record continues to be maintained.

Comparison Table of Disabling Injury Index and Plastics and Synthetic Rubber Raw Material Manufacturing Industry Average:

Item	FR (Disabling Injury Frequency Rate)	SR (Disabling Injury Severity Rate)	FSI (Frequency-Severity Index (FSI))
Manufacturing Industry of Plastics and Synthetic Rubber	1.04	299	0.55
APC	0	0	0

Note:
1. Disabling Injury Frequency Rate (FR) = Number of disabling injuries x 1,000,000 ÷ Total hours experienced.
2. Disabling Injury Severity Rate (SR) = Number of days lost due to disabling injuries x 1,000,000 ÷ Total hours experienced.
3. Frequency-Severity Indicator = [(Disabling Injury Frequency Rate (FR) x Disabling Injury Severity Rate (SR)) ÷ 1000] ^ 0.5

List of Process Safety Emergency Response Drills of the Linyuan Plant in 2024

Date	Process Safety Emergency Response Drilling Item
March 22, 2024	Process Power Supply Disruption Emergency Response Drill
May 23, 2024	Ethylene Supply Disruption Emergency Response Drill
August 21, 2024	Process Nitrogen Supply Disruption Emergency Response Drill
October 23, 2024	Tap Water Supply Disruption Emergency Response Drill

Process Safety Emergency Response Drill




Occupational safety management

Material Topics: Process Safety Management; Corresponding Sustainability Principle: Safety and Harmony GRI 2-25, 3-3

Management Approach and Components

The Significance to Asia Polymer

As a Class III hazardous workplace, to prevent serious accidents that possess low probability but high risk, APC has strengthened its PSM mechanism in the plant, consistently improved and executed Process Safety Management to satisfy external units and experts' requests for continuous advancement, and strive to meet expectations for APC.

Management Practice and Objectives

In accordance with the Regulations for Periodic Implementation of Process Safety Assessment and the spirit of OSHA PSM, we promote the PSM system, optimize management mechanisms, aim to reduce the occurrence of highly hazardous risk accidents, and minimize property loss and worker safety of the company.

Strategy

Implementation and promotion of Process Safety Management (PSM) system

- Commission the group and external experts and scholars to provide in-house process safety technical consultation and implement the assistance of each unit in promoting projects, understanding work planning and reaching a consensus, in order to establish a close partnership.

Establishment of process safety performance management

- Follow up on the progress of PSM implementation and establish the annual PSM KPI management system for the entire plant based on OSHA PSM system and the (PdM & ERM Division's) policy to enhance work performance.

Impact Management

Positive/Negative Impacts

- Negative Actual Impact - Process safety management has not been implemented.
- Negative Potential Impact: Accidents of highly hazardous chemical substances.

Processes to Remediate and Prevent Negative Impacts

- The Company has implemented the PSM system, which will prevent accidents through systemic management.
- The Group's PdM & ERM Division conducts annual audits on the implementation progress of PSM in the plant.
- The relevant information regarding chemicals in the plant is disclosed on the information platform, enabling employees to have basic knowledge of the chemicals and response measures.
- Process modification cases (MOC), after preliminary hazard analysis, those with high risk levels will undergo process hazard analysis (HazOp) and Layers of protection analysis (LOPA) to ensure process safety.
- Before the initiation of new processes or process modifications, Pre-Startup Safety Reviews (PSSR) are conducted. After completion, relevant personnel undergo educational training.

Targets Execution and Performance of Management Approach

2024 Goals

- Total Count of Process Safety Incidents (PSIC): 0 incident; Process Safety Total Incident Rate (PSTIR): 0
- Establish Pre-Startup Safety Review (PSSR) and accident investigation platform, achievement rate: 80%
- Implement PSM KPI, achievement rate: ≧ 95%

2024 Performance

- Total Count of Process Safety Incidents (PSIC): 0 incident
- Process Safety Total Incident Rate (PSTIR): 0
- Establish PSS and accident investigation platform, achievement rate: 75% (X)
- Implement PSM KPI, achievement rate: 108% (✓)

Improvement/Optimization of Unachieved Items

Regularly track the progress of the information platform establishment and review the implementation issues during the PSM promotion meeting.

Short-Term (< 3 years) Goals

- Total Count of Process Safety Incidents (PSIC): 0 incident
- Process Safety Total Incident Rate (PSTIR): 0
- Total achievement rate for PSM KPI Q1, Q2, Q3, Q4 ≧ 90%
- The annual average achievement rate of critical monthly PSM MBO is ≧ 95%
- Pre-startup safety review (PSSR) before PSM start, and incident investigation platform, achievement rate: 80%
- Implement PSM KPI, achievement rate: ≧ 95%

Medium- Long-Term (≧ 3 years) Goal Planning

- All members participate in promoting the PSM system and continue to optimize the PSM system.
- Introducing the 14-item PSM system to systematize the management of various execution procedures and forms.
- Implement the PSM system and reconcile it with existing work in the plant and is continuously implemented.
- Implement PSM compliance audits, with a cycle period of every 3 years.
- Continue optimizing improvements in response to the Group's cross-plant audits.
- Reduce the occurrence of catastrophic leaks of highrisk chemicals to achieve the goal of zero accidents in process safety.

Evaluation of Management Approach

Effectiveness Assessment

- Hold the PSM implementation and status meeting and coordination meeting each month.
- Drafting the PSM implementation monthly report and establishing the commission research project execution status.
- Every month, according to the APC information list that should be established for the PSM introduction tracked by the Group's PdM & ERM Division, a performance system is developed to evaluate and review the monthly data establishment completion rate.

Grievance Mechanism

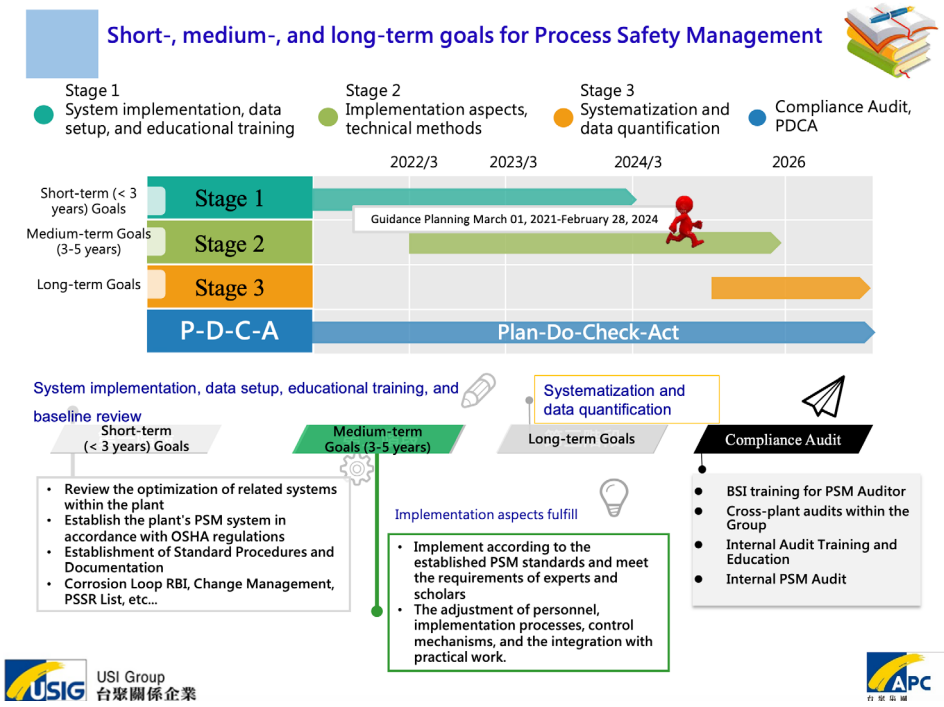
- Report the PSM progress of the Linyuan Plant in the executive meeting, plant affairs meeting, and monthly coordination meeting.
- Provide in-house process safety technical consultation and coordinate items implemented by each unit. Maintain continuous relationships with all units (including consultants) to understand implementation needs and reach consensus.

