CH2 Operational Governance

2.1 Corporate Governance (GRI 2-9、2-10、2-11、2-12、2-13、2-14、2-15、2-16、2-17、2-18、2-20、2-21)

2.2 Economic Performance (GRI 3-3、201-1、201-4)

2.3 Risk Management (GRI 2-25、2-26、2-27、3-3)

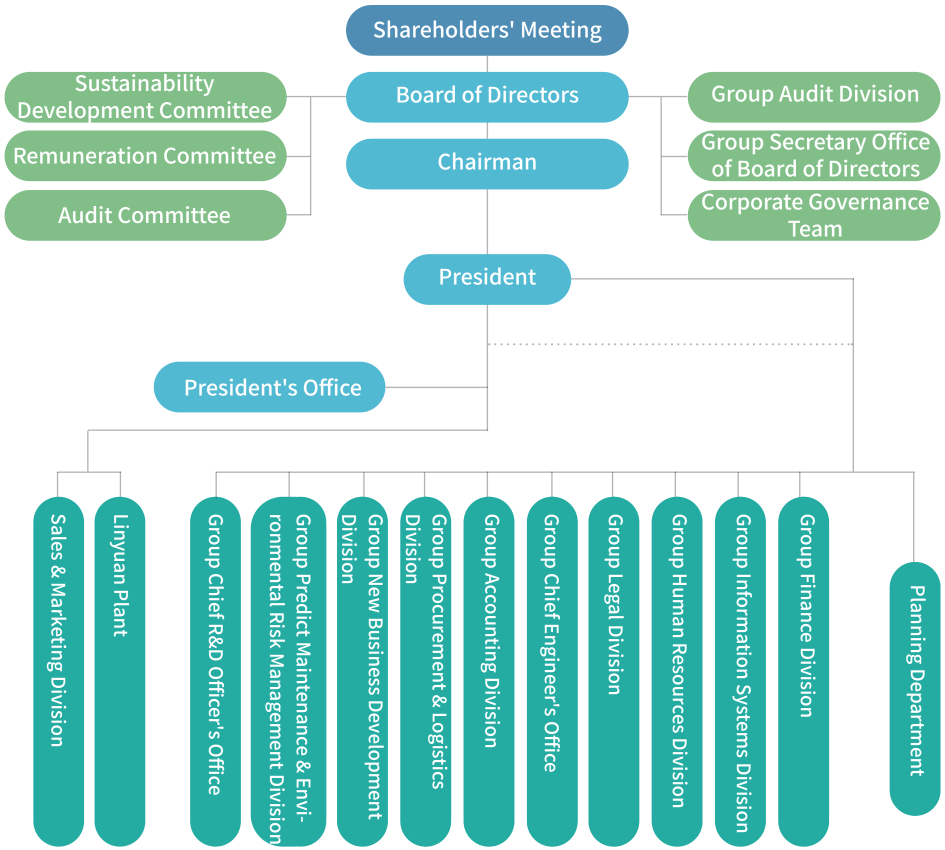
Material Issue	SDGs Corresponding Goals
Economic	8

Performance Highlights

- Corporate Sustainability Report Awards at the 18th Taiwan Corporate Sustainability Awards (TCSA) in 2025: "Platinum Award - Traditional Manufacturing Industries"
- Comprehensive Performance Category at the 18th Taiwan Corporate Sustainability Awards (TCSA) in 2025: "Taiwan Top 100 Sustainable Enterprises Award"
- The 12th Corporate Governance Evaluation ranked in the top 6~20% of all listed companies (and top 5% of listed/OTC companies in the NT$ 5~10 billion market value category).
- Annual total sales volume was 134,670 tonnes, a YoY increase of 1.3%.
- The Kaohsiung Port Intercontinental Terminal Phase II storage and transportation investment plan officially commenced operations.

2.1 Corporate Governance

Governance Structure GRI 2-9



Note: Common departments such as the Procurement & Logistics Division, Accounting Division, Finance Division, Information Technology Division, and Human Resources Division belong to the organizational structure of the USIG. Each department has dedicated personnel responsible for APC's business.

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

The Board of Directors is the Company's highest governance body. The Company strictly requires Board members to comply with laws and regulations, taking lawful action as the highest operational standard.

The election of the Company's directors (including independent directors) adopts a candidate nomination system. Shareholders holding 1% or more of the total issued shares and the Board of Directors may propose a roster of director candidates. After the Board approves that they meet the required qualifications for directors, the roster is proposed to the shareholders' meeting, where shareholders elect directors from the candidate list.

The current Board of Directors, elected in 2025, is composed of 9 directors with extensive experience in professional fields. Four independent directors are appointed within the director quota, bringing the ratio of independent directors on the Board to 44%. The term of office for the Company's directors is three years, and they are eligible for re-election. (Procedures for Election of Directors)

For information on Board members, please refer to the table below.

Current Term	May 28, 2025 to May 27, 2028
Members	Directors: Quintin Wu (Chairman), Wu, Pei-Chi (President), Li, Guo-Hong, Pi, Shu-Chien, Wu, Hong-Tai Independent Directors: Shen, Shang-Hung, Chang, Lee-Chiou, Zheng, Dun-Qian, Chen, Chien-Ping
Gender of Members	8 Males, 1 Female
Age of Members	41-50: 1 person, 51-60: 1 person, 61-70: 4 persons, 71-80: 2 persons, Above 80: 1 person

The Company convened 6 Board meetings in 2025, with an in-person attendance rate of 92.59% for all directors (including independent directors) (and 100% if attendance by proxy is included). The Board of Directors is led by the Chairman. For detailed operations, please refer to page 21 of the 2025 Annual Report and the Board of Directors information on the Company's official website.

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.

Board Proposal Submission Process GRI 2-12、2-16

Proposals are submitted by the responsible business units to various functional committees for reporting, discussion, and resolution, before being forwarded to the Board of Directors for reporting, discussion, and final resolution. After the meetings, the respective functional committees and the Board's administrative unit prepare the meeting minutes based on the resolutions. The board proposal submission process is as follows:

1 Responsible Business Unit

Submit Proposals

2 Functional Committees

Convene meetings within their respective scopes of authority to report, discuss, and resolve proposals, and prepare meeting minutes for the resolutions.

3 Submit to the Board of Directors

Report, discuss, and resolve proposals, and prepare meeting minutes for the final resolutions.

Important Board resolutions of 2025 (Please refer to the Important Resolutions of the Board of Directors on our company's website or the Pages 116~118 of the 2025 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.

Implementation Status of the Board Diversity Policy

I. Board Diversity Policy GRI 2-10

According to Article 20 of the Company's "Corporate Governance Best Practice Principles ," the composition of the Board of Directors should consider diversity and possess the knowledge, skills, and literacy necessary to perform their duties.

