

CH1

Sustainable Development

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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	Number of Employees	232 people (as of December 31, 2025)
Industry	Plastics Industry	Head Office	No. 3, Industrial 1st. Rd., Linyuan Dist., Kaohsiung City
Chairman	Quintin Wu	Taipei HQ	12F, No. 37, Jihu Rd., Neihu Dist., Taipei City
President	Wu, Pei-Chi	Revenue	NT\$ 5,743 million
Capital	NT\$ 5.937 billion	Total Production	139,546 tonnes
Main Products	Low Density Polyethylene (LDPE) Ethylene Vinyl Acetate Copolymer Resin (EVA)		

Geographic 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

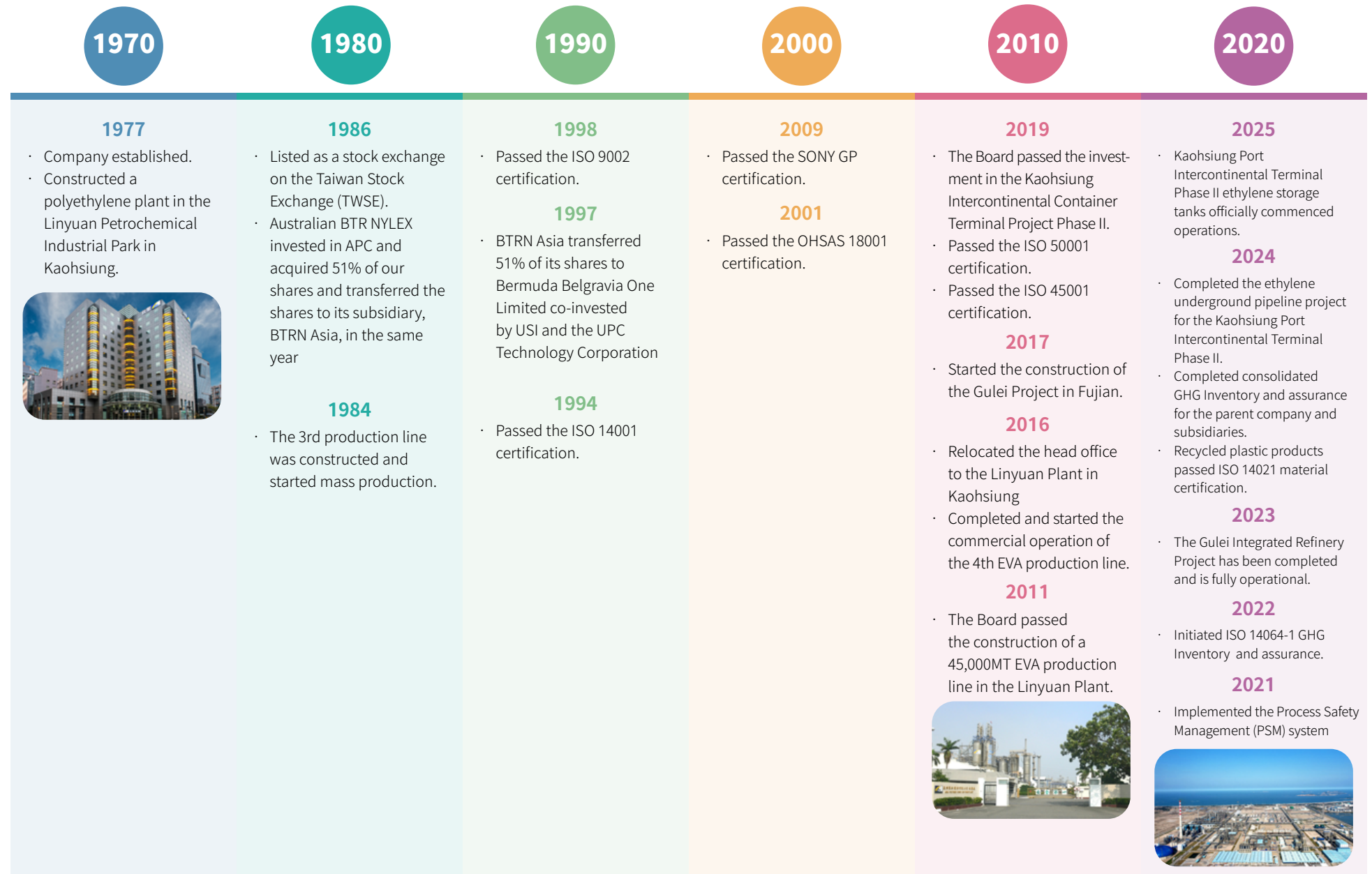


HQ, Linyuan Plant

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

Company History



Main 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).

APC Value Chain



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

Film grade: Produces various packaging films and hose products via blown film or cast film methods.
Injection grade: Manufactures artificial flowers and household plastic products via injection molding, as well as bicycle racks/baskets, foaming fruit net bags, and microfiber processed products via powder dipping and coating methods.
Lamination Grade: Packaging materials for processed foods/beverages and release paper made through lamination/coating, etc.

APC's 2025 LDPE output: 54,749 MT; Sales: 47,324 MT.

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

Foaming grade: Manufactures midsole shoe materials via compression molding or injection molding.
Photovoltaic grade: Produces solar cell module encapsulant films via extrusion molding.
Lamination Grade: Coating on BOPP, PET substrates to produce pre-coating, card laminate, and packaging material products.
Wire and cable grade: Applied in outer sheath and semi-conductive shielding layer formulations.

APC's 2025 EVA output: 84,797MT; sales: 87,346 MT.

LDPE Applications



Injection molded soft caps



Breathing hoses

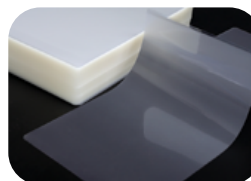


Paper cup coating



Liquid packaging

EVA Applications



Card laminating



Solar module encapsulant films



Foamed shoe materials



Wires and cables

Business Philosophy and Goals

As an affiliate of USI Group, APC adheres to the group's business philosophy of "Pragmatism and Stability, Professional Management, Pursuit of Excellence, and Service to Society." Under the principles of pursuing excellent operational performance and sustainable development, we invest in upstream ethylene raw materials to stabilize supply, continuously innovate in product research and development, and meet customers' customized needs, aiming to create economic benefits and improve production efficiency to achieve the vision of corporate sustainable development and fulfilling corporate social responsibility.