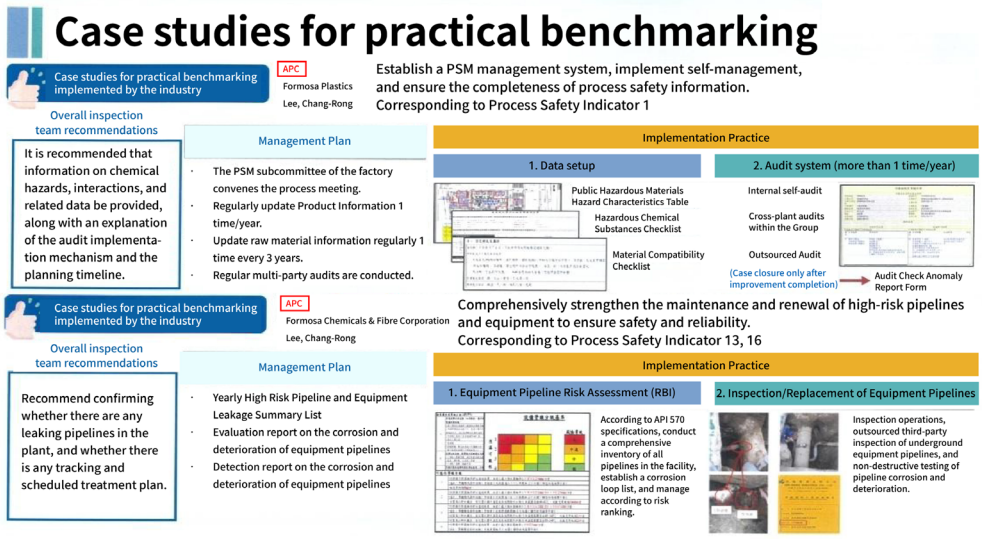
Adjust Management Approach

- Report the PSM progress of the Linyuan Plant in the executive meeting, plant affairs meeting, and monthly coordination meeting.
- In response to the requirements of external expert committees and ongoing revisions of regulations, this aligns with the direction of PSM implementation desired by external units.
- Follow the schedule to carry out subsequent work and reconcile it with existing work in the plant, in order to achieve job internalization and accumulation of work experience.

Process Safety Management (PSM)

Given that over 40% of petrochemical and chemical plants worldwide have been operating for more than 25 years, and in Taiwan, more than 60% of domestic petrochemical and chemical plants have also been operating for over 25 years. The implementation of Process Safety Management (PSM) systems has become a global trend. By incorporating good management practices and relevant technologies through a robust PSM system, companies are able to effectively and comprehensively manage aging equipment, reduce the likelihood of occurrence of major incidents, and minimize not only the loss from unnecessary unexpected shutdowns but also the impact on local communities. In order to prevent the occurrence of major accidents with low probability and high hazard, the implement





The Linyuan Plant, according to the Process Safety Evaluation regular implementation methods and OSHA's PSM system, is actively promoting Process Safety Management, and has set up short-, medium-, and long-term goals to implement 14 major PSM items. Today, the in-house PSM implementation has outperformed the current legal regulations. In 2025, we will strengthen the implementation of the Process Safety Management system and reconcile it with existing work in the plant, in order to achieve job internalization and accumulation of work experience. In addition, we strive to continuously improve towards the group's key projects and the requirements of external expert committees, which is in line with the direction that external units hope for the industry in terms of PSM implementation and the need for continuous improvement in process safety management. On November 29, 2024, the Industrial Development Bureau of the Ministry of Economic Affairs held a high-level seminar for a comprehensive examination of factories in the Linyuan Industrial Park over the past three years. Senior management from factories within the park were invited to attend and present the results of the three-year comprehensive examination. APC's implementation practice of Process Safety Management (PSM) was publicly recognized, and the plant was designated as a model facility to be emulated.

Process Safety Incidents

APC established SOPs for initiator operation, personnel educational training, and improved the Process Safety Management (PSM) system to ensure process operation safety.

2024 Process safety incidents in LinYuan Plant, 0 case; Transportation safety incidents, 0 case.

Statistics on Process and Transportation Safety Incidents of the Linyuan Plant in 2024

Process Safety Incidents			Transportation safety incidents
PSIC	PSTIR	PSISR	
0	0	0	0

Note:

1. Total Count of Process Safety Incidents (PSIC)
2. Process Safety Total Incident Rate (PSTIR) = (Total number of process safety incidents x [200,000 working hours] / Total hours worked by workers)
3. Process Safety Incident Severity Rate (PSISR) = (Total severity score for all process safety incidents x [200,000 working hours] / Total hours worked by workers).
4. There was one process safety incident in Linyuan Plant. Based on the process safety index of the Center for Chemical Process Safety (CCPS), the severity level was grade 2, and the total score was one mark
5. Total hours worked by workers: Employees 495,756 hours + Non-employee workers (including contractors) 125,456 hours, a total of 621,212 hours. SASB RT-CH-540a.1、540a.2

Transportation safety management

The safety management of process operation, raw materials transportation, and product transportation are important to APC, and we have established safety management SOPs for related operations.

Raw Materials Transportation

Ethylene and VAM are the major production materials of the APC Linyuan Plant. They are transported through underground pipelines and tankers. In consideration of materials transportation safety, most major production materials are transported via underground pipelines, while others are transported by tankers. We have established relevant maintenance measures for the safety management of underground pipelines, such as preventive maintenance, routine tour inspection, anomaly management, and emergency response drills. All tankers used for transportation are required to undergo screening and possess qualified inspection certification, and establish well-planned emergency response procedures and plans, and comply with the relevant control regulations and management measures.

The table below shows the method, quality, and proportion of transportation of major raw materials in 2024:

Method of Materials Transportation and Proportion of the Linyuan Plant in 2024

Transportation Methods	Quantity (MT)	Proportion (%)
Underground Pipelines	112,432	85.8
Tanker	18,672	14.2

Product Transportation

APC products are transported by trailers, trucks, and container trucks. For Product Transportation safety, we entrust all transportation to qualified transport contractors, and set out relevant rules for the management of outsourced transportation to ensure the safety of product transportation. The table below shows the methods, quantity, and proportion of product transportation in 2024:

Methods of Product Transportation and Proportion of Linyuan Plant in 2024

Transportation Methods	Quantity (MT)	Proportion (%)
Trailers, trucks	112,432	85.8
Container truck	18,672	14.2

Product Transportation Management

- Choose legally registered transporters.
- Passed ISO 9001 certification with qualified health and safety management personnel.
- Annual evaluation of performance, efficiency, cooperation and quality, and proposals for improvement programs based on customer feedback at the transportation review meeting.
- Transportation contractors' vehicles undergo regular examinations according to the relevant regulations.
- Holding transportation safety meetings quarterly to ensure that contractors can safely deliver products to the destination to minimize environmental impacts caused by transportation.

Based on the "Equipment Maintenance Operations"and "Safety and Health Operations" under the internal control system, APC has established the "Underground Pipelines Inspection Work Instructions" to conduct preventive maintenance, routine tour inspection, abnormality management, and emergency response on our underground pipelines within and outside of the plant to prevent corrosion and leakage of underground pipelines. Completed the "2025 Underground Pipelines Maintenance and Operation Plan" and the "2024 General Implementation Report" in 2024, and submitted them to the Economic Development Bureau, Kaohsiung City Government. In addition to organizing emergency response training and drills, we also actively take the necessary preventive action and implement management programs. The table below shows the major maintenance measures of underground pipelines management of the Linyuan Plant:

Underground Pipeline Maintenance Management Measures

- Underground pipelines are completely covered with corrosion tape and an additional double protection measure of impressed current cathodic corrosion.
- Coordinated with the joint underground pipeline defense organization to allocate and execute daily routine pipeline inspections.
- Outsourcing a professional vendor registered by the government to perform cathode protection potential tests every quarter.
- Periodic pipeline pressure-holding test and real-time system monitoring of the transmission and receiving ends to ensure pipeline operation safety.
- Cooperate with the Industrial Technology Research Institute to develop a Leak Detection Systems (LDS) for underground pipelines, which monitors the status of the transmission and receiving sections of the underground pipelines in real time.
- Regular pipeline thickness test are conducted on the open conduit pipeline sections.
- Full-length pipeline thickness test according to the test cycle requested by the Self-government Ordinances of Environmental Protection Bureau Kaohsiung City Government.

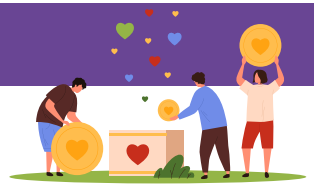
5.5 Social Engagement

APC follows the sustainable vision and goals of the USIG and actively participates in social welfare and community activities. Together with USIG companies (USI, CGPC, and TTC), APC has established the "USI Education Foundation (USIF)." The Foundation aims to engage in educational public welfare activities, focusing on supporting disadvantaged groups, rural areas, and environmental and ecological concerns. It enhances service capacity and effectiveness through scholarships, donations to public welfare organizations, and sponsorship of educational public welfare events.