To achieve the ideal goals of corporate governance, the Board as a whole should possess the following abilities:

- Operational Judgment Ability
- Industry Knowledge
- Accounting and Financial Analysis Ability
- Global Market Perspective
- Management and Administrative Ability
- Leadership Ability
- Crisis Management Ability
- Decision-making Ability

In addition to the eight abilities required above, considering the growing global emphasis on corporate governance and environmental protection issues, board diversity ideally aims to incorporate professional competencies in "Law" and "Environmental Protection." Current members all possess the knowledge, skills, and literacy necessary to perform their duties, and individually hold expertise in accounting and finance, global markets, law, and environmental protection.

II. Specific Management Objectives for Board Diversity GRI 2-17

The Company's Board currently has 1 female director seat, which has not yet reached 1/3 of the total seats. The main reason is that due to industry characteristics, women with profound industry experience are relatively scarce, making it temporarily impossible to meet the 1/3 board seat standard in the short term. In the future, compliant female director seats will be added according to legal regulations. When selecting director candidates, suitable talents from different fields will be comprehensively considered to achieve the goal of board diversity. Additionally, to respond to the growing global trend of corporate sustainable development, the Company intends to increase the number of board members well-versed in related fields to enhance the Company's sustainable competitiveness and further perfect board functions. (Performance of the Board Member Diversity Policy: Pages 36-39 of the 2025 Annual Report and the Company's official website).

III. Implementation Status of Board Diversity Policy GRI 2-17

Please refer to the table below for the diversity of Board members, among whom Director Pi, Shu-Chien is female:

Director Name	Gender	Operational Judgment	Accounting & Finance	Business Management	Crisis Management	Industry Knowledge	International Market	Leadership	Decision-making Ability	Law	Environmental Protection
Quintin Wu	Male	✔	✔	✔	✔	✔	✔	✔	✔		
Wu ,Pei-Chi	Male	✔		✔	✔	✔	✔	✔	✔		
Li, Guo-Hong	Male	✔	✔	✔	✔	✔	✔	✔	✔		✔
Pi, Shu-Chien	Female	✔	✔	✔	✔	✔	✔	✔	✔		
Wu, Hong-Tai	Male	✔		✔	✔			✔	✔		
Shen ,Shang-Hong	Male	✔	✔	✔	✔		✔	✔	✔		✔
Chang, Lee-Chio	Male	✔	✔	✔	✔			✔	✔		
Zheng ,Dun-Qian	Male	✔	✔	✔	✔		✔	✔	✔		
Chen Chien-Ping	Male	✔	✔	✔	✔			✔	✔		

Note: Directors with employee status account for 22% of the Company's Board members, and independent directors account for 44%.

Enhancing the Professional Competencies of Directors GRI 2-17

To enhance the professional competencies of directors (including independent directors), the Company regularly provides information on relevant continuing education courses to directors and assists them in their continuous learning. A total of 6 hours of internal training courses were planned. On July 29, 2025, Professor Chen-Fu Chien, Vice President of National Tsing Hua University and General Manager of Zhen Ding Tech. Group, was arranged to deliver a 3-hour lecture on "Industrial Empirical Study of Smart Manufacturing and Digital Decision-making"; and on October 16, 2025, Wang, Jiann-Chyuan, Vice President of the Chung-Hua Institution for Economic Research, was arranged to deliver a 3-hour training course on "US-China Economy and Taiwan Industry Outlook after the US Presidential Election". To enhance the professional competencies of directors, the Company annually arranges various training courses and hours for them. In 2025, internal training courses totaled 6 hours, and the total hours of internal and external training courses were 63 hours, with courses related to sustainable development accounting for more than 76.19% (48 hours in total). After the comprehensive re-election in 2025, the training content and hours of the newly elected directors all complied with the provisions of Article 14, Paragraph 3 of the "Taiwan Stock Exchange Corporation Directions for the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers" and the ""Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies " . For details on training courses and hours, please refer to pages 25-27 of the 2025 Annual Report.

▲ 3-hour training course on "Industrial Empirical Study of Smart Manufacturing and Digital Decision-making"

▲ 3-hour training course on "US-China Economy and Taiwan Industry Outlook after the US Presidential Election"

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

APC attaches great importance to corporate governance. To ensure the independence and objectivity of the Board's decision-making, a comprehensive conflict of interest avoidance mechanism has been established as described below:

1. System regulations: APC has formulated the Rules of Procedure for Board of Directors Meetings, Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, explicitly stipulating the avoidance measures that directors should take when facing conflicts of interest.
2. Meeting procedures: When discussing proposals involving a director's conflict of interest, the Board of Directors will strictly execute the recusal procedure in accordance with Paragraph 1, Article 16 of the Rules of Procedure for Board of Directors Meetings. The meeting chairperson will remind the relevant director to leave the meeting, and if the chairperson has a conflict of interest, another director will be designated to act as the chairperson.
3. Information disclosure: The Board of Directors' secretarial department will record in detail the directors' recusal situations in each meeting and incorporate relevant information into the meeting minutes.
4. Annual report: APC has legally completed the board's conflict of interest avoidance procedure; please refer to the company's annual report under "Board of Directors' Operations" for details. For the response content regarding conflicts of interest between board members and stakeholders, please refer to "Information on Board Members" and "Top Ten Shareholders by Shareholding Ratio" in the 2025 Annual Report, as well as "Related Party Transactions" in the 2025 Financial Report.
5. Continuous improvement: APC will continue to review and refine the conflict of interest avoidance mechanism to ensure the transparency and fairness of corporate governance.

The Board of Directors' execution of recusals from proposals involving conflicts of interest in 2025 is as follows:

Director Name	Proposal Content	Reason for Conflict of Interest Avoidance	Participation in Voting	Remarks
Quintin Wu Wu, Pei-Chi	Donation to the "USI Education Foundation"	The recused directors have a conflict of interest as they serve as directors of the Foundation	Did not participate in voting	1st meeting of 2025 March 5, 2025
Chang, Lee-Chiou Shen, Shang-Hong Zheng ,Dun-Qian	Appointment of three independent directors, Li-Chiu Chang, Shen, Shang-Hung, and Cheng, Tun-Chien, as members of the company's Remuneration Committee	Conflict of interest with the directors themselves	Did not participate in voting	4th meeting of 2025 June 2, 2025
Zheng, Dun-Qian Shen, Shang-Hong Chen, Chien-Ping	Appointment of three independent directors, Cheng, Tun-Chien, Shen, Shang-Hung, and Chen, Chien-Ping , as members of the company's Sustainable Development Committee	Conflict of interest with the directors themselves	Did not participate in voting	4th meeting of 2025 June 2, 2025

Execution Status of Performance Evaluation of the Board of Directors and Functional Committees GRI 2-18

To continuously strengthen the operational efficiency and function of the Board of Directors, APC revised the "Board of Directors Performance Evaluation Regulations" in 2025, stipulating that a board performance evaluation should be executed by an external professional independent institution or expert team every three years. APC immediately commissioned the "Taiwan Association for Business Integrity" to conduct the 2025 external evaluation of the Board's performance, and reported the evaluation results to the Board in November of the same year. Based on the evaluation recommendations, APC has planned improvement measures to refine the quality of Board decision-making, enhance the company's overall operational resilience and risk response capabilities, and is committed to promoting long-term stable operations and sustainable development.

