

Stock Code: 1309

Taita Chemical Company, Ltd.

# 2025 Annual Report

Company Website: <https://www.ttc.com.tw>

Annual Report Query Website: <https://mops.twse.com.tw>

Publication Date: March 31, 2026

**I. Spokesperson and Acting Spokesperson:**

Spokesperson

Name: Huang, Chun-Hao

Title: Assistant Vice President

Telephone: (02) 8751-6888 ext. 3278

Private Line: (02) 2650-3278

E-mail: chunhao@usig.com

Acting Spokesperson

Name: Chen, Hsi-Ming

Title: Assistant Manager

Telephone: (02) 8751-6888 ext. 3271

Private Line: (02)2650-3271

E-mail: justinchen@usig.com

**II. Address and Telephone Number of Head Office, Branch Offices and Plants**

Title	Address	Telephone
Head Office	12F, No. 37, Jihu Road, Taipei City, Taiwan	(02)8751-6888
Southern Taiwan Office	No. 3, Jianji Road, Chienchen Dist., Kaohsiung City, Taiwan	(07)821-2128
Chienchen Plant	No. 3, Jianji Road, Chienchen Dist., Kaohsiung City, Taiwan	(07)821-9521
Linyuan Plant	No. 5, Gongye 1st Road, Linyuan Industrial Park, Kaohsiung City, Taiwan	(07)641-3201
Kaohsiung Branch Office	No. 5, Gongye 1st Road, Linyuan Industrial Park, Kaohsiung City, Taiwan	(07)641-3201
Toufen Plant	No. 571, Minzu Road, Toufen Township, Miaoli County, Taiwan	(037)627-700

**III. Stock Transfer Agent:**

Name: Taita Chemical Company, Ltd., Stock Affairs Department

Address: 6F, No. 17, Lane 120, Section 1, Neihu Road, Neihu District, 114 Taipei City

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

Telephone: (02) 2650-3773 (main line)

**IV. CPAs Auditing the Financial Statements in the Most Recent Fiscal Year**

Name: CPA Chen, Chun-Hung and CPA Liu, I-Ching

Accounting Firm: Deloitte Taiwan

Address: 20th Floor, No.100, Songren Road, Shinyi District, Taipei City, Taiwan

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

Telephone: (02) 2725-9988

**V. Overseas Securities Trading Venue and Method of Overseas Securities Information Query: None**

**VI. Company Website: <https://www.ttc.com.tw>**



# Taita Chemical Company, Ltd.

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## Chapter 1 Letter to Shareholders

### Dear Shareholders,

For the fiscal year 2025, the Company registered a consolidated loss before income tax of NT\$514 million, and a net loss of NT\$427 million, with loss per share of NT\$1.07. Below is the 2025 business report and the 2026 business plan:

#### I. 2025 Business Results:

##### (I) Results of Business Plan Implementation

In 2025, the Company's consolidated net operating revenue reached NT\$14.486 billion, marking a decrease of NT\$4.137 billion compared to 2024, achieving a budget fulfillment rate of 82%. The consolidated net operating loss was NT\$423 million, which represents an increase in losses by NT\$63 million compared to 2024.

##### 1. Production and Sales of Petrochemical Products:

The consolidated revenues of ABS/PS were NT\$13.928 billion, with an achievement rate of 81%. The sales volumes for the Linyuan and Chienchen plants were 97,000 tons and 148,000 tons, respectively, with budget achievement rates of 95% and 94%. The EPS sales volume for the Zhongshan Plant in mainland China was 132,000 tons, achieving a budget fulfillment rate of 81%. The total operating loss for petrochemical products amounted to NT\$459 million.

##### 2. Production and Sales of Glasswool and Cubic Printing Products:

The sales volume of glasswool products, including imported rock wool, reached 12,700 tons, with revenue amounting to NT\$558 million and a budget achievement rate of 107%. The annual profit was NT\$36 million. Non-operating items primarily consisted of net foreign exchange losses, net rental income, net interest expense, and dividend income, with a total net expense of NT\$90 million.

##### (II) Research and Development:

Technology or product developed

##### 1. Acrylonitrile-butadiene-styrene (ABS)

- (1) Application development and product innovation for TAIECO® recycled materials certified under ISO 14021.
- (2) Development of lightweight composite materials based on Acrylonitrile-Butadiene-Styrene (ABS) polymers.

2. Expandable polystyrene (EPS) polymer
  - (1) Development of alternative formulations for raw materials in EPS polymers subject to REACH regulations on restricted substances: Development of low-peroxide (DCP) formulations for flame-retardant EPS.
3. General Purpose Polystyrene (GPS)
  - (1) Development of high-value-added water-contact material applications, with certification obtained from NSF International in the United States.