By sponsoring the USI Education Foundation, APC supports cultural development and cares for the disadvantaged in remote townships. Through education reform, we aim to provide these students with opportunities to turn their lives around and address the inequality of educational resources. In addition, we are committed to establishing long-term partnerships with local communities, emphasizing and aiding their development. By assisting in selling local agricultural products, sponsoring community environmental protection activities, etc., we focus on local development and aim for mutual prosperity with local communities.

Key Descriptions of Social Welfare in 2024

Community Participation



By sponsoring the USI Education Foundation for social welfare

In 2024, APC donated NT$3 million to the USI Education Foundation.

Setup scholarships and grants, the Alliance Cultural Foundation

Encourage low-income students to study hard, so that they will have the opportunity to give back to the society in the future, and continue the cycle of love. Resources are also provided for remote townships education and the sustainable development of Hualien and Taitung.

Donated to Taitung Junyi Experimental High School to practice education for remote townships.

Through "Life Exploration", "Arts and Humanities", and experimental courses combining "International Hospitality, Contemporary Art, Green Energy Architecture", students' innovative thinking and problem-solving abilities are cultivated, realizing the implementation of the education seed cultivation plan for remote townships.

Sponsoring Other Philanthropic Events

Sponsored "BOYO Social Welfare Foundation," "Teach for Taiwan Association," and "charity events related to medical and health education," implementing medical care support in remote townships.

Social Welfare

Reduction of GHG emissions, air quality purification, campus greening

Continuously cooperate with Wang Gung Elementary School in the Linyuan District on the reduction of GHG emissions matchmaking plan and adoption of air quality purification area, assist in updating energy-saving equipment and campus greening.

USI Cup Tennis Championship

Regular community tennis tournaments are held annually to foster relationships, promote good neighborliness, and understand the needs of community residents.

Passionate Philanthropy Blood Drive Activity

In order to reserve blood for medical use, jointly respond to blood drive activities organized by the Linyuan Industrial Park Service Center of Ministry of Economic Affairs.

Supporting Disadvantaged Groups: Organizing Charity Softball Games and Basketball Tournaments

USIG jointly organized "Charity Softball Games and Basketball Tournaments" to support public welfare activities and sponsored the Children Are Us Foundation to care for disadvantaged groups.

Charity Events

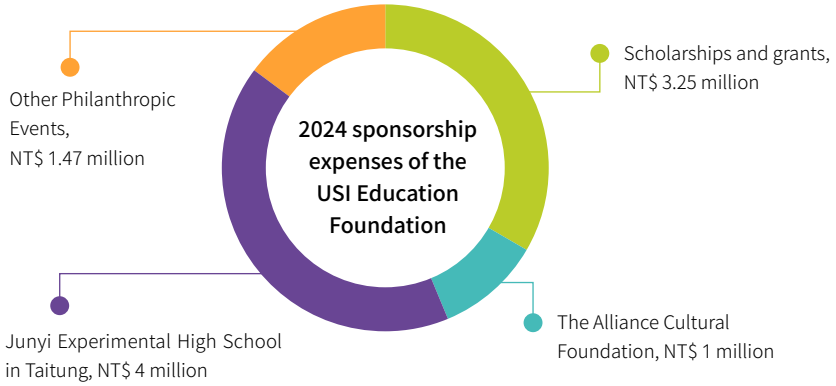
In 2024, APC donated NT$3 million to the USI Education Foundation to support related charity events. The total amount of sponsorships and donations was NT$9.72 million, which included NT$3.25 million for scholarships and grants; NT$1 million for The Alliance Cultural Foundation and NT$4 million for Junyi Experimental High School in Taitung; and NT$1.47 million for various other charity events.

2024 Main Sponsorship Items of the USI Education Foundation

Scholarships and grants
- Excellence Scholarship
- Artificial Intelligence Field Scholarship

Donations to public welfare organizations
- The Alliance Cultural Foundation
- Junyi Experimental High School in Taitung
- Teach for Taiwan Association
- BOYO Social Welfare Foundation

Sponsorship of educational public welfare events
- Toufen Junior High School Music Program
- Beach Cleanup at Longfeng Fishing Harbor
- Charity events related to medical and health education

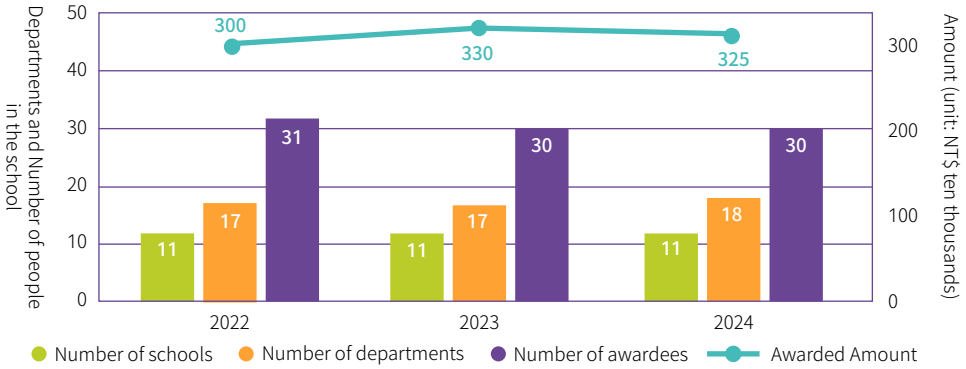


Setup Scholarships and Grants

We offer excellence scholarships to students from low-income families with outstanding performance and specializing in disciplines relating to chemical engineering, materials science, chemistry, and applied chemistry of 15 public and private universities to promote education and talent cultivation in related fields, encourage university students of related disciplines to study hard and cultivate outstanding industrial talent for society. This is the 13th year of the scholarship establishment, with a total of NT$ 23 million in scholarships awarded to over 330 students.

In 2024, a total of NT$ 3 million in scholarships and grants was awarded to 30 students from 18 departments across 11 public and private universities, including 3 from doctoral programs, 12 from master's programs, and 15 undergraduates, with 20 of them coming from low-income families. To encourage scholarship-winning students, the presentation and commendation ceremony will be held at the Grand Mayfull Hotel Taipei on December 6, 2024. Group supervisors will be invited to participate, and Chairman Yen, Chang-Shou of The Alliance Cultural Foundation will share his life experience and wisdom, encouraging the awardees to enrich their own lives and "be an angel in their own and others' lives."

Scholarship and grant awarding situation in the past 3 years

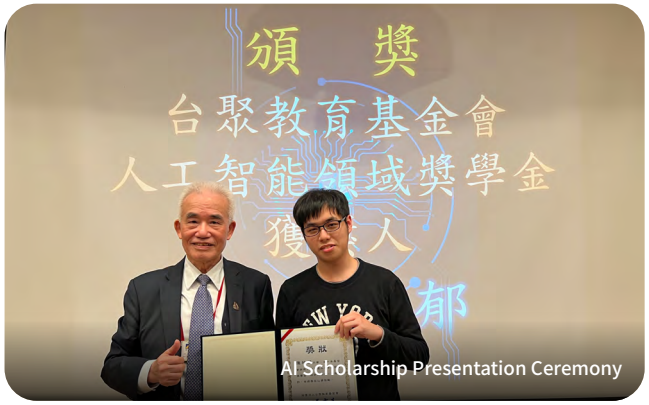



Scholarship Presentation and Commendation Ceremony in 2024


Dr. Liu, Han-Tai, the Chief Technology Officer of USIG, shares his career planning

Artificial Intelligence Field Scholarship

To encourage outstanding domestic graduate students to participate in research and development applications in the field of artificial intelligence (AI), bridge the gap between academia and industry, and to cultivate chemical industry talents specializing in AI. The foundation has specifically set up this plan to reward masters and doctoral students whose research topics focus on intelligent production systems, process control, and AI applications aimed at saving energy and costs. The pilot program started in 2022 with a duration of five years. Each awarded student receives a scholarship of NT$ 50,000 per semester and can receive continuous support for up to four semesters through regular reviews. So far, a total of 5 students have been awarded.