In addition to regular external evaluations, APC conducts internal self-assessments annually for the overall Board of Directors, individual board members, and functional committees. The 2025 internal performance evaluation was completed in early 2026. After self-assessment by board members, the results showed that the Board operates well, and its operational efficiency is highly recognized. The evaluation results confirmed that the Board's operations exhibit high efficiency. In the future, this will continue to serve as the foundation to pursue higher benchmarks in corporate governance performance.

The external board performance evaluation process includes: (1) Planning and commissioning, (2) Data preparation and questionnaire completion, (3) Document review, (4) Interview and verification, and (5) Report compilation and feedback for refinement. For the Board of Directors Performance Evaluation Regulations, please refer to the company website (Board of Directors Performance Evaluation Regulations); for the complete operational process, explanations, evaluation execution status, and evaluation results, please refer to the company website (Board of Directors Performance Evaluation).

The overall results of the 2025 internal self-assessment performance for the overall Board of Directors, individual board members, and functional committees are as follows:

1 Overall Board of Directors Performance

Evaluation Aspects	Score (Note)	Results and Explanations
Degree of participation in company operations	4.67	The overall Board of Directors evaluation results show that the average score of all five aspects is above 4.6, indicating good evaluation results.
Improvement of board decision-making quality	5	
Board composition and structure	5	
Election and continuing education of directors	5	
Internal control	5	

2 Board Member Performance

Evaluation Aspects	Score (Note)	Results and Explanations
Mastery of company goals and missions	4.93	The directors' self-assessment results show that the average score of all six aspects is above 4.8, indicating good overall evaluation results.
Cognition of director responsibilities	4.95	
Degree of participation in company operations	4.81	
Internal relationship management and communication	4.89	
Professionalism and continuing education of directors	4.93	
Internal control	4.93	

Remarks:

· Evaluation scores range from 0 to 5 points, with a perfect score of 5. The evaluation period is from January 1, 2025, to December 31, 2025.

· The performance evaluation results of the overall Board of Directors, individual board members, and functional committees were reported to the Board of Directors in the first quarter of 2026.

3 Audit Committee Performance

Evaluation Aspects	Score (Note)	Results and Explanations
Degree of participation in the Audit Committee	4.88	The Audit Committee's self-assessment results show that the average score of all five aspects is above 4.8, indicating good evaluation results.
Cognition of Audit Committee responsibilities	4.88	
Improvement of Audit Committee decision-making quality	5	
Audit Committee composition and member election	5	
Internal control	5	

4 Remuneration Committee Performance

Evaluation Aspects	Score (Note)	Results and Explanations
Degree of participation in the Remuneration Committee	4.83	The Remuneration Committee's self-assessment results show that the average score of all four aspects is above 4.8, indicating good evaluation results.
Cognition of Remuneration Committee responsibilities	5	
Improvement of Remuneration Committee decision-making quality	5	
Remuneration Committee composition and member election	5	

5 Sustainable Development Committee Performance

Evaluation Aspects	Score (Note)	Results and Explanations
Degree of participation in the functional committee	4.8	The Sustainable Development Committee's self-assessment results show that the average score of all four aspects is above 4.8, indicating good evaluation results.
Cognition of Sustainable Development Committee responsibilities	5	
Improvement of Sustainable Development Committee decision-making quality	5	
Sustainable Development Committee composition and member election	5	

Corporate Governance Officer

To protect shareholders' rights and strengthen board functions, through a resolution passed by the Board of Directors on May 9, 2019, APC appointed Yung-Chih Chen, Head of the Legal Department, to concurrently serve as the Corporate Governance Officer, acting as the highest-ranking executive responsible for corporate governance-related affairs. Director Yung-Chih Chen has over 20 years of experience as a practicing lawyer and over 10 years as the legal head of a listed company; his main responsibilities include legally handling matters related to board and shareholders' meetings, preparing meeting minutes, assisting directors in taking office and continuing education, providing data required for directors to execute their duties, assisting directors in regulatory compliance, reporting to the Board the review results of whether independent directors meet the qualifications under relevant laws and regulations during nomination, election, and tenure, and handling matters related to director changes. In 2025, Chief Corporate Governance Officer Chen, Yung-Chih completed 50 hours of continuing education. Please refer to Page 26 of the 2025 Annual Report. or the company website (Corporate Governance).

Functional Committees GRI 2-9、2-13

Under the Board of Directors, APC has established three functional committees based on functions: the Audit Committee, the Remuneration Committee, and the Sustainable Development Committee, which are responsible for formulating and reviewing policies related to their respective areas of responsibility to strengthen corporate governance.

Title	Name	Audit Committee	Remuneration Committee	ESG Committee
Chairman	Quintin Wu	---	---	Committee Member
Director and General Manager	Wu,Pei-Chi	---	---	Deputy Chief
Independent Director	Shen ,Shang-Hong	Convener	Committee Member	Committee Member
Independent Director	Chang, Lee-Chiou	Committee Member	Convener	--
Independent Director	Zheng, Dun-Qian	Committee Member	Committee Member	Committee Chief
Independent Director	Chen, Chien-Ping	Committee Member	---	Committee Member

Audit Committee

The current term is from February 28, 2025, to May 27, 2028. There is a total of 4 members, consisting of all independent directors of the company. A total of 4 meetings were held in 2025, with an in-person attendance rate of 94% (100% including proxy attendance). For detailed operations of the Audit Committee, please refer to pages 28-32 of APC's 2025 Annual Report.

Remuneration Committee

1 The current term is from June 2, 2025, to May 27, 2028. There is a total of 3 members, all of whom are independent directors of the company.

2 The Committee holds at least 2 meetings annually. In 2025, a total of 3 meetings were held, with an in-person attendance rate of 89%.

3 For the operational status of the Committee, please refer to the Remuneration Committee section on the company website, pages 58-60 of the Annual Report, or link to the Market Observation Post System for inquiries.

4 The Committee regularly reviews (1) the policies, systems, standards, and structures of remuneration for directors and managers, and (2) performance evaluations. It sets and evaluates the remuneration of directors and managers by referencing the median industry payout levels, personal time invested, assigned responsibilities, personal goal achievement, remuneration for comparable positions, achievement of the company's short-term and long-term business goals, financial status, and other factors, which are then approved by the Board of Directors. GRI 2-20

For the remuneration of directors and senior management, please refer to pages 13-17 of APC's 2025 Annual Report.

- Remuneration: Director remuneration items include compensation, director remuneration, and business execution expenses. Managerial remuneration items include monthly salary, fixed bonuses, year-end bonuses, employee compensation, annual special bonuses, legally allocated pensions, and welfare funds, among which director and employee compensation are processed in accordance with Article 18 of the Company's Articles of Incorporation. GRI 2-21
- 2025 Total Compensation Ratio: 4.07:1, Total Compensation Percentage Increase Ratio: 87.73%
- Performance Evaluation:

(1) The aspects of director performance evaluation cover mastery of company goals and missions, cognition of responsibilities, degree of participation in company operations, internal relationship management and communication, professionalism and continuing education, and internal control. There is also a separate performance evaluation for the Sustainable Development 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) For indicators related to sustainability performance links, the General Manager must plan at least a 40% weight, which should also include at least 15% for climate-related items. Other senior managers should plan relevant sustainability performance indicators with a weight of no less than 5%.