APC Sustainability Strategy



Innovative Technology

Continuously improve product quality and develop new products, aspiring to become a market leader.



Sustainable Development

Continuously improve production processes, implement energy saving and waste reduction, and sustain the environment.



Safety and Harmony

Create a safe and harmonious work environment, participate in public welfare, and fulfill 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 2025

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	✓	✓	✓	✓	✓
Director/Supervisor	✓		✓		

1.2 Sustainability Development Visions and Goals

USIG Vision: Create sustainable value for a sustainable society

We aim to continuously create and consolidate sustainable value with our core capabilities, thereby contributing to the sustainability of society.



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

An Innovative and Sustainable Leader

Sustainability Strategy Principles

Innovative Technology
Sustainable Development
Safety and Harmony

Sustainability Guidelines

Create economic benefits, Good Corporate Governance, Enhance production efficiency, Environmental sustainability and survival people-oriented management, ESG fulfillment

As a member of USI Group, APC follows the group's sustainability vision, establishes its own sustainability vision based on the group's business philosophy and cultural characteristics, sets sustainability strategy principles and guidelines, and integrates the group's key issues as the basis for executing and pursuing APC's 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.



Correspondence and Actions between SDGs and Sustainability Guidelines

SDGs		Sustainability Approaches
	3 Good Health and Well-being (3.7, 3.9, 3.d) Provide high-quality health care services to employees through a sound welfare system; implement high-hazard chemical management to reduce casualties and accidents.	People-oriented management
	4 Quality Education (4.3, 4.5) Support and sponsor rural education and sustainable development to provide disadvantaged children with equal educational opportunities.	ESG fulfillment
	6 Clean Water and Sanitation (6.3, 6.4, 6.5) Discharge water quality control and recycling to improve water use efficiency and reduce the ecological impact on water resources.	Environmental sustainability and survival
	7 Affordable and Clean Energy (7.2, 7.3, 7.a) Improve energy use efficiency and install renewable energy equipment to achieve the environmental sustainability goals of clean production and green processes.	Enhance Production Efficiency Environmental sustainability and survival
	8 Decent Work and Economic Growth (8.2, 8.5, 8.7, 8.8) Enhance economic performance and safe working environments, prohibit child labor, ensure equal pay, and protect human rights and labor rights.	Implement People-Oriented Approaches Sound Corporate Governance
	9 Industry, Innovation and Infrastructure (9.5, 9.b) Provide R&D resources and innovate in product R&D to increase product added value.	Create Economic Benefits
	11 Sustainable Cities and Communities (11.6) Air pollution emission improvement and waste management to reduce the generation of hazardous substances, minimize environmental impact, and improve environmental quality.	Environmental sustainability and survival
	12 Responsible Consumption and Production (12.2, 12.4, 12.5, 12.7) Improve raw material use efficiency, recycle, reduce waste, and achieve sustainable resource management; implement green procurement and put sustainable procurement practices into action.	Enhance Production Efficiency Environmental sustainability and survival
	13 Climate Action (13.2, 13.3) Assess climate change risks and opportunities, incorporate relevant countermeasures into policies, and plan actions to reduce the environmental impact caused by climate change.	Environmental sustainability and survival

Note: () represents detailed goals of the SDGs

Note: (X) indicates that the item has not reached the target value.

SDGs	Goals	2025 Execution Results	Improvement / Optimization Methods	Corresponding Chapter
	- Provide insurance benefits / health care benefits - Progress of establishing the incident investigation platform $\geq 80\%$	- Group medical insurance for every employee - Maternity subsidy for 4 employees, NT\$ 10,000 per person - Employee health check-ups in 4 batches, 216 people - Contracted physician on-site service 6 times - Establishment of incident investigation platform 100% - Process Safety Incident Count (PSIC): 0	—	5.2 Talent Development 5.4 Healthy Workplace
	- Establishment of scholarships - Rural education practice	Sponsored USI Education Foundation NT\$ 3 million to engage in caring for the disadvantaged, rural education, and establishing scholarships	—	5.5 Social Involvement
	- Water recycling rate (R2): $>95.0\%$ - Water consumption per unit of product: $< 4.0 \text{ M}^3 / \text{metric ton}$ - Effluent pipeline control, COD $< 90 \text{ mg/L}$	- Water recycling rate (R2): 97.3 % - Water consumption per unit of product: $3.78 \text{ M}^3 / \text{metric ton}$ - Effluent COD 20.87 mg/L	—	4.1 Resource Management
	- Energy consumption per unit of product: $< 5.77 \text{ GJ/ metric ton}$ - Set energy-saving goals: power saving rate 1.5% - Establish green energy (solar power generation equipment)	- Energy consumption per unit of product (or energy intensity): 5.64 GJ/ metric ton - Average power saving rate 1.91 % - Procured 2.515 million kWh of solar green energy, officially wheeled for use - Complete the establishment of 494 kW (self-generation and consumption) solar power generation equipment in 2025 (X)	The originally planned 494 kW solar power establishment project for self-generation and consumption in 2025 was delayed due to the procurement inquiry process. The procurement process has been reviewed, and it is expected to be completed in Q2 2026.	4.2 Climate Change and Energy Management
	- Sustainable investment to maintain corporate growth - Gender pay equality - Protect human rights and labor work rights, prohibit child labor - Zero occupational safety disasters	- Net loss after tax NT\$ 1,045 million (X) - Gender pay ratio: mid-level / entry-level managers 0.99:1; general employees 0.96:1 - Employed persons with disabilities: 2; no child labor employed - Disabling Injury Frequency Rate (F.R.): 0; accumulated total safe man-hours without disabling injuries reached 6.82 million hours	- Continuously develop high-value and high-end application products, such as: coating grade products - Develop recycled plastic products to comply with ESG trends and meet customer needs	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	1 product development, 3 quality improvements - R&D manpower: 13.4%, an increase of 0.4% compared to the previous year	—	3.1 Technology R&D
	- Air pollution emission monitoring and improvement - Monthly inspection points for equipment components ≥ 500 points - Effective waste management to reduce environmental impact	- Air pollutant (NO_x, SO_x, VOCs) emissions per unit of product are all lower than the target control values. - Equipment component leak inspections 875 points per month - Waste intensity (metric ton / metric ton): 0.0029, an increase of 16% compared to the previous year	—	4.3 Emission Management 4.4 Waste Management
	- Ethylene efficiency ≤ 1.009 - Jumbo bag recycling rate $> 78\%$ - Circular economy, scrap metal recycling - Recycled plastic product certification and sales - Green procurement amount $> \text{NT\\$ } 5 \text{ million}$	- Ethylene use efficiency 0.9991 - Jumbo bag recycling rate 78.3 % - Scrap metal recycled volume 152.79 metric tons; waste film roll recycled and reused volume: 74.22 metric tons - Recycled plastic products passed ISO 14021 material certification; sales volume: 100 kg - Declared green procurement amount was NT\$ 28.39 million, an increase of 275% compared to the previous year	The green procurement amount significantly increased compared to the previous year, mainly contributed by the procurement of solar power establishment equipment.	4.1 Resource Management 4.2 Climate Change and Energy Management 3.3 Supply Chain Management
	- Climate change risk management - Carbon reduction commitment: 27% reduction by 2030 compared to the baseline year (2017), reaching the carbon neutrality target by 2050	- Identified IFRS financial risk (3 items) and opportunity (2 items) issues, and disclosed the financial data of actual impacts. - Energy consumption per unit of product 5.64 GJ/ metric ton, a decrease of 5.1% - Energy-saving and carbon reduction solutions, energy saved 11,474 GJ, carbon reduced 1,391 metric tons CO₂e - The greenhouse gas emissions in 2025 have decreased by 13.1% compared to the baseline year (2017) (self-inventoried)	—	4.2 Climate Change and Energy Management