## **II. 2026 Business Plan:**

### **(III) Operational Objectives and Production & Sales Strategies**

Looking ahead to operations in 2026, petrochemical product sales are projected to reach approximately 427 thousand tons, while sales of glasswool products are estimated at 13 thousand tons. This year's key operational goals are as follows:

The Company continues to implement integrated supply chain management to maintain optimal inventory levels of raw materials and finished goods, thereby mitigating risks arising from market volatility. In addition, the Company has introduced AI-driven solutions across production processes, research and development, and environmental, health, and safety (EHS) management. Efforts are also directed toward the development of ESG-oriented low-carbon and high-value-added products, alongside ongoing energy saving and carbon reduction initiatives, to further strengthen its existing market presence. Although market demand continues to be impacted by uncertainties surrounding U.S. tariff policies and price competition from Mainland China, the phased elimination of outdated production capacity in Mainland China has created new demand and opportunities. Accordingly, the Company maintains its strategic focus on maximizing production and sales, while actively expanding its geographic sales footprint to reduce reliance on any single overseas market and enhance overall operational scale.

In the near term, escalating geopolitical tensions in the Middle East have intensified volatility in the global crude oil market, driving up the prices of key raw materials—such as styrene, butadiene, and acrylonitrile—as well as transportation costs. While these factors have supported price increases in the ABS, GPS, and EPS markets, they have also constrained overall supply availability. Consequently, market prices for ABS, GPS, and EPS continue to fluctuate in line with raw material costs.



In advancing sustainable development, the Company upholds its sustainability vision of “create sustainable value for a sustainable society.” Guided by this vision, three core strategic pillars—“Innovation in R&D,” “Prudent Operations,” and “Social Inclusion”—have been established to actively promote ESG initiatives and address environmental and social challenges while creating value. The Company has obtained the SGS Green Mark – PIR ISO 14021 Certification and is proactively expanding into applications for shared mobility solutions to accelerate its low-carbon transition. In response to the profound transformation of the global supply chain, the Company is firmly committed to reducing industrial waste at the source and collaborating across both the supply chain and the consumer value chain to advance sustainability together !

(IV) Research and Development

1. TAIECOR PIR ABS ESG Environmental material development and promotion
2. Development of high-value-added applications for SAN water-based materials
3. Enhancement of ABS product gloss through the development of PBDL emulsion polymerization formulations
4. Development of PS product drinking water material applications

By enhancing the performance of each product line, the Company expects to achieve its annual operating objectives to reward our shareholders’ support.

I would like to wish good health and all the best for all of our shareholders.

Chairman: Quintin Wu

General Manager: Wu, Pei-Chi

## Chapter 2 Corporate Governance Report

### I. Directors, General Manager, Deputy General Manager, Senior Managers, and Managerial Officers of Various Departments or Branches

#### (I) Board Members

##### 1. Board member information

March 30, 2026

Title (Note 1)	Nationality/ Place of Registration	Name	Gender Age (Note 2)	Date Elected (Appointed)	Term	Date First Elected (Note 3)	Shares held at the time of election		Current shareholding		Shares currently held by spouse and minor children		Shares Held in the Name of Other Persons		Major Work Experience and Academic Qualifications (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Executive Officers, Directors Who Are Spouses or Relatives within the Second Degree of Kinship			Notes
							Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held			Title	Name	Relationship	
Chairman and Chief Executive Officer	Republic of China	Union Polymer International Investment Corporation	—	2024.5.31	3 years	2003.6.3	146,263,260	36.79%	146,263,260	36.79%	—	—	0	0%	Chairman of USI	Note 6	None			Note 5
	Republic of China	Representative: Quintin Wu	Male 71~75 years old			1997.3.1	—	—	0	0%	—	—	0	0%						
Director	Republic of China	USIFE Investment Co., Ltd.	—	2024.5.31	3 years	2021.7.26	1,415,368	0.36%	1,415,368	0.36%	—	—	0	0%	Note 7	Director of USI Education Foundation	None			
	Republic of China	Representative: Ma, I-Kung	Female 76-80 years old			2015.6.9	—	—	0	0%	—	—	0	0%						
Director and General Manager	Republic of China	Union Polymer International Investment Corporation	—	2024.5.31	3 years	2003.6.3	146,263,260	36.79%	146,263,260	36.79%	—	—	0	0%	Note 8	Note 9	None			
	Republic of China	Representative: Wu, Pei-Chi	Male 56-60 years old			2018.6.22	—	—	0	0%	0	0%	0	0%						
Director	Republic of China	USIFE Investment Co., Ltd.	—	2024.5.31	3 years	2021.7.26	1,415,368	0.36%	1,415,368	0.36%	—	—	0	0%	Master of Business Administration , University of Chicago (U.S.A.), and General Manager of Taita Chemical	None	None			
	Republic of China	Representative: Ying, Bao-Luo	Male 71~75 years old			2008.11.1	—	—	32,091	0.01%	0	0%	0	0%						