AI Scholarship Presentation Ceremony

The Alliance Cultural Foundation

To invest more resources in remote townships education and the sustainable development of Hualien and Taitung, the foundation sponsors the Alliance Cultural Foundation and Junyi Experimental High School on a long-term basis. This year marks the 15th anniversary of the Alliance Cultural Foundation, and the development in the Hualien and Taitung region has entered an integration stage. "Cultivating local talents for sustainable development, establishing Junyi School as a practice base for transformative education, and leveraging the Paul Chiang Art Center to elevate Hualien and Taitung onto the international stage" have become three critical pillars in the foundation's plan for the "Sustainable Blueprint of Hualien and Taitung".

Cultivate local talent through the perspective of vocational education for Sustainable Development, supporting the cultural deepening of both mountains and seas. For example, the hardware renovation and capacity building projects like the "Bagolang Boathouse" in Changbin and "Bisilian Cultural Center" in Sanxiantai; supporting places like "Cotton and Linen House" in Longchang, known for unique aesthetics and weaving crafts; "Luan Mountain Forest Cultural Museum" in Aliman, Yanping Township; "Gaoshan Forest Base" in Majungyuan, Fengbin Township, Hualien; and the "Hunter School" in Xinsianglan, Sakalu; introducing industry experts to Chenggong Commercial and Aquatic Vocational School to offer semester courses, utilizing local quality rice and seafood to teach Japanese cuisine, providing training in inn management and travel planning; cultivating tour guide talents to transform Chenggong Township from a transit tourist spot into a destination for in-depth travel; strengthening the collaborative efforts of mechanical processing, woodworking, and construction courses initiated more than a decade ago at Kung-Tung Technical Senior High; connecting dots into lines, lines into surfaces, facilitating the formation of the "Shuangbin Common Good Alliance" for local businesses in Changbin and Fengbin, and linking the Taitung coastline, longitudinal valley, and Southern Backbone areas through the "Island Live Learning Group."

Since 2014, the Alliance Cultural Foundation has been assisting in promoting the construction plan of the "Paul Chiang Art Center", aiming to create a space where audiences can approach art and personally experience the beauty of the integration of nature and architecture. After a thousand days of construction, the park is scheduled to officially open in the spring of 2025. The Alliance Cultural Foundation will assist in the exhibition planning and management of the park, and through various art and aesthetic education programs, will enable more people to embrace this temple of art. In the near future, it is anticipated that with the future talents cultivated by Junyi School, the promotion efforts of Mr. Paul Chiang, and the collective strength and resource integration by the Alliance Cultural Foundation, the center will become an important platform for international art exchange and make Hualien and Taitung a model for promoting sustainable tourism.


Island Life Co-learning Group - Austronesian Table Setting and Cultural Sharing

Donated to Taitung Junyi Experimental High School to practice education for remote townships.

Taitung has a population of only about 200,000 people, accounting for 1% of Taiwan's total population. As much as 55% of elementary schools in the county have fewer than 60 students. Due to the lack of and dispersed educational resources, changes in Hualien and Taitung must focus on education. The most important mission of the Junyi School is to nurture young people with the abilities and literacy of "being a person, living a life, and doing things." "Being a person" refers to "character education," which includes a sense of responsibility, moral ethics, as well as empathy, a sense of justice, the ability for independent thinking, and teamwork. Teachers need to cultivate in children a world view grounded in character and civic literacy. Junyi School's practice of interdisciplinary learning in arts, culture, and various subjects allows children to discover and develop their own strengths, helping them to understand themselves and find direction in a rapidly changing era, while also enriching their spiritual lives.

"Dormitory life" is a crucial component of education in remote areas. Junyi School provides a good accommodation environment to cultivate children's independence, character, and life attitude. They also hire foreign teachers to assist in students' various daily active and sedentary activities, enabling children to learn self-leadership and teamwork skills through activity planning and regular training.

In order to make full use of the dormitory space at Junyi School, every summer, the Alliance Cultural Foundation and external partners such as Taipei American School, Koc University Education Foundation, Fruit Education Foundation, and Harvest 365 collaborate to organize free residential themed camps. These camps provide opportunities for resource-lacking students to recharge their confidence and learning through group living, singing, drama, and various activities, under the guidance of passionate teachers and volunteers. At the same time, they also cultivate the spirit of volunteer service among university volunteers from Taiwan.


Yunlin High School Creative Group - Contemporary Art Performance and Exhibition


Hualien and Taitung Youth Choir Music Camp Performance - The Little Mermaid


Harmony Choir of Toufen Junior High School

Toufen Junior High School Music Program

By integrating with the Harvest 365 Music Program of the Harvest 365 Foundation (Harvest 365), The Alliance Cultural Foundation collaborated with Toufen Junior High School to introduce the Toufen Junior High School Music Education Program in September 2021. Music Education Program. With the guidance of professional choir instructors nurtured by Harvest 365 and in collaboration with the music teachers of Toufen Junior High School, they teach the Harmony Choir composed of 7th and 8th grade students. The choir has nearly 30 members. Apart from the routine school club time, they also practice after class. It is hoped that through vocal art, students can be accompanied in their growth, and by participating in the annual Harvest 365 Music Festival and performing on stage, they can be motivated to learn and build self-confidence.

Sponsoring Other Philanthropic Events

Other major sponsorships for Philanthropic Events in 2024 included BOYO Social Welfare Foundation, Teach for Taiwan Association, public health and medical education charity activities, and remote township medical care and services.

❶ Founded in 2002 and led by Principal James Lee, the BOYO Social Welfare Foundation adheres to the belief of "preventing underprivileged children from falling into perpetual poverty." For many years, it has been providing free after-school tutoring and learning support materials for disadvantaged children in remote regions. The aim is to use education to help these children break the cycle of intergenerational poverty. Through the two major service methods of Social work and education, "care and guidance" are provided to release the constraints on children's physical and mental states, developing their basic problem-solving abilities and enhancing social competitiveness, giving them the opportunity to achieve self-sufficiency and escape poverty in the future. Every year, BOYO Social Welfare Foundation invests a large amount of labor and resources in curriculum design, develops remedial teaching materials, and trains parents in the community. Currently, there are 17 locations to provide after-school club service for over 2,000 students.

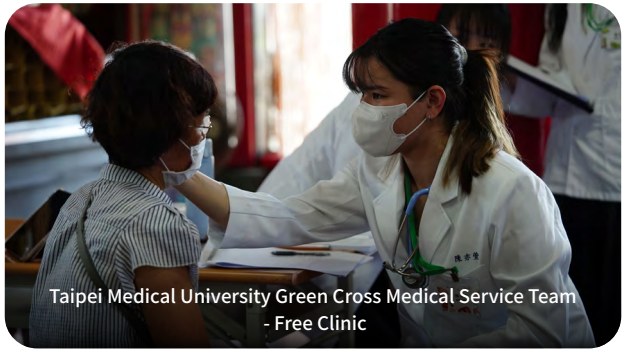
❷ Founded in 2013, Teach for Taiwan (TFT) is a non-profit organization caring for "education inequity", with hopes of creating equal opportunities in education for every child. Through training competent youth with a sense of mission to teach at elementary schools in low-income remote townships communities for at least two years, TFT resolves the long-term problems of teacher shortage and high turnover rate in the remote townships. Since the first cohort of the TFT program, Members of the TFT program have been involved in remote townships, reaching Taitung, Tainan, Pingtung, Yunlin, Hualien, Nantou, and more, impacting over 7,000 disadvantaged students.

❸ Charity Events related to Medical and Health Education To encourage medical universities to organize medical service teams that reach remote regions with a lack of medical resources, promoting medical services, health education, and offering free consultations for local residents, the foundation sponsored part of the activities' expenses for 5 charity events related to medical and health education camps in 2024. The number of participants in the 5 camps exceeded 500 people, and the number of people served exceeded 2,600 people.

School	Club	Location	Number of participants	Number of people served
Taipei Medical University	Social Medical Service First Team	Changhua Dacheng and 4 other townships	110	300+
	Green Cross Medical Service Team	Yunlin Shuilin, Yuanchang Township	120	400+
	Mountainous Social Medical Service Team	Nantou Ren'ai Township, Puli	70	400+
	Maple Apricot Medical Youth Service Team	Penghu	220	1,000+
China Medical University	Oral Health Education Promotion Service Team	Manzhou Township, Pingtung	30	500+

Taipei Medical University Social Medical Service First Team

❹ Rural Health Care and Services Although the National Health Insurance provides considerable convenience and citizens do not need to worry about medical costs, ensuring complete and reassuring medical care, medical care and service in remote regions by student medical service teams bring humanistic care services to these areas. This embodies the core values of medical education and health care professionals. Beyond supplying the much-needed medical resources and knowledge, it offers emotional support and companionship to the residents. More importantly, it involves medical staff guiding medical school student members to integrate their classroom learning and, through the process of providing purely altruistic services without commercial interests, discover a sense of mission.