APC's sustainability guidelines, referenced to the SDGs, for setting short-term action plans and mid-to-long-term plans are as follows:

	Sustainability Policy	Short-term Action Plan (2024~2026)	Mid-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 - Official commissioning of the Fujian Gulei Petrochemical integrated plant and process optimization - Flexible adjustment of product portfolio in domestic production lines - Improve production efficiency by expanding the DCS+ data platform through AI smart production	- Actively develop markets outside mainland China (Southeast Asia and South Asia regions) - Integrate products and production lines to enhance market influence - Continuous development of high-value and high-end application products
Environment	 Enhance production efficiency Environmental sustainability	- Complete greenhouse gas inventory and assurance progress to comply with government regulations - Improve resource use efficiency, water resource management, and waste reduction - Replace old equipment, implement energy-saving and carbon reduction plans, and carry out climate adaptation actions - Establish solar power sites for self-generation and self-consumption (494 kW) - Purchase 2.515 million kWh of (solar) green electricity for official wheeling and use - Pass the ISO 14021 recycled plastic product material certification - Implement green procurement	- Align with International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards - Promote clean production and green processes - Respond to the potential financial impacts of risks and opportunities related to climate change issues - Achieve the Group's goal of 27% carbon reduction by 2030 and Net Zero Emissions by 2050
Social	 Implement a people-oriented approach Fulfill social responsibilities	- Conduct human rights due diligence, identify human rights risks, implement risk mitigation measures, provide human rights protection training, and ensure human rights protection - Promote Process Safety Management (PSM) systems and establish a safety incident platform - Implement occupational safety and health management to maintain a record of zero occupational accidents - Invest resources in public welfare activities such as caring for the disadvantaged, rural education, assisting in community neighborhood development, and supporting domestic cultural development. - Execute the "Smart Petrochemical Safety Upgrade Subsidy Program" by the Industrial Development Administration, Ministry of Economic Affairs, to promote the "GenAI Introduction to EVA Melt Index (MI) Prediction Application Plan."	- Value employee rights, ensure a safe working environment, and treat employees with respect and dignity - Implement retirement succession plans to avoid talent gaps - Strengthen industrial safety audits to achieve zero industrial accidents - Continue to sponsor public welfare activities to strengthen social service capabilities - Support local community activities to maintain good neighborhood relations

1.3 Stakeholder Engagement GRI 2-12, 2-29

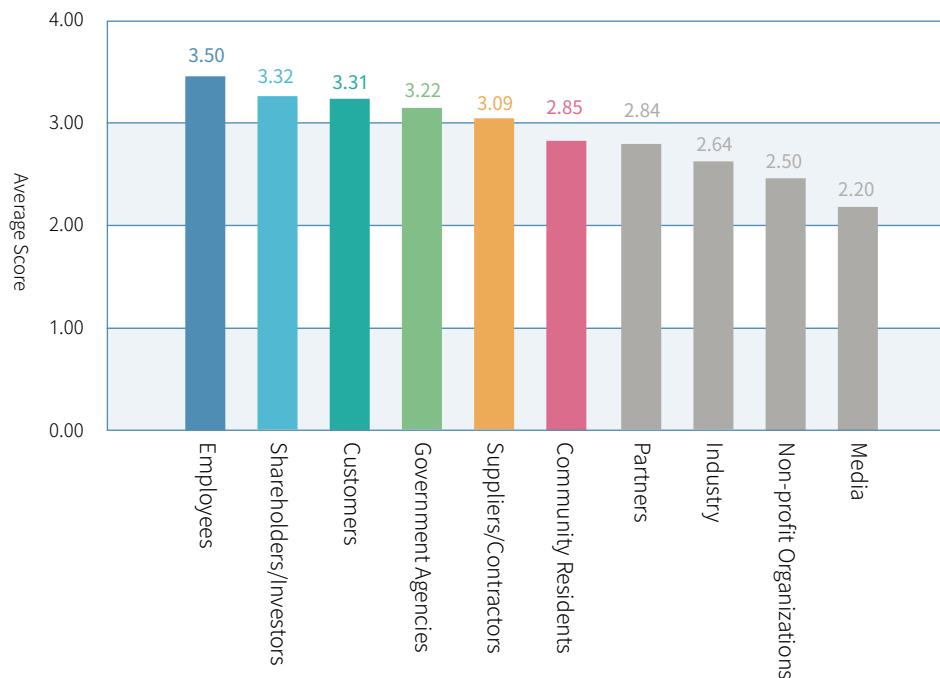
Identify of Key Stakeholders

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:

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.**

Prioritization of APC Stakeholders in 2025



APC Major Stakeholders in 2025



Material Topics and Responses

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 material topics, communication channels, and responses for major stakeholders in 2025 are listed in the table below:

 Employees Employees are APC's important assets. Through a sound salary structure, welfare system, and education and training, we build employee cohesion, enhance professional knowledge and skills, and coexist and prosper with the company's sustainable development.			
Material Topics	APC's Responses (Responsible Unit)	Material Topics	APC's Responses (Responsible Unit)
- Economic Performance - Talent attraction and retention - Occupational health and safety - Employee Assistance Program (EAP) - Health and stress relief, work-life balance, and enhancement of employee well-being	- Annual reports and financial reports are disclosed regularly according to regulations. (Accounting Division) - Achieve the goal of zero occupational safety disasters through labor occupational health and safety education and training and emergency response drills. (Industrial Safety Office) - Provide appropriate compensation and a sound welfare system, annual performance evaluation for salary adjustment, and comprehensive job education and training to achieve the goal of talent cultivation and retention. (Human Resources Division, /Human Resources Section) - Continuously optimize the system by analyzing the results of the employee satisfaction survey. (Human Resources Division) - External professional psychological counselors provide personal services through Email, Line, phone, and one-on-one sessions. (Human Resources Division)	Communication Channels (Frequency)	Execution Status
- Employee Welfare Committee (3 times/year) - Occupational Health and Safety Committee (1 time/quarter) - Employee health consultation (6 times/year) - Education and training (Executed according to plan) - Corporate labor union general meeting (1 time/year) - Corporate labor union board of directors and supervisors meeting (4 times/year) - The Labor Retirement Reserve Supervision Committee (2 times/year) - Performance interview (1 time/year) - Material topics questionnaire survey (1 time/2 years) - Group employee satisfaction survey (1 time/year) - Professional psychological counseling service (Irregular)	- Annual reports and financial reports disclosed according to regulations - Employee Welfare Committee meetings: 4 times - Annual performance evaluation and salary adjustment: 1 time - Occupational Health and Safety Committee meetings: 4 times - Labor Pension Reserve Supervisory Committee meetings: 2 times - Contracted physician health services: 6 times in total - Total industrial safety training hours: 7,970 hours; 2,009 person-times - Employee satisfaction survey expanded to workers, increasing coverage; overall satisfaction score 4.13 (out of 6). - Reduce employee stress through psychological counseling and lectures; a total of 78 people participated in psychological counseling and 4 lectures were held.	Corresponding Chapters: 2.2 Economic Performance, 5.1 Talent Recruitment, 5.2 Talent Development, 5.4 Healthy Workplace	

 Customers Customers are important partners in APC's operation and development. Through technical cooperation and product improvement, we provide products and services that satisfy our customers.			
Material Topics	APC's Responses (Responsible Unit)	Material Topics	APC's Responses (Responsible Unit)
- Climate change and energy management - Technology R&D - Customer service quality - Meeting customer needs	- Certification and sales of recycled plastic products. (Sales Division / Technology Department / Plant Manager's Office) - APC requires that raw materials provided by suppliers must be free of relevant restricted substances to comply with sustainable material specifications. (Materials Division) - At least 1 new product development or quality improvement per year. (Technology Department) - To meet customer needs, adjust schedules and shipment specifications/quantity changes in a timely manner, and accurately grasp customer material usage information. (Sales Division) - Complete the analysis report within 10 working days after receiving customer samples, with an achievement rate of 90%. (Sales Division)	Communication Channels (Frequency)	Execution Status
- Sales personnel customer visits (Irregularly every month) - Customer satisfaction survey (At least 1 time/year) - Market research (Irregular) - Customer feedback and customer complaint handling (Irregular)	- Recycled plastic products passed ISO 14021 material certification; sales volume: 100 kg - All APC products are free of relevant restricted substances 1 new product development, 3 quality improvements. - Domestic sales product change orders <5% - Sales representatives' customer visits average 12.5 times/month - Customer technical services to 72 companies throughout the year - Overall customer satisfaction 96.2% - Customer feedback handling achievement rate 100%	Corresponding Chapters: 3.1 Technology R&D, 3.3 Supply Chain Management, 4.2 Climate Change and Energy Management	



Government Agencies

Government agencies are an important indicative direction for corporate development and market expansion. Responding to the regulatory compliance of government agencies is the basic concept and principle of the company's survival and development.

Material Topics	APC's Responses (Responsible Unit)	Execution Status
- Regulatory and policy compliance - Cooperation with laws and activities - Transparency of information disclosure - Process Safety Management (PSM) - Occupational health and safety - Water resources management - Air pollution control - Climate change and energy management - Waste management	- Promote 14 items of process safety management according to the law, and reduce process risks through group audits. (Inspection Section) - Comply with relevant regulations of government agencies to achieve the occupational health and safety policy goal of "zero occupational safety disasters." (Industrial Safety Office) - Formulate water-saving plans and measures to cooperate with and respond to the government's phased water rationing implementation. (Finished Goods Section) - Air pollutant emission monitoring and control. (Environmental Protection Section) - Execute energy saving and carbon reduction according to the Group's 2030 carbon reduction target of a 27% reduction compared to the baseline year. (Group's Equipment Preventive Maintenance Environmental Risk Control Division (Energy Management Department of Equipment Preventive Maintenance and Environmental Risk Control Division, Technology Department) - Comply with the Energy Administration's annual average power saving rate target of 1.5%. (Technology Department) - Compile waste clearance and disposal manifests and declare them regularly every month. (Environmental Protection Section)	- Official document correspondence, material information and data reporting (Handled according to regulations) - Regulatory advocacy meetings or public hearings (Handled irregularly) - Symposiums, seminars, or annual meetings (Handled according to regulations) - On-site inspections (Handled irregularly) - Market Observation Post System (MOPS) (Published according to regulations) - Environmental Department Waste Reporting Platform (1 time/month)

Corresponding Chapters

2.2 Economic Performance, 5.1 Talent Recruitment, 5.2 Talent Development, 5.4 Healthy Workplace



Shareholders / Investors

Shareholders/investors are important supporters of APC's survival and development. Through capital input and corporate governance supervision, the enterprise can survive and develop sustainably.