Evaluation Subject	Performance Indicators	Execution Method (Weight)
General Manager	Financial Performance (30%)	—
	Market and Customers (30%)	—
	Sustainable Development Performance (40%)	Talent Cultivation Plan (15%) Energy Saving and Carbon Reduction Effectiveness (15%) Occupational Health and Safety (10%)
Senior Management	Sustainable Development Performance (30%)	Talent Cultivation Plan (10%) Sustainable Value Chain Integration (20%)

Note 1: Total Compensation Ratio: Annual total compensation for the organization's highest-paid individual / median annual total compensation for all employees (excluding the highest-paid individual).
Note 2: Total Compensation Percentage Increase Ratio: Percentage increase in annual total compensation for the organization's highest-paid individual / median percentage increase in annual total compensation for all employees (excluding the highest-paid individual).

ESG Committee GRI 2-13、2-14

- The current term is from June 2, 2025, to May 27, 2028. Committee members include the Chairman, General Manager, Independent Director Zheng ,Dun-Qian, Independent Director Shen ,Shang-Hong, and Independent Director Chen ,Chien-Ping, totaling 5 persons.
- Committee members possess professional knowledge and capabilities in corporate sustainability; please refer to the "Sustainable Development Committee Professional Background and Diversity Overview."
- Under the Committee, a project secretary and three working groups are established: Corporate Governance, Environmental Protection, and Social Relations.
- The Sustainable Development Committee meets at least twice a year.
- In 2025, a total of 2 meetings were held with an in-person attendance rate of 89%, and the meeting results were submitted to the Board of Directors.
- For the Committee's authority and detailed operational status, please refer to the APC ESG webpage and page 94 of the 2025 Annual Report.

  The organizational structure, grouping, and responsibilities of the Sustainable Development Committee are as shown in the figure:

Board of Directors

Chairman, Directors

Sustainable Development Committee

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

Responsibilities

- Determine sustainable development policies
- Determine sustainable development strategic planning, annual plans, and project plans
- Supervise the implementation of sustainable development strategic planning, annual plans, and project plans, and evaluate their execution
- Review and approve the Sustainability Report
- Report annual sustainable development execution results to the Board of Directors every year
- Other matters instructed by the Board of Directors resolutions to be handled by the Committee

Project Secretary

Responsibilities

- Coordinate the formulation of sustainable development policies and goals
- Track the progress of action plans and performance improvements

Corporate Governance Group

Members: Board Secretariat Office, Material Division, HR Division, Information Division, Auditing Division, Planning Department, Finance Division, Accounting Division, Sales Division

Responsibilities:

- Collect data on economic issues such as corporate governance and supply chain management
- Propose topics of concern regarding sustainable operations for discussion and approval by the Sustainable Development Committee
- Compile data on corporate governance and economic aspects for the Sustainability Report

Environmental Protection Team

Members: Technology Department, Cost Section, Manufacturing Department, Engineering Department, Industrial Safety Office, Environmental protection Section

Responsibilities:

- The Energy Management Department of Equipment Preventive Maintenance and Environmental Risk Control Division integrates data on environmental protection, energy saving, carbon reduction, green products, and related issues
- Propose topics of concern regarding environmental protection for discussion and approval by the Sustainable Development Committee
- Compile data on the environmental protection aspect for the ESG Report

Social Relations Team

Members: 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

Report on 2025 Annual Execution Results to the Board of Directors

Promoted various corporate energy saving and carbon reduction schemes; greenhouse gas emissions per unit of product in 2025 were 0.73 metric tons CO_2e/metric ton, a YoY decrease of 5.19%.

1. Results of the energy saving and carbon reduction scheme: Power savings: 9,736 GJ, steam savings: 1,738 GJ, carbon reduction: 1,391 metric tons CO_2e.
2. Waste intensity: 0.0029 metric tons/metric ton; water intensity: 3.78 M^3/metric ton, maintaining optimal levels and complying with management goals.
3. Established 494 kW solar power equipment for self-generation and self-use and procured 2.515 million kWh of solar green power, meeting the requirement of using green power for 10% of the contracted capacity.
4. Annual average power saving rate was 1.91%, complying with the Energy Administration's requirement of 1.5% annual power savings.
5. Implemented the occupational safety and health goal of "zero industrial accidents"; the accumulated zero disabling injury hours reached 6.82 million hours, with the record continually being maintained.
6. Donated NT$3 million to the USI Education Foundation for caring for the disadvantaged, rural education, assisting community development, and supporting domestic cultural development.
7. Passed the OSHA "Occupational Safety and Health Management System Performance Review", valid from November 12, 2024, to November 12, 2027.
8. Donated children's fire suits to the Linyuan Fire Branch of Kaohsiung City for educational and promotional purposes.
9. Obtained Healthy Workplace Certification and Health Promotion Badge, valid for 3 years.
10. Sustainability activities and awards:
    - (1) Honored with the Platinum Award - "Traditional Manufacturing Industries" of Corporate Sustainability Report Awards at the 18th Taiwan Corporate Sustainability Awards (TCSA) and "Taiwan Top 100 Sustainable Enterprises Award" of comprehensive performance categories at the 18th Taiwan Corporate Sustainability Awards (TCSA)
    - (2) Ranked top 6~20% at the 12th 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) Selected by Common Wealth Magazine as an outstanding enterprise that "complies with the active temperature rise control target of 1.5° C of the Paris Agreement."
    - (6) Participated in the 3rd Green Sustainability Results Presentation hosted by SGS and won two awards for "Circular Economy" and "Carbon Management."

2026 Work Plan

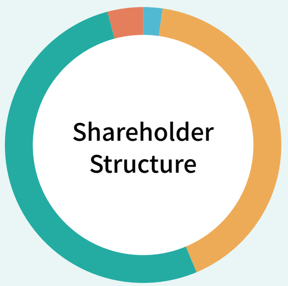
1. Continuously promote various corporate energy saving and carbon reduction schemes.
2. Continuously participate in sustainability-related rating activities.
3. Continuously participate in social welfare activities.
4. Publish the Chinese version of the 2025 Sustainability Report in August.
5. Publish the Chinese version of the TCFD Report in August.
6. Publish the English version of the 2025 Sustainability Report in September.
7. Participate in the group's operations regarding the adoption of IFRS Sustainability Disclosure Standards.
8. Promote internal control-related operations for sustainability information.

Shareholders' Equity and Information Transparency

As of March 30, 2026, APC's shareholder structure primarily consists of individuals and other institutional investors. For the shareholder structure and the list of major shareholders (Note), please refer to the Shareholder Structure section on the company website.