Taipei Medical University Green Cross Medical Service Team - Free Clinic

Taipei Medical University Maple Apricot Social Medical and Medical Knowledge Promotion Service Team - Medication Education

Social welfare

The APC Linyuan Plant actively cares about and engages in community charitable activities, such as community environmental protection activities, assists in selling local agricultural products, community socializing activities, community charity events, community sports competitions, and others. Apart from maintaining relationships with local residents, promoting harmony within local communities, and fulfilling our corporate social responsibility, we also hire local workforces to enhance community recognition. **In 2024, we hired a total of 76 residents from the Linyuan District of Kaohsiung.** In 2024, APC's club activities gradually resumed, in addition to charitable ball games and Ball Game Fellowship activities, they have also been actively engaging in community charitable services, supporting local agricultural product sales, and assisting in neighborhood development, with the aim of thriving together with the community.

Linyuan is an important production area for onions in Kaohsiung. The harvest season occurs annually from January to March. Linyuan onions are of excellent quality, planted earlier and harvested sooner than in other production areas, making them stand out in the market. On February 21, 2024, led by the plant manager, APC and the first-level supervisors of the plant visited Linyuan to purchase onions from local farmers. They bought 100 bags to share the high-quality local agricultural products with colleagues, implementing social sustainability.

Implement community participation by supporting local agricultural product sales

Cross-departmental GHG reduction collaboration

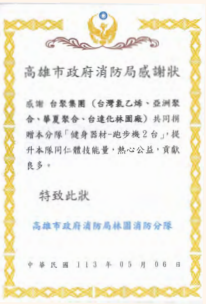
In response to the "Cross-Departmental GHG Reduction Matching Plan" initiated by the Environmental Protection Bureau of Kaohsiung City, the APC Linyuan Plant collaborated with Wang Gung Elementary School to implement a GHG Reduction Program, assisting the school in upgrading energy-saving equipment to reduce energy consumption and GHG emissions. The collaboration concluded on November 30, 2024, and both the school and the Environmental Protection Bureau have expressed their gratitude through certificates of appreciation.

Kaohsiung City Wang Gung Elementary School cross-departmental GHG reduction collaboration

Donated exercise fitness equipment to the Linyuan Branch of the Fire Department of Kaohsiung City.

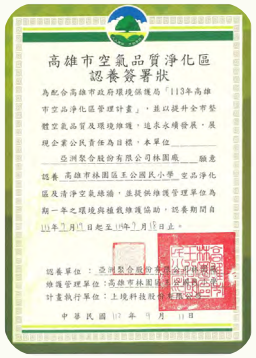
The Linyuan Branch of the Fire Department of Kaohsiung City plays an important role as a guardian in the "Linyuan Industrial Park." To express gratitude for the firefighters' dedication and concern for the safety of the enterprises in the park, the USI Group (TVCM, APC, CGPC, and TTC) jointly donated 2 treadmills as fitness equipment to the branch. This donation aims to enhance the firefighters' physical skills, maintain their strong physique, and collectively safeguard the safety of the industrial park.

Donated exercise fitness equipment to the Linyuan Branch of the Fire Department.



"Air Quality Purification Zone Adoption Program" by the Environmental Protection Bureau of Kaohsiung City

The APC Linyuan Plant cooperated with the Environmental Protection Bureau of Kaohsiung City to carry out the 2024 "Air Quality Purification Zone Adoption Program" to enhance the overall air quality and environmental maintenance of the city, pursuing sustainable development and demonstrating the goals of a corporate citizen. Adopt the Linyuan Wang Gung Elementary School as an air quality purification zone base and provide the management unit with assistance in environmental and plantation maintenance for a one-year period. The adoption period is from July 19, 2024, to July 18, 2025.



2024 Air Quality Purification Zone Adoption Program by the Environmental Protection Bureau of Kaohsiung City

Assist in the development of Renwu Senior High School's basketball team and care for disadvantaged charity basketball games

In accordance with USIG's plan to promote employee sports exchanges, we organized the "USIG Charity Basketball Games" to respond to charity events and enhance the camaraderie among employees of various companies. The event was hosted and sponsored by APC. Employees from the five plants in the Southern region of USIG formed teams to participate and collectively donated funds to assist in the development of the Renwu Senior High School basketball team and care for disadvantaged players. This initiative encourages employees to actively participate in charity events and practice care for the disadvantaged.

Assist in the development of Renwu Senior High School's basketball team and care for disadvantaged charity basketball games

Fellowship ball game

The 22nd USI Cup Community Tennis Tournament

APC, along with entities under the same group including TTC and TVCM, has commissioned the Linyuan Tennis Association to host the "USI Cup Tennis Championship". This event is now in its 22nd year, primarily allowing group employees, industrial park, and community tennis teams to connect and strengthen neighborly relations through the game. It also serves as an opportunity for communication with stakeholders - community residents. A fellowship dinner will be held afterwards to understand the needs and expectations of stakeholders. The event was held on November 23, 2024, at the Linyuan District No. 11 Sports Park Tennis Court. During the event, participants enjoyed friendly matches and showcased the results of their daily practice. Community residents and industrial park employees took the opportunity to interact and communicate, creating a lively and harmonious atmosphere. The organizers thoughtfully prepared small gifts and encouraged employees to actively participate in community networking activities and events.

CH6 Appendix

6.1 GRI Content Index

Statement of Use	**Asia Polymer Corporation has reported in accordance with the GRI Standards for the period from January 1, 2024 to December 31, 2024**
GRI 1 Usage	**GRI 1: Foundation 2021**

GRI 2: General Disclosures 2021				
Disclosure Content			Page No.	Remarks
The organization and its reporting practices	2-1	Organizational details	9	
	2-2	Entities included in the organization's sustainability reporting	3	
	2-3	Reporting period, frequency, and contact point	3、4	
	2-4	Restatements of information	3、67、80	New disclosure items have been added following verification by a third-party certification body.
	2-5	External assurance	3、145	
Activities and workers	2-6	Activities, value chain and other business relationships	11、53、56	No significant change
	2-7	Employees	91	
	2-8	Workers who are not employees	91、109	
Governance	2-9	Governance structure and composition	28、33	
	2-10	Nomination and selection of the highest governance body	28、29	
	2-11	Chair of the highest governance body	28、31	
	2-12	Role of the highest governance body in overseeing the management of impacts	17、29	
	2-13	Delegation of responsibility for managing impacts	33、35	
	2-14	Role of the highest governance body in sustainability reporting	21、35	
	2-15	Conflicts of interest	31	
	2-16	Communication of critical concerns	29、36	

GRI 2: General Disclosures 2021				
Disclosure Content			Page No.	Remarks
Governance	2-17	Collective knowledge of the highest governance body	29、30	
	2-18	Evaluation of the performance of the highest governance body	32	
	2-19	Remuneration policies	34	
	2-20	Process of determining remuneration	34	
	2-21	Annual total compensation ratio	34	
Strategy, policies and practices	2-22	Statement on sustainable development strategy	5	
	2-23	Policy commitments	13、44、57、70、75、104、109	
	2-24	Embedding policy commitments	13、44、58、70、75、104、109	
	2-25	Processes to remediate negative impacts	38、47、49、56、64、66、69、84、87、93、107、108、120	Material topics management impact, Processes to remediate and prevent negative impacts, Grievance mechanism
	2-26	Mechanisms for seeking advice and raising concerns	45、47、107	Ethical Corporate Management, Grievance Mechanism
	2-27	Legal compliance	44、46	Legal compliance, penalty for violations events
	2-28	Membership of associations	12	
Stakeholder Engagement	2-29	Approach to stakeholder engagement	17-20	
	2-30	Collective bargaining agreements	103	Descriptions: As the Company maintains sound communication with employees through the labor union and labor-management meeting, no collective bargaining agreement has been concluded.