Title (Note 1)	Nationality/ Place of Registration	Name	Gender Age (Note 2)	Date Elected (Appointed)	Term	Date First Elected (Note 3)	Shares held at the time of election		Current shareholding		Shares currently held by spouse and minor children		Shares Held in the Name of Other Persons		Major Work Experience and Academic Qualifications (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Executive Officers, Directors Who Are Spouses or Relatives within the Second Degree of Kinship			Notes
							Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held			Title	Name	Relationship	
Director	Republic of China	Taiwan Union International Investment Corporation	—	2024.5.31	3 years 3 years	2018.6.22	8,854,995	2.23%	8,854,995	2.23%	—	—	0	0%	Master's Degree in Chemistry, National Tsing Hua University; Master of Business Administration in Management of National Sun Yat-sen University; Spokesperson and Vice President of CPC Corporation, Taiwan	Note 10	None			
	Republic of China	Representative: Pi, Shu-Chien	Female 61-65 years old			2024.3.1	—	—	0	0%	0	0%	0	0%						
Independ ent Director	Republic of China	Chen, Tien-Wen	Male 66-70 years old	2024.5.31	3 years	2015.6.9	0	0%	0	0%	—	—	0	0%	Note 11	Note 12	None			
Independ ent Director	Republic of China	Wei, Yung-Tu	Male 76-80 years old	2024.5.31	3 years	2021.7.26	0	0%	0	0%	0	0%	0	0%	Master of Enterprise from George University, President of Deloitte Taiwan, and Chairman of United Way of Taiwan.	Note 13	None			
Independ ent Director	Republic of China	Li, Kuo-Hsiang	Male 66-70 years old	2024.5.31	3 years	2021.7.26	0	0%	0	0%	0	0%	0	0%	Note 14	Note 15	None			
Independ ent Director	Republic of China	Chen, Piao- Chun	Male 76-80 years old	2024.5.31	3 years	2024.5.31	0	0%	0	0%	—	—	0	0%	Note 16	Chairman: Elitech Corporation Independent Director: Acme	None			

Note 1: For corporate shareholders, their names and representatives shall be stated (for representatives, the names of corporate shareholders they represent shall be indicated respectively), and filled in Table 1.

Note 2: Please indicate the actual age, which can be expressed in a range, such as 41-50 years old or 51-60 years old.



- Note 3: Fill in the date on which he/she served as the Company’s director or supervisor for the first time; and any disruption of term of office should be included in a separate note.
- Note 4: Work experiences of anyone in the table above that are related to their current roles, such as previous employment at CPA firms or employment in affiliated companies, should be disclosed along with job titles and responsibilities.
- Note 5: Where the chairperson of the Board of Directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (such as increasing the seats for independent directors, or more than half of the members of the Company’s current Board of Directors do not serve concurrently as employees or managerial officers).  
The Chairman of the Company also serves as the CEO based on the consideration for the overall operation. With the Chairman’s excellent business vision, he participates in the Company’s operations in person to implement business decisions and improve the operating efficiency. The Company now has four independent directors. More than half of the current members of the Company’s Board of Directors do not serve as employees or managerial officers concurrently, which is audited and certified by Deloitte. The Company has also established an Audit Committee, a Remuneration Committee, an ESG Committee, and a Corporate Governance Team to strengthen corporate governance, and to reduce operational risks continuously through a rigorous internal control mechanism.
- Note 6: Chairman: USI, CGPC, APC, Acme Electronics Corporation, Union Polymer, USI Optronics Corporation, Swanson Plastic Corporation, Swanson Technologies Corporation, Chong Loong Trading, USI Investment, CGPC Polymer Corporation, APC Investment, TUVVC, USI Management Consulting, TUVVM, Acme (Cayman), USI Educational Foundation, Fujian Gulei Petrochemical Company.  
Director: Taiwan VCM Corporation, USI (Hong Kong), Swanlake, USI International, Acme Components (Malaysia), Forever Young, Curtana, Swanson (Singapore), Swanson (Malaysia), Swanson International, Swanson (India), Swanson Plastics Corporation (Kunshan), Golden Amber Enterprises, Acme Electronics Corporation (Kunshan), Acme Electronics Corporation (Guangzhou), Taita (BVI), APC (BVI), CGPC (BVI), CGPC America and A.S. Holdings (UK), ASK-Swanson, Acme Ferrite, Swanson Plastics Corporation (Tianjin), Cypress Epoch, Ever Conquest Global, Ever Victory Global, Dynamic Ever Investments and PT. Swanson Plastics Indonesia, Xuanju, USI Zhangzhou, Yutao Investment, Dasheng Ventures, Dasheng Yiyi Ventures, CTCI Group, Acme Advanced Materials, USI Xiamen, and Swanson Technologies Corporation (Kunshan)  
General Manager: Union Polymer, USI Management Consulting, Dynamic Ever Investments, Ever Victory Global  
Chief Executive Officer: USI, APC, CGPC, TTC, Acme Electronics Corporation and USI Optronics Corporation  
Executive Director: Chinese National Federation of Industries
- Note 7: Master of City and Regional Planning, Rutgers, the State University of New Jersey (U.S.A.); member of the Third and Fourth Session of the Control Yuan, Taiwan (R.O.C.); member of the Council of Cultural Affairs, Executive Yuan, Taiwan (R.O.C.); member of the Environmental Impact Assessment Committee under the Environmental Protection Administration, Taiwan (R.O.C.); and Distinguished Professor, Department of Landscape Architecture, Chung Hua University; an independent director of Taita Chemical.
- Note 8: General Manager of Thermoset Materials Division in Asia Pacific, and Director of Basic Plastic Sales in Greater China, Dow Chemical; Sales Engineer, Taiwan Branch, ESSO
- Note 9: Chairman: Xuanju, TTC(Zhongshan), TTC (Tianjin),USI Trading (Shanghai) Co., Ltd., Zhangzhou Taita Chemical Co., Ltd., Zhangzhou Taiju, Amoy Taiju and Zhangzhou Dynamic Ever Investments Limited.