Note: Shareholders holding 5% or more of the equity or those ranking among the top ten shareholders by shareholding ratio.

APC is committed to providing shareholders with transparent and real-time corporate information. We regularly hold institutional investors' conferences and shareholders' meetings annually, publish annual reports and sustainability reports, and simultaneously post operating performance, financial information, and material information on the Taiwan Stock Exchange's "Market Observation Post System." We have also established bilingual "Investor Services" webpages in Chinese and English to immediately disclose related information such as corporate governance status, business announcements, financial statements, institutional investors' conferences, and group news. We continuously collect shareholder feedback to return to the management team as a reference for decision-making. Furthermore, APC values the rights of foreign investors and the trend of corporate internationalization. Since 2018, we have strengthened the disclosure of various English information through channels such as annual reports, the Market Observation Post System, and the company website, actively establishing good two-way communication channels with shareholders through various means to implement the protection of shareholders' equity.



- Other institutional investors, 41.07%
- Individuals, 52.67%
- Foreign institutions and individuals, 4.01%
- Financial institutions, 2.25%
- Government agencies, 0%

Intellectual Property Rights Management

On August 12, 2020, APC formulated an intellectual property rights management plan to manage trade secrets involved in production operations, as well as intellectual property such as R&D results and works generated during the R&D process, thereby strengthening the company's industrial competitive advantages. We report the execution results for the year to the Board of Directors at least once annually.

On November 7, 2025, the sixth Board of Directors meeting reported on the "Intellectual Property Management Actions and Annual Execution Status" to implement the company's intellectual property management policy. Please refer to pages 157-159 of APC's 2025 Annual Report.

Patent Management

1 Innovative Patent Invention Application Platform

The "Innovative Patent Invention Application Platform" was established to accurately record and store innovative ideas and experimental results during the R&D process. Once results are produced, they are submitted to relevant supervisors for review, and the Chief R&D Officer finally decides whether to file a patent application.

2025 execution performance: 0 patent applications filed.

2 Trademark Management

For trademarks currently applied for by the company, if a trademark rights dispute arises, it indicates that our trademark rights have been illegally infringed or subjected to opposition, invalidation, or revocation procedures by others. In severe cases, this will affect company sales and revenues. In addition to re-evaluating whether the current management of the trademark application process is appropriate, there must be corresponding measures for trademark maintenance and when trademark disputes occur.

Current number of trademarks obtained: 3 Taiwan trademarks (including 1 ISO 14021 PIR Green Mark) and 4 Mainland China trademarks.

No trademark rights disputes occurred in 2025.

2.2 Economic Performance

Material Issue: Economic Performance, Corresponding Sustainability Principle: Innovative Technology

GRI 2-25、3-3

Management Approach and Elements

Importance to APC

Steady growth in financial performance is the foundation for corporate sustainable development, and the Company's operational performance is closely related to investors' willingness to invest and employee benefits.

Management Practices and Objectives

Continuous product research and development, innovation, and market expansion enhance product competitiveness and operational performance, maintaining the Company's continuous growth and corporate sustainable development.

Strategy

- Product research, development, and innovation
- Strengthen market expansion
- Enhance brand awareness or brand value

Management Impact

Positive / Negative Impact Items

- Earnings Per Share (EPS) > 0
- Return on Equity (ROE) > 0
- Annual total production volume achievement rate ≧ 95%

Negative Remediation and Preventive Measures

- Development of recycled material products
- Development of wire and cable material products
- Propose voluntary reduction plans to reduce carbon fee collection
- Introduce Artificial Intelligence (AI) control in processes to reduce costs and improve efficiency
- Adjust production products in coordination with production and sales

Management Approach Objective Execution Performance

2025 Targets

- Earnings Per Share (EPS) > 0
- Return on Equity (ROE) > 0
- Annual total production volume achievement rate ≧ 95%
- Kaohsiung Intercontinental Container Terminal (ICT) Phase 2 ethylene storage tank construction project

2025 Execution Performance

- Loss Per Share of NT$1.76 (✕)
- Return on Equity (ROE) -9.62% (✕)
- Annual total production volume achievement rate 103.4% (✓)
- Kaohsiung Intercontinental Container Terminal (ICT) Phase 2 ethylene storage tank project was completed in Q3 2025 (✓)

Improvement / Optimization of Unmet Target Items

- Continue to develop high-profit and high-quality products
- Strengthen equipment maintenance to reduce the number of shutdowns
- Implement energy saving and carbon reduction to reduce carbon fee expenditures
- Strengthen management to avoid fine expenditures
- Grasp market condition information and adjust strategies at any time

Short-term (< 3 years) Targets

- Earnings Per Share (EPS) > 0
- Return on Equity (ROE) > 0
- Annual total production volume achievement rate ≧ 95%

Mid-to-Long-term (≧ 3 years) Target Planning

- Earnings Per Share (EPS) > 0
- Return on Equity (ROE) > 0
- Annual total production volume achievement rate ≧ 95%
- Integrate products and production lines of USI, APC, and Gulei to enhance market influence

Evaluation of Management Approach

Effectiveness Evaluation

- Company financial reports, annual reports, and sustainability reports
- Corporate Governance Evaluation

Grievance Mechanism

- "Investor Services" mailbox on the Company website
- Institutional investor conferences and shareholders' meetings

Adjustment of Management Approach

Review through relevant meetings such as management meetings, production and sales meetings, and development quality meetings, and adjust the market development direction in a timely manner.

Financial Performance GRI 201-1

Regarding the consolidated operational status for the year, early in the year, strong photovoltaic demand drove EVA market prices to rebound from the bottom in the first quarter. In early April, the US suddenly announced equivalent tariff policies, causing the downstream supply chains for shoe materials and photovoltaics to stall and adopt a wait-and-see attitude. Additionally, mainland China added two new production lines of 200,000 metric tons each in the first half of the year, exacerbating the pressure of EVA oversupply.

In early June, the outbreak of the Israel-Iran conflict led downstream customers to actively replenish inventory out of fear that oil and petrochemical product prices might rise consequently. This halted the decline in EVA prices. In early August, photovoltaic demand regained its vigor, and EVA prices rebounded once again. However, by the fourth quarter, prices faced pressure again due to new production capacities coming online in South Korea and mainland China.

In contrast, for coating grade LDPE, market rumors early in the year suggested that Yanshan Petrochemical, a major supplier in mainland China, would not restart after maintenance in late May. Driven by speculation, the market price of coating grade LDPE in mainland China surged to around US$1,400/metric ton. Although it fell along with EVA and other petrochemical products in the second quarter, relatively limited supply helped the market price generally stabilize between US$1,100 and US$1,200/metric ton for most of the time after the second quarter.

Given that mainland China significantly expanded EVA production capacity, while new capacity targeting coating grade LDPE as the product was relatively scarce, the company also gradually shifted some production capacity to increase applications in coating grade and microfiber markets to mitigate the impact of the newly added EVA capacity. Upon settlement, the total annual sales volume of LDPE/EVA increased by 1.3% compared to the previous year, while the average selling price of products dropped by 5% year-over-year.