Topic Disclosures					
Material Topics	Management Approaches and Disclosures			Page No.	Remarks
Category: Governance					
Economic Performance	GRI 3：Management Approach 2021	3-1	Process of determining material topics	21	
		3-2	List of material topics	24	
		3-3	Management of material topics	38	
	GRI 201：Economic Performance 2016	201-1	Direct economic value generated and distributed	39、50	Financial performance, R&D outcomes
		201-2	Financial implications and other risks and opportunities due to climate change	71-73	
		201-3	Defined benefit plan obligations and other retirement plans	100	Pension system
		201-4	Financial assistance received from government	42	
Technology R&D	GRI 3：Management Approach 2021	3-1	Process of determining material topics	21	
		3-2	List of material topics	24	
		3-3	Management of material topics	38	
	Non-GRI Standards topic, APC specific topic			47	
Supply Chain Management	GRI 3：Management Approach 2021	3-1	Process of determining material topics	21	
		3-2	List of material topics	24	
		3-3	Management of material topics	56	
	GRI 308：Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	59	Indicators for screening new suppliers
		308-2	Negative environmental impacts in the supply chain and actions taken	58	Supply Chain Risk, Impact and Preventive Measures
	GRI 414：Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	59	Indicators for screening new suppliers
		414-2	Negative social impacts in the supply chain and actions taken	58	Supply Chain Risk, Impact and Preventive Measures

Topic Disclosures					
Material Topics	Management Approaches and Disclosures			Page No.	Remarks
Category: Environmental					
Raw material management	GRI 3：Management Approach 2021	3-1	Process of determining material topics	21	
		3-2	List of material topics	24	
		3-3	Management of material topics	64	
	GRI 301：Materials 2016	301-1	Materials used by weight or volume	65	Material usage and recycling
		301-2	Using recycled and reused materials.	65	Material usage and recycling
		301-3	Reclaimed products and their packaging materials	65	Product Packaging Use and Recycling
Climate change and energy management	GRI 3：Management Approach 2021	3-1	Process of determining material topics	21	
		3-2	List of material topics	24	
		3-3	Management of material topics	69	
	GRI 302：Energy 2016	302-1	Energy consumption within the organization	80	
		302-2	Energy consumption outside of the organization	—	Unable to conduct energy audits on the supply chain
		302-3	Energy intensity	80	Unit Product Energy Consumption
		302-4	Reduction of energy consumption	82	Energy Saving Actions and Benefits
		302-5	Reductions in energy requirements of products and services	—	The Comapny Product Lifecycle has NA energy consumption
Water resource management	GRI 3：Management Approach 2021	3-1	Process of determining material topics	21	
		3-2	List of material topics	24	
		3-3	Management of material topics	66	
	GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	67	Impacts of water acquisition, consumption, and discharge
		303-2	Management of water discharge-related impacts	67、68	Effluent Management and Standard
		303-3	Water Withdrawal	67	

Topic Disclosures					
Material Topics	Management Approaches and Disclosures			Page No.	Remarks
Category: Environmental					
Water resource management	GRI 303: Water and Effluents 2018	303-4	Water Discharge	67	
		303-5	Water Consumption	67	
Air Pollution Control	GRI 301：Materials 2016	3-1	Process of determining material topics	21	
		3-2	List of Material Topics	24	
		3-3	Management of material topics	84	
	GRI 305：Emissions 2016	305-1	Direct GHG Emissions (Scope 1)	81	
		305-2	Energy indirect GHG emissions (Scope 2)	81	
		305-3	Other indirect GHG emissions (Scope 3)	82	
		305-4	GHG emissions intensity	81	
		305-5	GHG emission reductions	82	
		305-6	Emissions of ozone-depleting substances (ODS)	85	
		305-7	Emissions of nitrogen oxides, sulfur oxides and other significant gases	86	
Waste Management	GRI 301：Materials 2016	3-1	Process of determining material topics	21	
		3-2	List of material topics	24	
		3-3	Management of material topics	87	
	GRI 306：Waste 2020	306-3	Generation of Waste	88	
		306-4	Transfer of Waste for Disposal	88	
		306-5	Direct Disposal of Waste	88	

Topic Disclosures					
Material Topics	Management Approaches and Disclosures			Page No.	Remarks
Category: Environmental					
Talent attraction and retention	GRI 3：Management Approach 2021	3-1	Process of determining material topics	21	
		3-2	List of material topics	24	
		3-3	Management of material topics	93	
	GRI 401：Employment 2016	401-1	New employee hires and employee turnover	94、95	
		401-2	Benefits provided to full-time employees (not include temporary or part-time employees)	100	
		401-3	Parental leave	101	
Occupational Safety and Health	GRI 3：Management Approach 2021	3-1	Process of determining material topics	21	
		3-2	List of material topics	24	
		3-3	Management of material topics	108	
	GRI 403：Occupational Health and Safety 2018	403-1	Occupational Health and Safety management system	109	
		403-2	Hazard identification, risk assessment, and incident investigation	110、111	
		403-3	Occupational health services	112	
		403-4	Worker participation, consultation, and communication on Occupational Health 105 and Safety	113	
		403-5	Worker training on Occupational Health and Safety	113	
		403-6	Promotion of worker health	113-115	
		403-7	Prevention and mitigation of Occupational Health and Safety impacts directl linked by business	51、59、60、116	
		403-8	relationships	116	
		403-9	Workers covered by the Occupational Health and Safety management system	110、117、119	Hazard Identification, Work-related injury statistics
		403-10	Work-related injuries	112、117	
Process Safety Management	GRI 3：Management Approach 2021	3-1	Occupational disease	21	
		3-2	Process of determining material topics	24	
		3-3	List of material topics	111	
			Management of material topics	120	

6.2 United Nations Sustainable Development Goals (SDGs) Contents Index

Material Topics	SDG Goals		Page No.	Corresponding Section
Governance				
Economic Performance	SDG 8.2	Innovation enhances economic capacity	38	2.2 Economic Performance
Technology R&D	SDG 9.5	Increase in R&D expenditure	49、50	3.1 Technology R&D
	SDG 9.b	High value-added to innovative R&D products		
Supply Chain Management	SDG 12.7	Implement green procurement to practice sustainable purchasing	56、62	3.3 Supply Chain Management
Environmental				
Raw material management	SDG 12.5	Reduce resource consumption through recycling and reuse	64、65	4.1 Resource Management
Water resource management	SDG 6.3、6.4、6.5	Implement integrated water resources management, control of effluent quality and recycling and reuse, and improve water use efficiency.	67、68	
	SDG 12.2	Efficient use of natural resources	64、67	
Climate change and energy management	SDG 7.3	Enhance energy efficiency	79、80	4.2 Climate change and energy management
	SDG 7.a	Increase the acquisition channels and investment in clean energy technology	82	
	SDG 13.2、13.3	The Group sets carbon reduction goals and manages risks and responses to climate change based on national climate change policies and strategies	69-77	
Air pollution control	SDG 11.6	Reduction of harmful environmental substances, proper waste management	84-86、87-89	4.3 Emissions Management
	SDG 12.4	Reduce air pollutants, waste, and impact on human health and environment		
Social				
Talent attraction and retention	SDG 3.7	Healthcare services for maternity medical care	111	5.2 Talent Development 5.3 Human Rights Policy
	SDG 8.5	Equal pay for equal work	99、100	
	SDG 8.7	No child labor, no oppressing of labor.	104、106	
Occupational Safety and Health	SDG 3.d	Ability to manage health risks	112、115	5.4 Healthy Workplace
	SDG 8.8	Protect labor rights and promote workplace safety	116、119	
Process Safety Management	SDG 3.9	Reduce the Frequency-Severity Indicator (FSI) of deaths and diseases caused by hazardous chemicals	120	5.4 Healthy Workplace