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

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

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

Executive Director: Zhenjiang Lianju

Directors: APC, TTC, CGTD, UPC Technology Corporation, Lien Cheng Venture Capital, Harbinger VII Venture Capital, LindeLH Industrial Gases, UPC Chemicals (Malaysia) Sdn. Bhd., UPCM Trading (Thailand) Company Limited, UPCM Trading (Vietnam) Company Limited, APC (BVI) Holding Co., Ltd., Taita (BVI) Holding Co., Ltd., Constant Holdings Ltd., Natural Holdings Co., Ltd., Star Bright Traders Ltd., Goldendust Co., Ltd., Logical Path Limited, Glory Ace International Inc., Pure Fantasy Ltd., Magic Props Investment Ltd., Union Hong Kong Petrochemicals Company Limited, Charmon International Limited, Modern Vantage Limited.

General Manager: UPC Technology Corporation

Note 11: Master of Business Administration, University of Southern California (U.S.A.); Sales Manager, JP Morgan Chase Bank (U.S.A.); Vice President and Taiwan representative, Merrill Lynch (U.S.A.); founder and Chairman, affiliated companies (Capital Investment Management Corporation, Capital Investment Trust Corporation and Capital Futures Corporation) of the Capital Group (Taiwan); Director, Cathay Financial Holding Co. Ltd.; Director, The Third Wednesday Association

Note 12: Chairman: Chia Shih Construction Co., Ltd

Independent Directors: Taiwan Secom Co., Ltd., BIONET Corp.

Director: TLW

Consultant: Chinese National Association of Industry and Commerce, Taiwan

Note 13: Chairman: YCSY Co., Ltd.

Director: Iron Force Industrial Co., Ltd.

Independent Director: Far Eastern Department Store

Note 14: Master of Business Administration from the University of Chicago, Bachelor of Electrical Engineering from National Taiwan University, Chairman of the 2nd Taipei Cosmetics Industry Association, Chairman of the 11th and 12th Taiwan Cosmetics Industry Association, Supervisor and Director of the 6th to 12th Chinese National Federation of Industries.

Note 15: Chairman: Taiwan Province Shiseido, FLELIS INTERNATIONAL INC.

Council Member: Chinese National Federation of Industries

Note 16: Department of Electrical Engineering at National Cheng Kung University, General Manager of Schmidt Scientific Taiwan Ltd., General Manager of the Micro Systems Business Group at Walsin Lihwa Corporation, Special Assistant to the Chairman and General Manager of the Electronic Business Group at USI, General Manager of Tailyn Technologies, Inc.

## 2. Major shareholders of corporate shareholders

March 30, 2026

Name of Institutional Shareholders (Note 1)	Major shareholders of corporate shareholders (Note 2)	Shareholding Ratio
Union Polymer International Investment Corporation	USI Corporation	100.00%
USIFE Investment Co., Ltd.	USI Corporation	100.00%
Taiwan Union International Investment Corporation	UPC Technology Corporation	100.00%

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

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

Note 3: Where an institutional shareholder is not organized as a company, the shareholder name and shareholding ratio required above shall be the name of the funder or donor (which can be verified through the Judicial Yuan's public announcements), along with their contribution or donation ratios. If a donor has passed away, the annotation 'deceased' should be added.