Material Topics	APC's Responses (Responsible Unit)	Execution Status
- Economic Performance - Occupational health and safety - Technology R&D - Climate change and energy management	- Hold "Investor Conferences" to explain the company's operating status and future outlook. (Sales Division / Accounting Department / Finance Department) - Publish quarterly financial reports and annual reports according to regulations. (Accounting Department) - Real-time publication of material information. (Accounting Department) - 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 one product R&D test every year. (Technology Department) - Execute carbon reduction according to the Group's 2030 carbon reduction target of a 27% reduction compared to the baseline year. (Technology Department) - Plan and build a self-generation and consumption solar power site, and sign a Corporate Power Purchase Agreement (CPPA) for green electricity with USI Green Energy Corporation. (Technology Department)	- Annual General Shareholders' Meeting (1 time/year) - Market Observation Post System (MOPS) (Published according to regulations) - Issue financial reports and annual reports (Published according to regulations) - Spokesperson contact information (Irregular) "Investor Services" section on the company website (Irregular) - Information on the company website's "Joint Service Network" (Irregular and immediate) - Issue Sustainability Report (1 time/year) - Issue TCFD Report (1 time/year) - Audit Committee Email (Irregular) - Institutional Investor Conference (4 times/year) - Material topics questionnaire survey (1 time/2 years)

Corresponding Chapters

2.2 Economic Performance, 4.2 Climate Change and Energy Management, 5.4 Healthy Workplace

 Suppliers / Contractors Suppliers are APC's important raw material and equipment supply partners for manufacturing, affecting production operations and product quality. Contractors are APC's important partners for equipment maintenance and engineering construction; ensuring the operational safety of contractors is our responsibility.			
Material Topics	APC's Responses (Responsible Unit)	Material Topics	APC's Responses (Responsible Unit)
- Supply chain management - Process Safety Management (PSM) - Occupational health and safety - Raw material management	- Complete the signing of the supplier commitment letter, conduct supplier on-site audits, and counsel suppliers who fail to meet APC's social and environmental assessments for improvement. (Materials Division) - Promote 14 items required for process safety management according to regulatory requirements, and reduce process risks through group audits. (Inspection Section) - The Group formulated the "USI Group Safety Incentive Measures" to achieve the goal of "zero occupational safety disasters." (Industrial Safety Office) - Jumbo bag recycling rate target $\geq 78\%$. (Finished Goods Section)	- Social involvement - Occupational health and safety - Air pollution control - Underground pipeline transportation - Waste management	- Through participation in community activities and visits, establish a good interactive relationship with community residents so they understand the factory's safe operation mechanism. (Human Resources Division / General Affairs Section) - Understand the needs and expectations of community residents through community friendly ball games and charity ball games. (Human Resources Division / General Affairs Section) - The Group formulated the "USI Group Safety Incentive Measures" to achieve the goal of "zero occupational safety disasters." (Industrial Safety Office) - Regularly execute VOCs leak detection through internal and external units to ensure the health and safety of the working environment and community residents. (Environmental Protection Section) - Use the timing of pipeline construction surveys and stationing to explain the current status of pipeline operations and related issues to community residents. (Inspection Section) - Waste treatment methods, regulatory compliance, and regular declaration. (Environmental Protection Section)
Communication Channels (Frequency)	Execution Status	Communication Channels (Frequency)	Execution Status
- Procurement process (Executed as required) - Supplier questionnaire survey (1 time/year when there are new manufacturers) - Contract performance review meeting (Handled as needed) - Face-to-face review meeting (Handled by product category) - Purchasing personnel visits (Irregular) - Market research (1 time/week) - Confirmation of stable raw material supply (Irregular) - Contractor joint operation agreement organization meeting (Irregular)	- Supplier material topics questionnaire survey 1 time - Procurement auxiliary material planning meeting, 1 time - Market research report, 1 time a week - Purchasing personnel visits, 3 times - Process Safety Incident Count (PSIC), 0 - As of 2025, accumulated total safe man-hours without disabling injuries reached 6.82 million hours. - Jumbo bag recycling rate 78.3%	- Community neighborhood visits (Irregular) - Participate in community activities (Irregular) - Commission community friendly ball games (At least 1 time/year) - Establish scholarships and promote talent cultivation (1 time/year) - Government agency on-site inspections (Irregular) - Investment in educational activities (Irregular) - Third-party damage prevention (Irregular) - Ministry of Environment Waste Declaration Platform (1 time/month)	- Annual General Shareholders' Meeting held in May - Publish quarterly financial reports and annual reports according to regulations. - Hold Institutional Investor Conferences 4 times - As of 2025, accumulated total safe man-hours without disabling injuries reached 6.82 million hours. 1 new product development; 3 quality improvements. - The establishment of a 494 kW self-generation and consumption solar power site will be completed in Q2 2026. - Greenhouse gas emissions decreased by 11.0% compared to the baseline year. - Procured 2.515 million kWh of solar green energy, which was wheeled for use on January 1, 2025.
Corresponding Chapters: 3.3 Supply Chain Management, 5.4 Healthy Workplace			