6.3 SASB Index in Chemicals Industry

Code	Disclosure Content	Performance and Description	Corresponding Section (Material Topics)	Page No.
Metric for Disclosure: Greenhouse Gas Emission				
RT-CH-110a.1	Scope 1 GHG emissions (MT CO_2e); Percentage of Scope 1 GHG emissions covered under Management emissions-limiting regulations (%)	The Scope 1 GHG emissions in 2024 were 10,157 MT CO_2e, accounting for 99.5%	4.2 Climate change and energy management	81
RT-CH-110a.2	Discussion of strategy or plan to manage Scope 1 emissions, emissions reduction targets and an analysis of performance against those targets	Through the ethylene recovery system, ethylene from both in-house and external pipelines is recovered to the production line, and an added composite fuel steam boiler treats the waste oil and tail gas from the process, reducing GHG emissions.	4.3 Emissions Management (Air pollution control)	85
Metric for Disclosure: Air Quality				
RT-CH-120a.1	Air emissions of the following pollutants: (1) Nitrogen Oxides (NOx); (2) Sulfur Oxides (SOx); (3) Volatile Organic Compound (VOCs); (4) Hazardous Air Pollutants (HAPs)	Air pollutant emissions in 2024: (1) NOx: 5.147 MT (2) SOx: 4.261 MT (3) VOCs: 21.977 MT (4) HAPs: 1.523 MT (Vinyl Acetate Monomer, VAM)	4.3 Emissions Management (Air pollution control)	86
Metric for Disclosure: Energy Management				
RT-CH-130a.1	(1) Total energy consumed (GJ); (2) Percentage of grid electricity usage (%); (3) Percentage of renewable energy usage (%); Total self-generated energy (GJ)	2024 (1) Total energy consumed 778,500 GJ; (2) Electricity energy usage was 672,633 GJ, accounting for 86.4% (3) Percentage renewable usage 0% Self-Generation Energy (Solar PV) 2,005 GJ	4.2 Climate change and energy management	80
Metric for Disclosure: Water Management				
RT-CH-140a.1	(1) Total water withdrawn (2) Total water consumption (3) Percentage of operational bases located in "high" or "extremely high" water-stressed regions and the proportion of (1) and (2)	2024 (1) Total water withdrawn 485.689 thousand M3; (2) Total water consumption 315.131 thousand M3; Use of the water risk assessment tool of the World Resources Institute (WRI), the Linyuan Plant is not located in "high" or "extremely high" water scarcity regions.	4.1 Resource Management (Water resource management)	67
RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	All items of discharge water quality control tests in 2024 were within the qualified range, with no violations of discharge permission incidents.	4.1 Resource Management (Water resource management)	68
RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Planned to cooperate with the government's wastewater recycling policy, partly adopting the reclaimed water from the wastewater recycling plant developed by the government as the plant's water supply, achieving a win-win advantage for both the government and corporations.	4.1 Resource Management (Water resource management)	68
Metric for Disclosure: Hazardous Waste Management				
RT-CH-150a.1	Amount of hazardous waste generated, percentage recycled	1. General waste is properly handled by qualified companies approved by the Ministry of Environment 2. In 2024, Linyuan Plant's total hazardous waste generated: 4.6 MT, recovery percentage: 0%	4.3 Emissions Management (Air pollution control)	88

Code	Disclosure Content	Performance and Description	Corresponding Section (Material Topics)	Page No.
Metric for Disclosure: Greenhouse Gas Emission				
RT-CH-320a.1	(1) Total recordable incident rate (TRIR) formula: (Number of Incidents x 200,000)/Total Hours Worked; (2) Fatality rate: (a) direct employees; (b) contract employees	1. The Total recordable incident rate (TRIR) in 2024 was 0 2. The fatality rate for both direct employees and contract employees was 0	5.4 Healthy Workplace (Occupational Health and Safety)	117
RT-CH-320a.2	Description of efforts to assess, monitor and reduce exposure of employees and contract employees to long-term (chronic) health risks	1. Linyuan Plant arranged four sessions of health checkups for a total of 216 employees in July 2024 and implemented special health checkups and graded management. 2. The results show that there was neither occupational accident nor health hazard, and all employees needed tier 1 and 2 health management based on the health checkup results.	5.4 Healthy Workplace (Occupational Health and Safety)	112
Metric for Disclosure: Safety & Environmental Stewardship of Chemical				
RT-CH-410b.1	Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances (%), percentage of such products that have undergone a hazard assessment (%).	All APC products comply with the relevant legal and regulatory requirements and contain no Health and Environmental Hazardous Substances as categorized in the Globally Harmonized System (GHS).	3.1 Technology R&D	55
RT-CH-410b.2	Discussion of strategy to manage chemicals of concern and develop alternatives with reduced human and environmental impact	Consider the legal and regulatory requirements such as FDA, CNS, JIS, and EU RoHS right from the feasibility assessment of product development to ensure compliance with the standards, regulations, and laws governing human health and environmental impact.	3.1 Technology R&D	51
Metric for Disclosure: Genetically Modifier Organism				
RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms	APC product falls under plastic materials and does not contain genetically modified organisms	Not applicable	—
Metric for Disclosure: Management of Legal & Regulatory Environment				
RT-CH-530a.1	Discussion of the Company positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	In day-to-day operations, the company constantly monitors and collects information from government agencies regarding the establishment and amendment of regulations on governance, labor rights, environmental protection, Occupational Health and Safety, and other environmental, social, and governance aspects. It identifies the compliance of these regulations with company operations, updates relevant documents, and conducts risk management or regulatory enforcement.	2.3 Legal compliance (Non-Material Topic)	44
Metric for Disclosure: Operational Safety, Emergency Preparedness & Response				
RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), Process Safety Incident Severity Rate (PSISR)	Process Safety Incidents Count (PSIC) in 2024: 0 incident Process Safety Total Incident Rate (PSTIR): 0 Process Safety Incident Severity Rate (PSISR): 0	5.4 Healthy Workplace (Occupational Health and Safety)	122
RT-CH-540a.2	Number of transport incidents	Transportation safety incidents in 2024: 0 incident	5.4 Healthy Workplace (Occupational Health and Safety)	122

6.4 Sustainability Disclosure Metrics — Plastics Industry

No.	Indicator	Indicator Type	Year Disclosure Status	Unit	Corresponding Section	Page No.
1	Total energy consumption, percentage of purchased electricity, percentage renewable, and Total capacity of self-generation and self-consumption (solar PV). (Note 1)	Quantification	(1) Total energy consumed: 778,500 (2) Percentage of purchased electricity: 86.4 (3) Percentage renewable 0% (4) Total capacity of self-generation and self-consumption (solar PV) 0	Billion joules (GJ) Percentage (%) Percentage (%) (GJ)	4.2 Climate change and energy management	80
2	Total water withdrawn, total water consumption, wastewater discharge per regulatory requirements or voluntary disclosure	Quantification	(1) Total water withdrawn: 485.689 (2) Total water consumption: 315.131 (3) Wastewater emissions: 170.558	thousand cubic meters (1,000m^3)	4.1 Resource Management	67
3	Total weight of hazardous waste generated during the product manufacturing process and percentage recycled per regulatory requirements or voluntary disclosure.	Quantification	(1)Total weight of hazardous waste generated: 4.6 (2) Hazardous Waste recovery percentage: 0%	MT Percentage (%)	4.3 Emissions Management	88
4	Explain the number of occupational disaster cases and the ratio.	Quantification	(1) Number of Work-Related Injuries: 0 (2) Work-Related Injury Rate: 0	Quantity (people) Percentage (%)	5.4 Healthy Workplace	117 119
5	Operation with Significant Actual or Potential Negative Impacts on Local Communities	Qualitative Description	On October 11, 2024, due to excessive process pressure, gas was released from the separator and directed to the exhaust gas combustion tower for combustion. Incomplete combustion produced particulate pollutants (black smoke), causing air pollution. Community residents located downwind will be affected by the air quality.	Not applicable	2.3 Risk Management	46
6	The specific and effective mechanisms and actions taken by the company itself and its suppliers to reduce the negative impact on the environment or society.	Qualitative Description	(1) 102 times Number of consultative organization meetings held before contractors started construction in the plant (2) 66 items of contractor work deficiencies found during safety office on-site inspection, with an improvement rate of 83%. (3) Total Occupational Safety Training hours: 7,039 hours. Due to the implementation of contractor management, Linyuan Plant continues to maintain no record of disabling injury and no record of fire accidents.	Not applicable	5.4 Healthy Workplace	115 116
7	Product output by product type	Quantification	(1) Low Density Polyethylene Resin (LDPE) output: 43,479 (2) Ethylene Vinyl Acetate Copolymer (EVA) output: 87,626 (3) Total Production: 131,105	MT	1.1 About Asia Polymer	11

Note 1: Total capacity of self-generation and self-consumption (solar PV) according to the Definition under the "Renewable Energy Development Act", "Renewable Energy Certification Regulations", or related sub-laws.