## 3. Main shareholders of institutional shareholders

March 30, 2026

Name of corporate shareholder (Note 1)	Major shareholders of corporate shareholders (Note 2)	Shareholding Ratio
USI Corporation	Shing Lee Enterprise (Hong Kong) Limited	14.62%
	Wholegainer Company Limited' investment account is under custody of Fubon Securities Co., Ltd.	9.25%
	Asia Polymer Corporation	8.53%
	Fubon Life Insurance Co., Ltd.	4.49%
	Total Success Investment Limited	2.04%
	Lin, Hua-Hsin	1.75%
	Yueh Hsing Hua Investment Co., Ltd.	1.73%
	Yu, Wen-Hsuan	1.41%
	Yu, Wen-Tsung	1.41%
	Yu, Wen-Yu	1.41%
UPC Technology Corporation	Lien Hwa Industrial Holdings Corporation	31.93%
	Synnex Technology International Corporation	5.18%
	Lin Kao-Huang	2.25%
	Mei An Investment Co., Ltd.	1.96%
	Yi Yuan Investment Co., Ltd.	1.62%
	Liberty Stationery Corp.	1.55%
	Tsu Fung Investment Corp.	1.31%



Name of corporate shareholder (Note 1)	Major shareholders of corporate shareholders (Note 2)	Shareholding Ratio
	MiTAC international Corp.	1.22%
	Polunin Emerging Markets Small Cap Fund, LLC	1.15%
	Tong Da Investment Corp.	1.09%

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

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

Note 3: Where an institutional shareholder is not organized as a company, the shareholder name and shareholding ratio required above shall be the name of the funder or donor (which can be verified through the Judicial Yuan's public announcements), along with their contribution or donation ratios. If a donor has passed away, the annotation 'deceased' should be added.

#### 4. Director Information

##### (1) Disclosure of Professional Qualifications of Directors and Supervisors and Independence of Independent Directors:

Name	Criteria	Professional Qualification and Experience	Status of Independence	Number of Companies in which the Director or Supervisor also serves concurrently as an Independent Director
Quintin Wu	(1) Now the Chairman and CEO of USI Corporation and its affiliated companies, having professional experience in corporate management and direct supervision of financial supervisor, accounting supervisor, etc. (2) None of the circumstances in the subparagraphs of Article 30 of the Company Act apply.		N/A	N/A
Ma, I-Kung	(1) Formerly a member of the Supervisory Committee and currently a director of the Educational Foundation, with expertise in corporate			

Name	Criteria	Professional Qualification and Experience	Status of Independence	Number of Companies in which the Director or Supervisor also serves concurrently as an Independent Director
		governance and corporate sustainable development. (2) None of the circumstances in the subparagraphs of Article 30 of the Company Act apply.		
Wu, Pei-Chi		(1) Currently serves as the general manager of the Company, USI, and APC, with experience in direct supervision of financial supervisor and accounting supervisor. (2) None of the circumstances in the subparagraphs of Article 30 of the Company Act apply.		
Ying, Bao-Luo		(1) Formerly the General Manager of the Company and foreign companies, experienced in international enterprise management. (2) None of the circumstances in the subparagraphs of Article 30 of the Company Act apply.		
Pi, Shu-Chien		(1) Currently serves as the general manager of UPC Technology Corporation and used to be the deputy general manager of CPC Corporation, Taiwan, with professional fields of chemical industry. (2) None of the circumstances in the subparagraphs of Article 30 of the Company Act apply.		



Name Criteria	Professional Qualification and Experience	Status of Independence	Number of Companies in which the Director or Supervisor also serves concurrently as an Independent Director
Chen, Tien-Wen	(1) Formerly the Chairman of affiliates of the Capital Group and now the Chairman of Chia Shih Construction Co., Ltd., with expertise in corporate operations management. (2) None of the circumstances in the subparagraphs of Article 30 of the Company Act apply.	Two years before the appointment and during the term of office, there is no matter described in Item 1, Article 3 of “Measures for setting up and Matters to be Followed by Independent Directors of public offering Companies”.	2
Wei, Yung-Tu	(1) Formerly the President of Deloitte Taiwan, CPA, with professional experience in accounting and finance. (2) None of the circumstances in the subparagraphs of Article 30 of the Company Act apply.		1
Li, Kuo-Hsiang	(1) Chairman of Taiwan Shiseido, experienced in business operation and management. (2) None of the circumstances in the subparagraphs of Article 30 of the Company Act apply.		0
Chen, Piao-Chun	(1) Currently serves as Chairman of Elitech Corporation and possesses expertise in corporate operations and management. (2) None of the circumstances in the subparagraphs of Article 30 of the Company Act apply.	(1) Mr. Chen Piao-Chun currently serves as an independent director for both Taita Chemical Co., Ltd. (“Taita”) and Acme Electronics Corporation (“Acme”). Since Taita and Acme are subsidiaries of the same	1

Criteria Name	Professional Qualification and Experience	Status of Independence	Number of Companies in which the Director or Supervisor also serves concurrently as an Independent Director
		<p>parent company, USI Corporation, the provisions of Article 3, Paragraph 2 of the “Regulations Governing the Establishment and Compliance of Independent Directors in Publicly Issued Companies” allow independent directors to concurrently serve in multiple positions. Therefore, the stipulations in Article 3, Paragraph 1, Subparagraphs 2, 5 to 7 do not apply.</p> <p>(2) After evaluating the relationship between Taita and Acme, it has been determined that they do not meet the definition of a “specific company” as defined in Article 3, Section 4 of the “Regulations Governing the Establishment of Independent</p>	



Name	Criteria	Professional Qualification and Experience	Status of Independence	Number of Companies in which the Director or Supervisor also serves concurrently as an Independent Director
		Directors and Compliance Matters for Publicly Issued Companies” (which would negate independence). Furthermore, there are no other circumstances listed in Article 3, Section 2, Item 8.		