 Community Residents Community residents are APC's closely interacting partners, not only a source of human resources but also supervisors of the company's operational industrial safety and environmental protection.			
Material Topics	APC's Responses (Responsible Unit)	Material Topics	APC's Responses (Responsible Unit)
- Social involvement - Occupational health and safety - Air pollution control - Underground pipeline transportation - Waste management	- Through participation in community activities and visits, establish a good interactive relationship with community residents so they understand the factory's safe operation mechanism. (Human Resources Division / General Affairs Section) - Understand the needs and expectations of community residents through community friendly ball games and charity ball games. (Human Resources Division / General Affairs Section) - The Group formulated the "USI Group Safety Incentive Measures" to achieve the goal of "zero occupational safety disasters." (Industrial Safety Office) - Regularly execute VOCs leak detection through internal and external units to ensure the health and safety of the working environment and community residents. (Environmental Protection Section) - Use the timing of pipeline construction surveys and stationing to explain the current status of pipeline operations and related issues to community residents. (Inspection Section) - Waste treatment methods, regulatory compliance, and regular declaration. (Environmental Protection Section)	- Community neighborhood visits (Irregular) - Participate in community activities (Irregular) - Commission community friendly ball games (At least 1 time/year) - Establish scholarships and promote talent cultivation (1 time/year) - Government agency on-site inspections (Irregular) - Investment in educational activities (Irregular) - Third-party damage prevention (Irregular) - Ministry of Environment Waste Declaration Platform (1 time/month)	- Annual General Shareholders' Meeting held in May - Publish quarterly financial reports and annual reports according to regulations. - Hold Institutional Investor Conferences 4 times - As of 2025, accumulated total safe man-hours without disabling injuries reached 6.82 million hours. 1 new product development; 3 quality improvements. - The establishment of a 494 kW self-generation and consumption solar power site will be completed in Q2 2026. - Greenhouse gas emissions decreased by 11.0% compared to the baseline year. - Procured 2.515 million kWh of solar green energy, which was wheeled for use on January 1, 2025.
Communication Channels (Frequency)	Execution Status	Communication Channels (Frequency)	Execution Status
- Community neighborhood visits (Irregular) - Participate in community activities (Irregular) - Commission community friendly ball games (At least 1 time/year) - Establish scholarships and promote talent cultivation (1 time/year) - Government agency on-site inspections (Irregular) - Investment in educational activities (Irregular) - Third-party damage prevention (Irregular) - Ministry of Environment Waste Declaration Platform (1 time/month)	- Supplier material topics questionnaire survey 1 time - Procurement auxiliary material planning meeting, 1 time - Market research report, 1 time a week - Purchasing personnel visits, 3 times - Process Safety Incident Count (PSIC), 0 - As of 2025, accumulated total safe man-hours without disabling injuries reached 6.82 million hours. - Jumbo bag recycling rate 78.3%	- Community neighborhood visits (Irregular) - Participate in community activities (Irregular) - Commission community friendly ball games (At least 1 time/year) - Establish scholarships and promote talent cultivation (1 time/year) - Government agency on-site inspections (Irregular) - Investment in educational activities (Irregular) - Third-party damage prevention (Irregular) - Ministry of Environment Waste Declaration Platform (1 time/month)	- Annual General Shareholders' Meeting held in May - Publish quarterly financial reports and annual reports according to regulations. - Hold Institutional Investor Conferences 4 times - As of 2025, accumulated total safe man-hours without disabling injuries reached 6.82 million hours. 1 new product development; 3 quality improvements. - The establishment of a 494 kW self-generation and consumption solar power site will be completed in Q2 2026. - Greenhouse gas emissions decreased by 11.0% compared to the baseline year. - Procured 2.515 million kWh of solar green energy, which was wheeled for use on January 1, 2025.
Corresponding Chapters: 2.2 Economic Performance, 4.2 Climate Change and Energy Management, 5.4 Healthy Workplace			

1.4 Materiality Analysis GRI 2-14

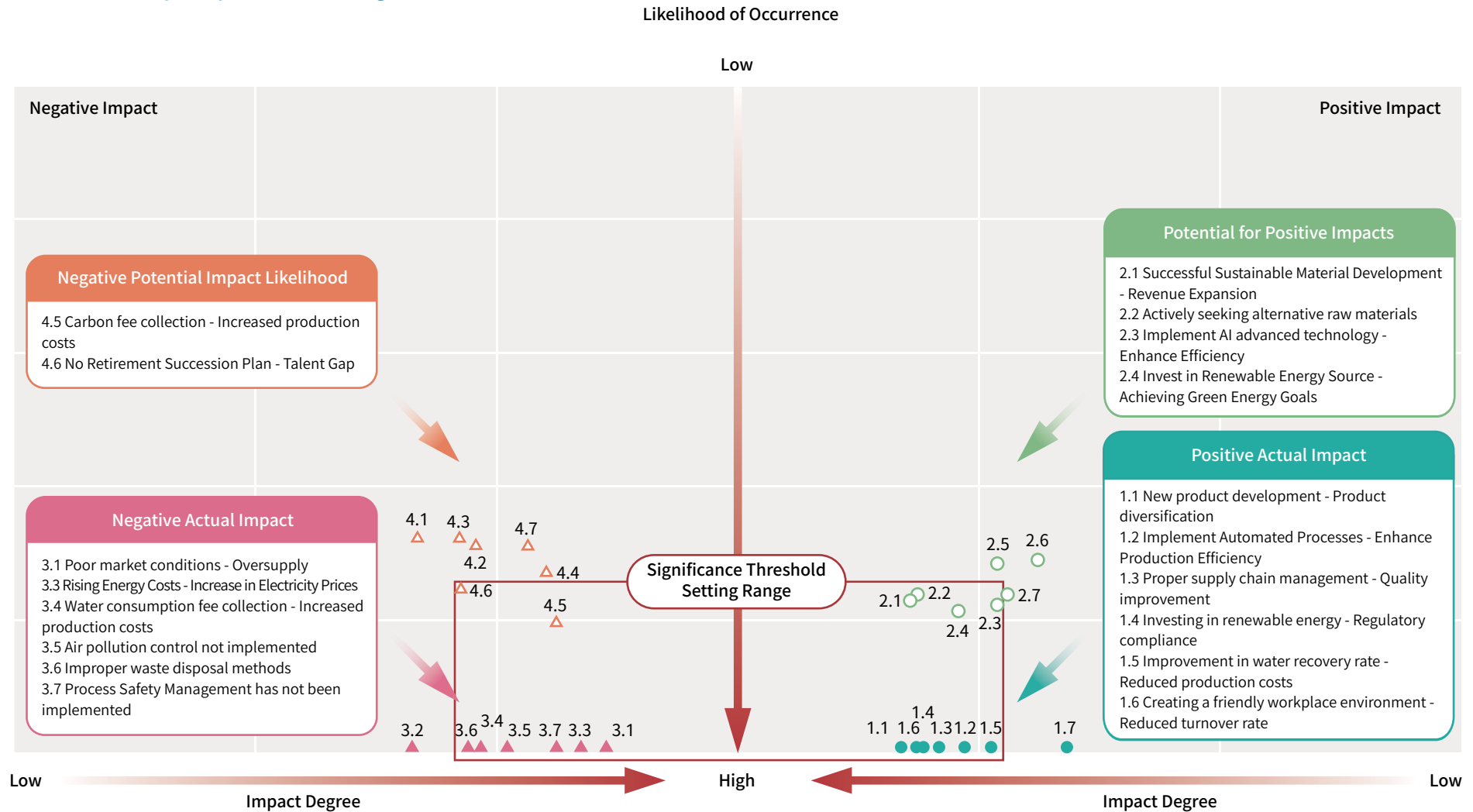
APC follows the materiality identification process of the GRI Standards, establishing three major steps: identification, analysis, and confirmation. Materiality analysis is conducted regularly every two years. In 2024, it was re-evaluated and incorporated double materiality thinking to analyze the sustainability issues' "impact on company operations" and "impact on the economy, environment, and people (including human rights)."

The identification process and results of material topics are discussed by the Group's ESG experts, submitted to the Sustainability Committee for reference, and reported to the Board of Directors to ensure that the direction of sustainable operations and reporting content align with the concerns and expectations of internal and external stakeholders.