On the production side, the total LDPE/EVA production volume for the year was approximately 140,000 metric tons, a 6% increase from the previous year. In terms of new product development, the development of high VA low MI products has been completed and reached the quantitative commercial production stage. These products are being gradually promoted in application markets to align with the group's sales strategies and enhance the flexibility of future production portfolios. Combining the annual operational results, the decline in raw material costs exceeded the decline in selling prices, thereby widening the product spread.

Consolidated Financial Information for the Past Four Years

Unit: NT$ thousand

Item	Basic Elements	2022	2023	2024	2025
Direct economic value generated	Revenues (including net sales, financial investment	10,191,795	6,915,808	6,206,248	**5,875,612**
Economic value distributed	income, and asset sales income)	6,468,607	5,418,126	5,813,213	**5,397,487**
	Operating costs	389,657	365,135	319,044	**325,143**
	Employee wages and benefits	722,804	276,297	160,897	**137,551**
	Payments to providers of capital	656,892	229,908	9,100	**7,220**
	Payments to government	7,898	8,247	5,869	**5,666**
Economic value retained	Community investments	1,945,937	618,095	-101,875	**2,545**

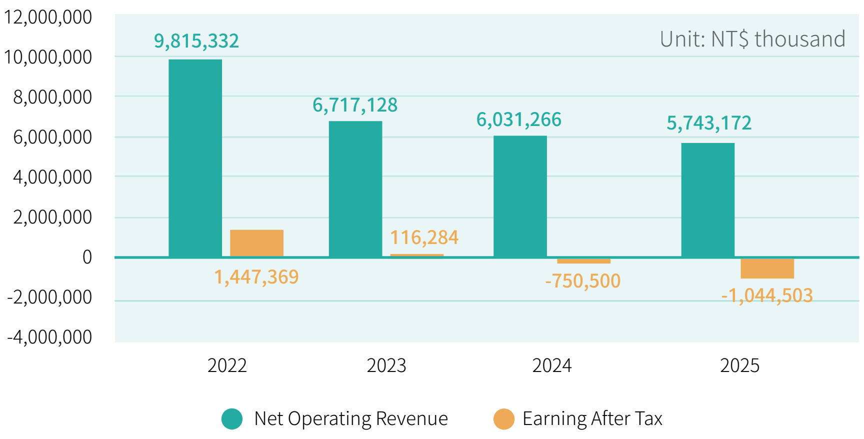
Note: Among the payments to the government in 2025, land value tax and house tax include the scope of the Linyuan Plant.

Distribution of Profit

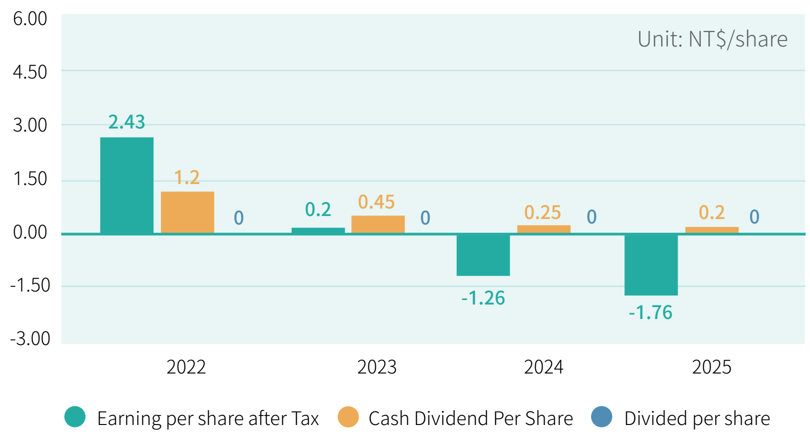
The operating revenue for the year 2025 was NT$5,743,172 thousand. Income tax paid (excluding estimates) was NT$0, accounting for 0% of the turnover (since the 2025 settlement resulted in a pre-tax net loss of NT$1,040,734 thousand, and the comprehensive settlement of core and non-core businesses for the full year resulted in a deficit, no income tax was required to be paid). The distributable earnings were NT$1.59 billion, and a cash dividend of NT$0.2 per share was distributed.

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

Stock Price and Dividend Information over the Years

Major Investments

1 Gulei Project

Investment Purpose

Fujian Gulei Petrochemical Co.,Ltd., as the largest petrochemical joint venture across the Taiwan Strait, is located on the Gulei Peninsula on the southeast coast of China. Established on November 3, 2016, it is a 50:50 joint venture between Dynamic Ever Investments Limited (Taiwan) and Fujian Petrochemical Co., Ltd (Mainland China), and is primarily responsible for the operations of the Gulei integrated petrochemical project.

Investment Projects

1. 9 chemical plants, including an ethylene cracking plant with an annual production capacity of 1 million metric tons.
2. Able to provide customers with ethylene glycol, ethylene oxide, styrene, polypropylene, ethylene-vinyl acetate copolymer resin, raffinate C4, thermoplastic elastomers, as well as ethylene, C5, C9, toluene, mixed xylene, aromatic raffinate, butadiene, diethylene glycol, triethylene glycol, propylene, cracked naphthalene distillate, and other products.

Investment Amount and Benefits

1. After approval by relevant competent authorities, indirectly invest in the Gulei Park in Zhangzhou, Fujian Province, Mainland China through a third region, with the cumulative investment amount not exceeding NT$6 billion.
2. Stabilize upstream raw material supply, vertically integrate steam cracking, petrochemical intermediate raw materials, and plastic products to reduce transportation costs and enhance competitive advantages, facilitating layout in the Greater China market and compete in the international sales market.

Investment Project 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)
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 Gulei Petrochemical - Ethylene Cracking Plant.

Gulei Petrochemical - Comprehensive Office Building

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.

This project financing quota was fully drawn down by the end of 2024. In 2025, the company received approximately NT$3.35 million in subsidy funds from the government's National Development Fund.

2.3 Risk Management

To strengthen corporate governance, mitigate potential operational risks, and ensure the company's steady operations and sustainable development, APC formulated the "Risk Management Policy and SOP" approved by the Audit Committee and the Board of Directors in December 2020. Its main contents include risk management policies, risk management organization, risk management procedures, and risk management categories and mechanisms. It is jointly participated by the Board of Directors, Audit Committee, various risk management units, and the Auditing Department to effectively control risks arising from business activities, thereby enhancing the effectiveness of risk management execution and protecting the interests of the company, employees, shareholders, and stakeholders.

Risk Management Proces GRI 3-3

Based on aspects such as business characteristics and internal/external environments, methods are designed to identify risks and appropriate measurement methods are established as the basis for risk management. Each risk management unit continuously monitors the risks of its respective business and shall propose countermeasures to report to senior management to ensure the normal operation of the management framework and risk control functions.