6.5 Climate-related Financial Disclosures

<table>
<tr><th>No.</th><th>Item</th><th>Implementation Status</th></tr>
<tr><td>1</td><td>Describe the supervision and governance of climate-related risks and opportunities by the board of directors and management.</td><td>The ESG Committee supervised by the Board is the highest governance body of climate change management chaired by independent directors, it report the climate change implementation planning and performance to the Board every year. The Operations Management Meeting is held monthly and chaired by the Board Chairman to report the planning and results of material energy conservation and carbon reduction plans.</td></tr>
<tr><td>2</td><td>Describe how the identified climate risks and opportunities impact the organization's businesses, strategies, and financial plan (shortterm, medium-term, long-term)</td><td>Based on the likelihood and impact of climate-related risks and opportunities, we identified 6 major climate-related risks and 4 major climate-related opportunities and assess the duration of impact and potential financial impacts as tabulated below:
<table>
<tr><th>Category</th><th>Related Item</th><th>Duration</th></tr>
<tr><td rowspan="2">Physical risk</td><td>Flooding</td><td>Medium-term (3-7 years)</td></tr>
<tr><td>Drought</td><td>Short-term (<3 years)</td></tr>
<tr><td rowspan="4">Transition risk</td><td>Carbon Fee</td><td>Short-term (<3 years)</td></tr>
<tr><td>Renewable Energy Regulations - Risk of Energy-heavy Industries Clause</td><td>Short-term (<3 years)</td></tr>
<tr><td>Transition of low-carbon technology</td><td>Medium-term (3-5 years)</td></tr>
<tr><td>Increase in the Price of Raw Materials</td><td>Short-term (<3 years)</td></tr>
</table>
<table>
<tr><th>Category</th><th>Related Item</th><th>Developmental</th><th>Technical Feasibility</th></tr>
<tr><td rowspan="4">Opportunity</td><td>High-efficiency production</td><td>Progressive and aligned with the existing policies of the company</td><td>Expanding development</td></tr>
<tr><td>Reduce water usage and water consumption</td><td>Progressive and aligned with the existing policies of the company</td><td>In development</td></tr>
<tr><td>Use low-carbon energy</td><td>Progressive and aligned with the existing policies of the company</td><td>In development</td></tr>
<tr><td>Development of Low Carbon Goods and Services - Entry into Renewable Energy Market</td><td>Progressive and aligned with the existing policies of the company</td><td>Expanding development</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>No.</th><th>Item</th><th>Implementation Status</th></tr>
<tr><td>3</td><td>Describe the financial impact by extreme weather events and transition.</td><td>The financial impacts of extreme weather events and transition actions are tabulated below:
<table>
<tr><th>Category</th><th>Related Item</th><th>Potential Financial Impact</th></tr>
<tr><td rowspan="3">Physical risk</td><td>Increased severity of extreme weather events</td><td>Increased capital expenditure and decrease in asset value</td></tr>
<tr><td>Changes in precipitation patterns and extreme variability in weather patterns</td><td>Increased capital expenditure and decrease in revenue</td></tr>
<tr><td>Sea level rises</td><td>Increase in capital expenditure</td></tr>
<tr><td rowspan="2">Transition risk</td><td>Enhance GHG Emission Pricing</td><td>Increase in operating costs</td></tr>
<tr><td>Raw material cost rises</td><td>Increase in operating costs</td></tr>
<tr><td rowspan="4">Opportunity</td><td>Participation in renewables projects and adoption of energy conservation measures</td><td>Upfront costs were high, while later carbon emissions were low and operating costs were reduced</td></tr>
<tr><td>Alternative energy / energy diversification</td><td>The initial investment cost was high, but the operating costs decrease yearly in the later period</td></tr>
<tr><td>Participation in the Carbon Trading Market</td><td>The initial investment in carbon reduction technology was high, but the operating costs decrease yearly afterwards</td></tr>
<tr><td>Use low-carbon energy</td><td>The initial investment cost was high, but the operating costs decrease yearly in the later period</td></tr>
</table></td></tr>
<tr><td>4</td><td>Describe how to integrate the process for identifying, assessing, and managing climate risks into the overall risk management system</td><td>Identify risks and opportunities based on the TCFD framework, communicate with all responsible units, and confirm by senior management every 3 years. Include them in the annual risk assessment. The president reports the risk control measures and management performance to the Audit Committee and the Board every year.</td></tr>
<tr><td>5</td><td>When analysis and evaluate resilience to climate change risk on a scenario basis. Describe should include the scenario, parameters, assumptions, analysis factors, and key financial impacts used.</td><td>No scenario analysis has been used for assessing the resilience in climate-related risks. We will include scenario analysis in two years.</td></tr>
<tr><td>6</td><td>If there is a transition strategy in place to address climate-related risks, please describe the content, the indicators and targets utilized to identify and manage physical and transition risks</td><td>Plans include: Equipment replacement, construction of renewables facilities, optimization of production scheduling, planning building aircon, energy management systems, extreme weather events contingency plans. Please refer to 4.2 Contents of this report for the details.</td></tr>
<tr><td>7</td><td>If internal carbon pricing is used as a planning tool, the basis for price determination should be explained.</td><td>No assessment tool for internal carbon pricing has been used.</td></tr>
<tr><td>8</td><td>f climate-related targets are established, details should be outline regarding the covered activities, the scope of GHG emissions, the projected timeline, and the progress achieved annually, etc. If carbon offsets or Renewable Energy Certificates (RECs) are used to meet these targets, the source and quantity of carbon offset credits or Renewable Energy Certificates (RECs) should be disclosed.</td><td>Set 2017 as the baseline year and reduction by 27% by 2030 as the carbon reduction target. Every year we disclose the data of Scopes 1 and 2 GHG emissions in the ESG report and review the achievement progress periodically. No REC has been used for carbon reduction so far.</td></tr>
<tr><td>9</td><td>GHG inventory and verification.</td><td>Please refer to Section 4.2 of this report for the details and assurance information on the GHG inventory.</td></tr>
</table>

6.5 Third-Party Assurance Report

Deloitte.

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INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

Asia Polymer Corporation

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report ("the Report") of Asia Polymer Corporation ("the Company") for the year ended December 31, 2024.

Subject Matter Information and Applicable Criteria

See Appendix for the Company's selected performance indicators ("the Subject Matter Information") and applicable criteria.

Responsibilities of Management

The management of the Company is responsible for the preparation of the Subject Matter Information in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI), SASB Standards published by the Sustainability Accounting Standards Board (SASB), and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement resulted from fraud or error.

Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a reasonable assurance.

We based on our professional judgment in the planning and conducting of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Inquiring of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the subject matter information is likely to arise.
- Selecting sample items from the Subject Matter Information and performing procedures such as inspection, re-calculation, and observation to obtain evidence supporting limited assurance.

Inherent Limitations

The Subject Matter Information involved non-financial information, which was subject to more inherent limitations than financial information. The information may involve significant judgment, assumptions and interpretations by the management, and the different stakeholders may have different interpretations of such information.

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is Chiu, Cheng-Chun.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 7, 2025

Notice to Readers

For the convenience of readers, the independent auditors' limited assurance report and the accompanying summary of subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' limited assurance report and summary of subject matter information shall prevail.

APPENDIX

SUMMARY OF SUBJECT MATTER INFORMATION

#	Subject Matter Information	Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports - Plastics Industry
1.	Linyuan plant: In 2024, the total energy consumption was 778,500 GJ, the percentage of purchased electricity was 86.4%, the utilization rate was 0%, and total self-generated and self-use energy was 0 GJ.	6.4 Sustainability Disclosure Indicators - Plastics Industry	Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy/total energy), and total self-generated and self-use energy	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Appendix 1-5, No. 1
2.	Linyuan plant: In 2024, total water withdrawn was 485.689 thousand m^3, and total water consumption was 315.131 thousand m^3.	6.4 Sustainability Disclosure Indicators - Plastics Industry	Total water withdrawn and total water consumption	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Appendix 1-5, No. 2
3.	Linyuan plant: In 2024, total general waste generated was 321.98 MT, and percentage recycled was 21.99%. Total hazardous waste generated was 4.6 MT, and percentage recycled was 0%.	4.4 Waste Management 6.4 Sustainability Disclosure Indicators - Plastics Industry	Total general and hazardous waste generated, and percentage recycled	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Appendix 1-5, No. 3
4.	Linyuan plant: In 2024, the number of employees in occupational accidents was 0 person, and the rate of occupational accidents was 0%.	6.4 Sustainability Disclosure Indicators - Plastics Industry	Number of employees in and rate of occupational accidents	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Appendix 1-5, No. 4
5.	Linyuan plant: In 2024, emissions of the air pollutants were nitrogen oxides (NOx) 5.147 MT, sulfur oxides (SOx) 4.261 MT, volatile organic compounds (VOCs) 21.977 MT and hazardous air pollutants (HAPs) 1.523 MT.	4.3 Emission Management (Air Pollution Control)	Emissions of nitrogen oxides (NOx), sulfur oxides (SOx), volatile organic compounds (VOCs) and hazardous air pollutants (HAPs).	SASB RT-CH-120a.1 Air quality

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