Process for Determining Material Issues GRI 3-1



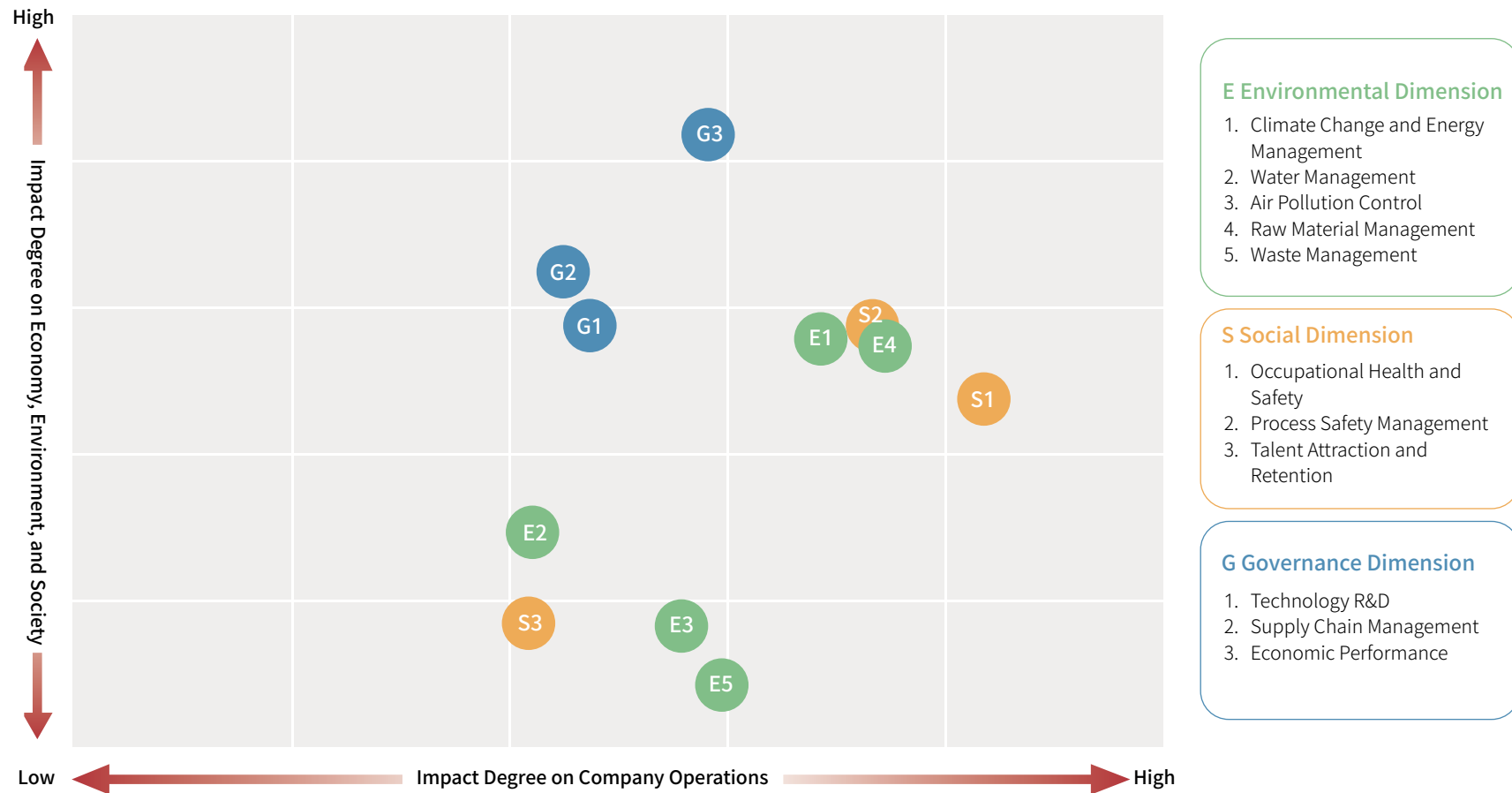
Method of Materiality Analysis (Continued Figure)



Description: 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 Issues

APC categorized the 18 significant issues into environmental, social, and governance dimensions, consolidated them into 11 material issues, and conducted double materiality analysis based on the "impact on company operations" and "impact on the economy, environment, and society". Among them, [Waste Management] is a newly added issue in 2024. The relevant results were submitted to the Sustainability Committee for reference and reported to the Board of Directors. **(Note: APC identifies material issues once every two years. In 2025, it continued to manage and track the 11 material issues from 2024.)**



List of Material Topics GRI 3-2

	18 Significant Topics	11 Material Topics
E Environment 	1 ● Actual positive Invest in renewable energy to meet regulatory requirements	Climate change and energy management (GRI 302: Energy)
	2 ○ Potential positive Invest in renewable energy to achieve green power targets	
	3 ▲ Actual negative High energy costs, electricity rate hikes	
	4 △ Potential negative Carbon fee collection, increased production costs	
	5 ● Actual positive Improvement in water recycling rate - reduce production costs	Water resources management (GRI 303: Water and Effluents)
	6 ▲ Actual negative Water consumption fee collection - increased production costs	
	7 ▲ Actual negative Air pollution control not implemented	Air pollution control (GRI 305: Emissions)
	8 ○ Potential positive Actively seeking alternative raw materials	Raw material management (GRI 301: Materials)
	9 ▲ Actual negative Improper waste treatment methods	Waste management (GRI 306: Waste)
S Social 	10 ● Actual positive Create a friendly workplace environment, reduce turnover rate	Occupational health and safety (GRI 403: Occupational Health and Safety)
	11 ▲ Actual negative Process Safety Management not implemented	Process Safety Management (PSM)
	12 △ Potential negative No retirement succession plan - talent gap	Talent attraction and retention (GRI 401: Employment)
G Governance 	13 ● Actual positive Develop new products, product diversification	Technology R&D
	14 ● Actual positive Introduce automated processes - enhance production efficiency	
	15 ○ Potential positive Successful development of sustainable materials, revenue growth	
	16 ○ Potential positive Introduce advanced AI technology - enhance efficiency	Supply chain management (GRI 308: Supplier Environmental Assessment) (GRI 414: Supplier Social Assessment)
	17 ● Actual positive Proper supply chain management - quality improvement	
	18 ▲ Actual negative Poor market conditions, oversupply	Economic Performance

Description: The 18 significant issues are categorized into environmental, social, and governance dimensions, consolidated into 11 material issues, and mapped to the corresponding GRI material topics.