Risk Management Categories

APC reviews its own business and operational characteristics and incorporates all the following risk categories into management:

Financial Risks	Strategic and Operational Risks	Information Security Risks	Human Resources Risks	Technology Risks	Disaster and Accident Risks
· Interest rate fluctuation risks · Exchange rate fluctuation risks · Property loss risks · Endorsement and guarantee risks · Accounts receivable risks	· Industry risks · Investment risks · Business continuity risks · Raw material and finished product inventory risks	· Information maintenance systems · Information security education, training, and promotion · Customer transaction security protection	· Talent shortage risks · Talent loss risks · Regulatory compliance risks	· Technological advancements leading to market overcapacity, affecting sales · Information security risks caused by new technology adoption · Changes in market consumption habits and lagging production technology	· Emergency incident response handling · Operational, property, and personnel loss risks · Employee and contractor operational safety risks · Business continuity risks
Raw Material Price and Supply Chain Risks	**Occupational Health and Safety**	**Legal Risks**	**Climate Change and Environmental Risks**	**R&D Risks**	**Other Risks**
· Raw material price changes · Raw material inventory and logistics management · Production equipment spare parts planning	· Raw material price changes · Regulatory compliance audits · Raw material inventory and logistics management · Contractor occupational safety management · Production equipment spare parts planning · Occupational safety education, training, and promotion · Occupational accidents and safe working hours · Annual Group safety and environmental audits · Introduce smart safety technology	· Compliance risks · Transaction risks · Dispute resolution · Law-abiding awareness and behavior	· Environmental risks · Regulatory compliance · Grasping environmental regulatory information · Government carbon fee policy risks	· Product competition risks · R&D information control risks · Technology lag and product development delays · Intellectual property and patent rights risks	—

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 General Manager or designated personnel shall report the company's risk management operations to the Audit Committee and the Board of Directors at least once a year.

On November 7, 2025, the Head of the Sales Department reported to the Board of Directors on the risk management operations for 2025. For report details, please refer to the 2025 Risk Management Operations Report and the Risk and Opportunity Response Action Plan and Execution Tracking in the ESG section of the official website.

Cybersecurity management

Framework of cybersecurity risk management

1. Information Security Governance Organization: Regularly holds "Information Security Management Review Meetings" annually to adjudicate 6 major input items of the information security management system (status of actions from previous management reviews, changes in external and internal issues that are relevant to the information security management system, feedback on information security performance, feedback from interested parties, results of risk assessments and status of risk treatment plans, and opportunities for continual improvement) and determine 2 major output items of the information security management system (decisions related to continual improvement opportunities, and any needs for changes to the information security management system) to achieve the goals of the information security management system.

2. Information Security Organizational Structure: According to the company's internal SOP "Information Security Implementation Organization Regulations," an "Information Security Implementation Team" is established to oversee the group's information security management operations, clearly defining the roles and responsibilities of each implementing organization. Meetings are held regularly once a year, and can be convened immediately when there is a major information security incident in the group.

The Head of the Information Department serves as the convener of the team, responsible for convening meetings of the Information Security Implementation Team, as well as resolving and arbitrating meeting opinions; the heads of various departments under the Information Department serve as team members. In the event of a major information security incident, the Head of the Information Department will report to the General Manager or relevant department heads. See Risk Management / Information Security Risk for details.

Cybersecurity Policy GRI 2-23

1. ISO 27001 Information Security System: Established the ISO/IEC 27001:2013 Information Security Management Systems since 2014 and continuously promoted its operation. Engaged the external impartial unit BSI for review, and passed the ISO/IEC 27001:2022 version update verification in 2025. To date, it has passed certification audits for 11 consecutive years (the current certificate is valid from July 4, 2023, to July 3, 2026).
2. NIST CSF Cybersecurity Management Framework: Incorporate the Cybersecurity Framework (CSF) developed by the National Institute of Standards and Technology (NIST).
3. Based on the ISO 27001 Information Security System, supplemented by the NIST CSF Cybersecurity Management Framework, to strengthen Risk control, enhance cyber security resilience, and possess the ability to endure, contain, and rapidly recover from cybersecurity incidents, thereby continuously providing critical operational services.

Management Plans and Risks

For specific management plans and cybersecurity risk responses, please see the link: Risk Management / Information Security Risk

Resources Invested in Cybersecurity Management

Dedicated Personnel

Established a dedicated corporate organization, the "Information Security Network Section," comprising dedicated information security supervisors and personnel, responsible for the company's information security planning, technology introduction, and related audit matters, in order to maintain and continuously strengthen information security.

Certification

Passed the ISO/IEC 27001 information security certification for 11 consecutive years, with no major deficiencies in related information security audits.

Customer Satisfaction

No major cybersecurity incidents and no complaints regarding the loss of customer data.

Education and Training

All IT personnel completed two annual cybersecurity education, training, and assessment sessions. All group employees participated in an annual social engineering phishing email drill, totaling 94 person-times.

Cybersecurity Investment Funding

Approximately NT$600 thousand in total.

Cybersecurity Announcements

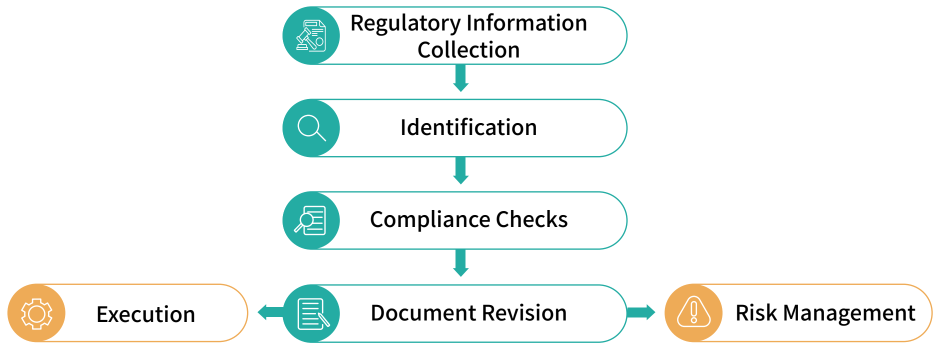
A total of 8 notices were publishedl.

Internal Control and Internal Audit Systems GRI 2-23

APC's Auditing Department is an independent unit directly subordinate to the Board of Directors. It recruits professional colleagues with Certified Internal Auditor (CIA) licenses to join the audit team, executes business with a transcendent and independent spirit, and regularly attends Audit Committee and Board meetings. It assists management in inspecting and reviewing internal control systems and measuring operational effectiveness and efficiency, and formulates and executes the annual audit plan based on identified risks. Internal Audit is the dedicated unit for handling the Audit Committee Email and the whistleblowing hotline for illegal, unethical, or dishonest behaviors. On November 6, 2024, the "Management Operations for Sustainability Information" internal control system was passed by resolution of the Audit Committee and the Board of Directors. It conducts internal control audits annually based on the audit plan approved by the Board, and reports to the Audit Committee and the Board of Directors quarterly on internal control audit findings and improvement tracking matters. In 2025, the Auditing Department submitted 49 audit reports (including the management operations for sustainability information conducted in December 2025) and 5 tracking improvement reports; all suggested improvement items have been completed. SASB RT-CH-530a.1

Regulatory Compliance

In addition to ethical corporate management being APC's important core, we also value compliance with regulations in all fields. During daily operations, the company constantly monitors and collects information from government agencies regarding the formulation and revision of regulations across Environmental, Social, and Governance (ESG) aspects, such as corporate governance, labor human rights, environmental protection, and occupational safety and health. We identify compliance with regulations related to company operations, revise relevant documents, conduct risk management, or execute regulations.