## (2) Diversity and Independence of the Board of Directors

### (2.1) Diversity of the Board of Directors:

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

- I. Ability to make sound business judgment.
- II. Ability to conduct accounting and financial analysis.
- III. Business management ability.
- IV. Crisis management ability.
- V. Knowledge of the industry.
- VI. An understanding of international markets.

VII. Leadership skills.

VIII. Decision-making ability.

In addition to the eight competencies listed above, the Company added legal and environmental capabilities to the list in light of growing global attention on corporate governance issues and environmental protection, as well as the pressing need for diversified professional skillsets in the Board. At present, existing members of the Board of Directors possess the knowledge, skills, and qualities required to perform their duties, and specialize in professional areas including accounting and finance, international markets, laws and environmental protection.

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



(2.2) Independence of the Board of Directors:

Although Mr. Chen Tien-Wen, the independent director of the Company, has served over three consecutive terms as an independent director, he possesses extensive practical experience and expertise in the fields of finance, corporate management, and sustainable development. His contributions are highly beneficial to the Company's financial planning, risk management, and energy conservation efforts.

The members of the Board of Directors of the Company are all Taiwanese citizens, including 4 independent directors, accounting for 44%; 2 directors with employee status, accounting for 22%. The age distribution of the directors is 1 director aged 51-60, 3 directors aged 61-70 and 5 directors aged 71-80. None of the directors of the Company have a spouse or relation within the second degree of kinship.

## (II) General Manager, Deputy General Managers, Associate Managers, and Heads of Departments and Branches

March 30, 2026

Unit: Share

Title (Note 1)	Nationality	Name	Gender	Date Elected (Appointed)	Number of shares held		Shares Held by Spouse and Minors		Shares Held in the Name of Other Persons		Major Work Experience and Academic Qualifications (Note 2)	Concurrent positions held in other companies	Managerial officers who are spouses or relatives within the second degree of kinship			Notes
					Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held			Title	Name	Relationship	
Chief Executive Officer	Republic of China	Quintin Wu	Male	2009.9.1	0	0%	—	—	0	0%	Chairman of USI	Note 4	None	None	None	Note 3
General Manager	Republic of China	Wu, Pei-Chi	Male	2017.12.22	0	0%	0	0%	0	0%	Note 5	Note 6	None	None	None	
Senior Manager	Republic of China	Huang, Chun- Hao	Male	2023.6.1	0	0%	0	0%	0	0%	Master's degree, National Taiwan University of Science and Technology	Taita Chemical (Zhongshan) Director and General Manager Taita Chemical (Tianjin) Director and General Manager Zhangzhou Taita Chemical Co., Ltd. General Manager	None	None	None	
Corporate Governance Officer	Republic of China	Chen, Yung- Chih	Male	2019.5.9	0	0%	0	0%	0	0%	Note 7	Note 8	None	None	None	
Head of the Toufen Plant	Republic of China	Liao, Kuo- Yun	Male	2024.10.1	0	0%	0	0%	0	0%	Bachelor's degree, Taipei Institute of Technology	None	None	None	None	
Director of Linyuan Plant	Republic of China	Tsai, Chung- Ju	Male	2023.10.1	0	0%	0	0%	0	0%	Master's Degree, Chung Yuan Christian University	None	None	None	None	
Director of Chienchen Plant	Republic of China	Huang Feng- Chih	Male	2025.7.1	0	0%	0	0%	0	0%	Master's Degree, Feng Chia University	None	None	None	None	
Head of Accounting Department	Republic of China	Li, Chun- Yao	Female	2024.11.6	0	0%	0	0%	0	0%	MBA, National Taipei University	None	None	None	None	
Head of Finance Department	Republic of China	Luo, Fei- Yun	Female	2024.8.6	0	0%	0	0%	0	0%	Master of Finance, National Chung Cheng University	None	None	None	None	