Material Issues Description

The following explains the importance, impact scope, and degree of involvement of material issues for APC, and sets short, medium, and long-term goals to manage material issues in order to mitigate impact degrees, as detailed in the table:

Dimension	Material Topic	Importance to APC	Corresponding GRI Universal Standards Material Topic	Material Topic Indicator	2025 Short-term Goal (<3 yrs)	2027 Medium-term Goal (3~5 yrs)	2030 Long-term Goal (>5 yrs)	Scope of Impact and Involvement in the Value Chain			Corresponding Chapter
								Stakeholder			
								Upstream	Company Operations	Downstream	
Environment	Climate change and energy management	With extreme weather intensifying year by year, stricter government regulations, and the impact of carbon fee collection, improving energy efficiency and reducing greenhouse gas emissions are issues the company must face.	GRI 302: Energy 2016 GRI 305: Emissions 2016	Energy consumption per unit of product (GJ/metric ton) Greenhouse gas emissions per unit of product (metric tons CO ₂ e/metric ton)	5.77 0.739	5.59 0.730	5.35 0.634	Government agencies	Linyuan Plant	Community residents	4.2 Climate Change and Energy Management
Social	Occupational health and safety	A healthy and safe working environment is the issue most concerned by workers. Implementing safety and health management and providing a healthy and safe working environment for employees and non-employee workers is extremely important.	GRI 403: Occupational Health and Safety 2018	Disabling Injury Frequency Rate (F.R.)	0		Suppliers / Contractors Government agencies	Linyuan Plant	—		5.4 Healthy Workplace
				Disabling Injury Severity Rate (S.R.)	0						
Social	Process Safety Management	Petrochemical plants cannot afford a single process safety incident. The implementation of process safety management systems domestically has become an industry trend. To prevent major incidents with low probability but high hazards, implementing process safety management is crucial to APC.	N.A.	Process Safety Incident Count (PSIC)	0		Suppliers / Contractors Government agencies	Linyuan Plant	Customers Community residents		5.4 Healthy Workplace
				Process Safety Total Incident Rate (PSTIR)	0						
Governance	Technology R&D	New product development and product quality improvement can enhance market competitiveness. Meeting customer needs is the foundation of APC's sustainable development.	N.A.	Number of new product developments or product quality improvements (cases)	≥ 1		Shareholders / Investors	Taipei HQ Linyuan Plant	Customers		3.1 Technology R&D
Environment	Waste management	Circular economy is an environmental issue increasingly valued by enterprises; waste recycling, reuse, and proper treatment can reduce environmental impact.	GRI 306: Waste 2020	Proper waste treatment rate (%)	100		Government agencies	Linyuan Plant	Community residents		4.4 Waste Management
Governance	Supply chain management	Related issues such as sustainable operation and supply chain risk management are gradually being valued. Understanding the impact of suppliers on company operations, society, and the environment, and implementing supplier management are very important to APC.	GRI 308: Supplier Environmental Assessment 2016	Signing achievement rate of existing supplier commitment letters (%)	100		Suppliers / Contractors	Taipei HQ Linyuan Plant	Customers		3.3 Supply Chain Management
				Local procurement rate (%)	≥ 70						
			GRI 414: Supplier Social Assessment 2016	Passing rate of supplier and contractor evaluations (%)	Suppliers: ≥ 90 Contractors: ≥ 90						
Social	Talent attraction and retention	Employees are the company's important assets. Through appropriate compensation and a sound welfare system, we provide a safe working environment to attract and retain outstanding talents.	GRI 401: Employment 2016	Full-time employee turnover rate (%)	< 5.0		—	Taipei HQ Linyuan Plant	—		5.1 Talent Recruitment 5.2 Talent Development

Dimension	Material Topic	Importance to APC	Corresponding GRI Universal Standards Material Topic	Material Topic Indicator	2025 Short-term Goal (<3 yrs)	2027 Medium-term Goal (3~5 yrs)	2030 Long-term Goal (>5 yrs)	Scope of Impact and Involvement in the Value Chain			Corresponding Chapter
								Stakeholder			
								Upstream	Company Operations	Downstream	
Governance	Economic Performance	Operational growth is a prerequisite for corporate survival, so economic performance is the primary issue for sustainable development.	GRI 201: Economic Performance 2016	Energy consumption per unit of product (GJ/metric ton)	> 0			● Shareholders / Investors	● Taipei HQ ● Linyuan Plant	—	2.2 Economic Performance
				Return on equity (%)	> 0						
				Annual total production achievement rate (%)	> 95						
Environment	Water resources management	In recent years, due to abnormal climate caused by global warming, domestic water shortages have been severe. When the government implements phased water rationing, it will affect production line operations.	GRI 303: Water and Effluents 2018	Water intensity (M³/metric ton)	4.0	3.9	3.8	○ Suppliers / Contractors	● Linyuan Plant	○ Customers	4.1 Resource Management
				Water recycling rate (R2) (%)	95	96	97				
	Air pollution control	Exceeding air pollutant emission standards not only violates environmental protection regulatory requirements but also affects the air quality of the living environment.	GRI 305: Emissions 2016	Air pollutant emissions per unit of product (kg/metric ton)	NOx : <0.0418	NOx : <0.0376	NOx : <0.0376	—	● Linyuan Plant	○ Community residents	4.3 Emission Management
					SOx : <0.0458	SOx : <0.0412	SOx : <0.0412				
					VOCs : <0.2214	VOCs : <0.1993	VOCs : <0.1993				
	Raw material management	Improving raw material use efficiency and reducing production costs are manifestations of corporate economic performance.	GRI 301: Materials 2016	Jumbo bag recycling rate (%)	>78			○ Suppliers / Contractors	● Linyuan Plant	—	4.1 Resource Management

Note: Restatement of information: **GRI 2-4**

1. The short, medium, and long-term management targets for "Energy consumption per unit product (GJ/tonne)" under [Climate Change and Energy Management] have been adjusted to comply with the Energy Administration's requirement of a 1.5% annual average electricity saving rate.
2. For "Energy consumption per unit product (GJ/tonne)" under [Climate Change and Energy Management], the total production capacity used for setting targets was originally based on the 3-year average capacity (131,155 tonnes) but has been changed to the long-term management target capacity of 135,000 tonnes.