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 division 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 and training - The company continuously conducts ethical advocacy and education training, and uses tests to strengthen employee awareness. As of December 31, 2025, ethical corporate management education and training courses were held, with a total of 55 employee participations and 81 total training hours. Details are as follows:

List of Relevant Regulatory Training Courses for APC in 2025

Category	Course Name	Course Hours	Total Person-times	Total Hours
Ethical Corporate Management and Compliance	First Group Code of Conduct Advocacy Test in 2025	1	14	14
	Second Group Code of Conduct Advocacy Test in 2025	1	15	15
	[Ethics Lecture] No-Fault Product Liability	2	20	40
	[Ethics Lecture] Practical Cases of Insider Trading and Related Legal Responsibilities	2	6	12
Total		6	55	81

5. Establish a whistleblowing system to ensure the effectiveness of execution - Formulate the "Handling Procedures for Whistleblowing on Illegal, Unethcal, or Dishonest Behaviors" to encourage reporting of any illegal behaviors or behaviors that violate the Code of Ethical Conduct or Ethical Corporate Management Best Practice Principles.
   Provide diverse whistleblowing channels. Employees or external parties can use the following channels to report illegal, unethical, or dishonest behavior matters. Dedicated personnel are responsible for receiving them, and the identity of the whistleblower and the content of the report are kept confidential.
   Execution status: As of December 31 in 2025, the Auditing Department received one whistleblowing case regarding a colleague's false acceptance of pallets. After verification, it was found to be true and punished according to the employee work rules.
6. Assist the Board of Directors and the General Manager in evaluating whether the preventive measures established to implement ethical management are operating effectively, and regularly evaluate compliance with relevant business processes to create reports. Please refer to the "Checklist for Evaluating Risks of Unethical Behaviors."

APC 2025 Governance Aspect
No violations of relevant laws and regulations

APC 2025 Social Aspect
No violations of relevant laws and regulations

APC 2025 Environmental Aspect
The Linyuan Plant was fined NT$ 752,000 by the Environmental Protection Bureau of Kaohsiung City for violating the "Air Pollution Control Act"

The reasons for relevant penalties and explanations for improvements are shown in the table: GRI 2-27

Item	Penalizing Agency	Reason for Penalty (Violation of Regulations)	Date of Penalty	Fine Amount (NT$ 10,000)	Improvement Explanation
1	Environmental Protection Bureau, Kaohsiung City Government	On September 19, 2024, the Environmental Protection Bureau entered the plant to execute a regulatory compliance audit on the Low Density Polyethylene chemical manufacturing process (M01) waste gas flare tower (A001). It was found that during the use of the waste gas flare tower from June 1, 2024, to June 6, 2024, the weight ratio of steam volume to waste gas volume exceeded the 15%~50% range specified in the "Volatile Organic Compound Air Pollution Control and Emission Standards," which violated Paragraph 2, Article 23 of the Air Pollution Control Act.	March 25, 2025	15	· Modified the steam trap of the waste gas flare tower steam pipeline to ensure the accuracy of the steam flow meter. · Modified the control system to control steam flow through the system to ensure compliance with regulations.
2	Environmental Protection Bureau, Kaohsiung City Government	On September 19, 2024, the Environmental Protection Bureau entered the plant to execute an inspection on the leakage concentration of volatile organic compounds from equipment components in the Low Density Polyethylene chemical manufacturing process (M03). A total of 1 point was found where the net inspection value of equipment component leakage exceeded the 2,000ppm specified in the "Kaohsiung City Equipment Component Volatile Organic Compound Control and Emission Standards," which violated Paragraph 1, Article 20 of the Air Pollution Control Act.	April 17, 2025	15	· Strengthened on-site personnel's inspection of equipment components. · Environmental Protection Section spot-checks equipment components monthly.
3	Environmental Protection Bureau, Kaohsiung City Government	On February 26, 2025, the Environmental Protection Bureau entered the plant to execute an inspection on the leakage concentration of volatile organic compounds from equipment components in the Low Density Polyethylene chemical manufacturing process (M02). A total of 2 points were found where the net inspection value of equipment component leakage exceeded the 2,000ppm specified in the "Kaohsiung City Equipment Component Volatile Organic Compound Control and Emission Standards," which violated Paragraph 1, Article 20 of the Air Pollution Control Act.	September 10, 2025	33.6	· Strengthened on-site personnel's inspection of equipment components. · Environmental Protection Section spot-checks equipment components monthly.
4	Environmental Protection Bureau, Kaohsiung City Government	On July 8, 2025, the South Branch of Environmental Management Center, MOENV entered the plant to execute an inspection on the leakage concentration of volatile organic compounds from equipment components in the Low Density Polyethylene chemical manufacturing process (M03). A total of 1 point was found where the net inspection value of equipment component leakage exceeded the 2,000ppm specified in the "Kaohsiung City Equipment Component Volatile Organic Compound Control and Emission Standards," which violated Paragraph 1, Article 20 of the Air Pollution Control Act.	September 23, 2025	11.6	· Strengthened on-site personnel's inspection of equipment components. · Environmental Protection Section spot-checks equipment components monthly. · Replaced leaking components with new ones.

Whistleblowing Channels GRI 2-25、2-26

1. On November 9, 2017, through a resolution passed by the Audit Committee and the Board of Directors, APC formulated the "Procedures for Handling Cases of Illegal, Unethical, or Dishonest Conduct", to encourage reporting of any illegal behaviors or behaviors that violate the Code of Ethical Conduct or Ethical Corporate Management Best Practice Principles.
2. Provide diverse whistleblowing channels. Employees or external parties can use the following channels to report illegal, unethical, or dishonest behavior matters. Dedicated personnel are responsible for receiving them, and the identity of the whistleblower and the content of the report are kept confidential.
3. Whistleblowing channels are as follows:

Whistleblowing Mailbox
The "Audit Committee Email" in the "Investor Services" section of APC website accepts whistleblowing from stakeholders such as shareholders and investors

Group Auditing Division
Whistleblowing Hotline (02)2650-3783

Group HR Division (Gender Equality Support Hotline)
Grievance Hotline (02)8751-6888 #2609

Dedicated email for sexual harassment and prevention of unlawful infringement in the workplace
usighr@usig.com

Employee Grievance Mailbox, located next to the guardroom or bulletin board in the plant area; located on the 6th floor of the USI Building in the Taipei office area

4. Execution status: The Group's Auditing Department and Human Resources Division compile and report to the Audit Committee on the receipt, handling, and improvement execution status. In 2025, the Auditing Department received 1 whistleblowing case.