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

- Note 2: Work experiences of anyone in the table above that are related to their current roles, such as previous employment at CPA firms or employment in affiliated companies, should be disclosed along with job titles and responsibilities.
- Note 3: If the General Manager or personnel with equivalent position (chief officer) and the Chairman are the same person, spouses or relatives within first degree of kinship, relevant information on the reasons, reasonability, necessity, and measures to be taken accordingly (e.g. by way of increasing the number of independent directors and having half of the directors not serving as employees or officers concurrently) shall be addressed.
- The Chairman of the Company also serves as the CEO based on the consideration for the overall operation. With the Chairman's excellent business vision, he participates in the Company's operations in person to implement business decisions and improve the operating efficiency. The Company now has four independent directors. More than half of the current members of the Company's Board of Directors do not serve as employees or managerial officers concurrently, which is audited and certified by Deloitte & Touche. The Company has also established an Audit Committee, a Remuneration Committee, an ESG Committee, and a Corporate Governance Team to strengthen corporate governance, and to reduce operational risks continuously through a rigorous internal control mechanism.
- Note 4: Chairman: USI, CGPC, APC, Acme Electronics Corporation, Union Polymer, USI Optronics Corporation, Swanson Plastic Corporation, Swanson Technologies Corporation, Chong Loong Trading, USI Investment, CGPC Polymer Corporation, APC Investment, TUVV, USI Management Consulting, TUVV, Acme (Cayman), USI Educational Foundation, Fujian Gulei Petrochemical Company.  
 Director: Taiwan VCM Corporation, USI (Hong Kong), Swanlake, USI International, Acme Components (Malaysia), Forever Young, Curtana, Swanson (Singapore), Swanson (Malaysia), Swanson International, Swanson (India), Swanson Plastics Corporation (Kunshan), Golden Amber Enterprises, Acme Electronics Corporation (Kunshan), Acme Electronics Corporation (Guangzhou), Taita (BVI), APC (BVI), CGPC (BVI), CGPC America and A.S. Holdings (UK), ASK-Swanson, Acme Ferrite, Swanson Plastics Corporation (Tianjin), Cypress Epoch, Ever Conquest Global, Ever Victory Global, Dynamic Ever Investments and PT. Swanson Plastics Indonesia, Xuanju, USI Zhangzhou, Yutao Investment, Dasheng Ventures, Dasheng Yiyi Ventures, CTCI Group, Acme Advanced Materials, USI Xiamen, and Swanson Technologies Corporation (Kunshan)  
 General Manager: Union Polymer, USI Management Consulting, Dynamic Ever Investments, Ever Victory Global  
 Chief Executive Officer: USI, APC, CGPC, TTC, Acme Electronics Corporation and USI Optronics Corporation  
 Executive Director: Chinese National Federation of Industries
- Note 5: General Manager of Thermoset Materials Division in Asia Pacific, and Director of Basic Plastic Sales in Greater China, Dow Chemical; Sales Engineer, Taiwan Branch, ESSO
- Note 6: Chairman: Xuanju, TTC(Zhongshan), TTC (Tianjin), USI Trading (Shanghai) Co., Ltd., Zhangzhou Taita Chemical Co., Ltd., Zhangzhou Taiju, Amoy Taiju and Zhangzhou Dynamic Ever Investments Limited.  
 Director: Dynamic Ever Investments Ltd., Ever Victory Global Limited, Ever Conquest Global Limited, Taita (BVI) Holding Co., Ltd., APC (BVI) Holding Co., Ltd., USI International Corporation, Golden Amber Enterprises Ltd., Swanlake Traders Ltd., USI, APC, CGPC, CGTD, USIFE Investment, Asia Polymer Investment Corporation, Chong Loong Trading Co. Ltd., Swanson Plastics Corporation, Swanson Technologies Corporation, USI Education Foundation, Taiwan United Venture Capital Corporation, Union Polymer International Investment Corporation, USI Management Consulting, Acme Electronics Corporation (Kunshan), Fujian Gulei Petrochemical, USI Optronics Corporation, and USI (Hong Kong), Swanson Technologies Corporation (Kunshan)  
 General Manager: USI, TTC, Asia Polymer Corporation, Chong Loong Trading Co. Ltd. and USI Trading (Shanghai) Co., Ltd.
- Note 7: PhD in Law, University of Munich, Germany; Lawyer, Winkler Partners, Arbitrator of Chinese Arbitration Association, Taipei.
- Note 8: Directors: China General Terminal & Distribution Corp., Continental General Plastics (ZhongShan) Co. Ltd., Acme Electronics (Kunshan) Co., Ltd., Acme Electronics Corporation (Guangzhou), TTC (Zhongshan), TTC (Tianjin), Zhangzhou Taita Chemical Co., Ltd. and Zhangzhou Dynamic Ever Property Management Co., Ltd.  
 Supervisor: Union Polymer Int'l Investment Corp., Zhangzhou Taiju Trading Co., Ltd., Chong Loong Trading Co., Ltd., USI Green Energy Corporation, USI Optronics Corporation, Swanson Plastics Corp., Swanson Plastics (Kunshan) Co., Ltd., Swanson Plastics (Tianjin) Co., Ltd., ASK-Swanson (Kunshan) Co., Ltd., USIFE Investment Co., Ltd., APC Investment Corporation, Taiwan United Venture Capital Corp., Taiwan United Venture Management Corporation, Global Green Technology Corporation, Taiwan VCM Corp., Cerebra Technologies Co., Ltd. and FiduciaEdge Technologies Co., Ltd.  
 Corporate governance officer: USI, APC, CGPC, Acme Electronics Corporation.



- (III) Where the Chairman, General Manager, or individual with equivalent roles are the same individual, spouses, or relatives within the first degree of kinship, the Company shall specify related information regarding the reason, reasonableness, necessity, and response measures:

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

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

## **II. Remuneration paid to Directors, Independent Directors, General Manager, and Deputy General Managers in the Most Recent Fiscal Year**

If any of the following applies to a Company, the name of the Director or Supervisor involved and the remuneration paid to him/her shall be disclosed. For the remaining Directors or Supervisors, the Company may opt to either disclose information in aggregate remuneration with their names indicated in each numerical range or disclose their names and method of remuneration individually (If the latter is chosen, please fill their positions, names and remuneration amounts individually. The Company shall not need to fill the table for ranges of remuneration):

1. Where it was a loss after tax in the parent company only or individual financial statements in the last three years, the name and remuneration of individual "Directors and Supervisors" shall be disclosed; provided that it is net income after tax in the parent company only or individual financial statements in the most recent year, and the said net income is sufficient to make up for the accumulated losses.
2. The remuneration of individual directors shall be disclosed if the directors' shareholding has been inadequate for at least three consecutive months in the most recent year, and the remuneration of individual executives shall be disclosed if the executives' shareholding has been inadequate for at least three consecutive months in the most recent year.

3. If the average qualitative ratio of directors or executives is greater than 50% for any three months of the most recent year, the remuneration of individual directors or executives whose qualitative ratio is greater than 50% for each month shall be disclosed.
4. If the total amount of remuneration received by all the directors and supervisors of a company from all the companies listed in its financial statements exceeds two (2) percent of its net income after taxes, and the amount of remuneration received by any individual director or supervisor exceeds NT\$15 million, the Company shall disclose the amount of remuneration paid to individual directors or supervisors. (Description: The remuneration of Directors and Supervisors is calculated based on “Remuneration of Directors” plus “Remuneration of Supervisors” as in the Appendix without including the relevant remuneration received as concurrent employees.)
5. Any result of evaluation made on corporate governance in the most recent year is in the last two level, or any trading method changes, any trading or marketing stops, or any evaluation is rejected by the Corporate Governance Evaluation Committee in the most recent year as of the publication date of this Annual Report as a listed company.
6. The average annual salary of the full-time employees of the listed company who do not hold executive positions in the most recent year does not reach NT\$500,000.
7. A listed company’s net income after tax for the most recent year has increased by 10% or more, but the average annual salary of full-time employees who are not in supervisory positions has not increased from the previous year.
8. If a listed company that has experienced a decline of over ten percent in net income after tax and has exceeded NT\$5 million in the most recent fiscal year, as well as an increase of over ten percent and exceeding NT\$100,000 in average director remuneration (excluding remuneration for concurrent employees).

If the circumstance in sub-item “(I)” or in sub-item “(V)” of the preceding item applies to a company listed on the TWSE or the TPEX, it shall disclose the individual remuneration paid to each of its top five management personnel (e.g., General Manager, Deputy General Managers, Chief Executive Officer, or Chief Financial Officer).



(I) Remuneration paid to Directors, Independent Directors, General Manager, and Deputy General Managers

1. Remuneration for General and Independent Directors (Disclosed Individually by Name and Method of Compensation)

Unit: NT\$ 1,000

Title	Name (Note 1)	Directors' remuneration								Proportion of the sum of A, B, C, and D to NIAT (Note 10)		Relevant remuneration received by directors who also serve as employees								Percentage of the total of 7 items A, B, C, D, E, F and G to net income after taxes (Note 10)		Remuneration from Invested Companies Other than Subsidiaries or the Parent Company (Note 11)
		Base Compensation (A) (Note 2)		Separation Pay and Pension (B)		Remuneration of directors (C) (Note 3)		Costs Incurred from Performance of Duty (D) (Note 4)				Salary, Bonuses, and Special Allowances (E) (Note 5)		Separation Pay and Pension (F)		Employee Rewards (G) (Note 6)						
		The Company	All companies in the Financial Report (Note 7)	The Company	All companies in the Financial Report (Note 7)	The Company	All companies in the Financial Report (Note 7)	The Company	All Companies in the Financial Report (Note 7)	The Company	All Companies in the Financial Report (Note 7)	The Company	All Companies in the Financial Report (Note 7)	The Company	All Companies in the Financial Report (Note 7)	Cash Amount	Stock Amount	Cash Amount	Stock Amount	The Company	All Companies in the Financial Report (Note 7)	
Chairman	Quintin Wu	0	0	0	0	0	0	16	16	16 (0.00%)	16 (0.00%)	4,174	4,174	0	0	0	0	0	0	4,190 (0.98%)	4,190 (0.98%)	17,846
Director	Ma, I- Kung	1,200	1,200	0	0	0	0	142	142	1,342 (0.31%)	1,342 (0.31%)	0	0	0	0	0	0	0	0	1,342 (0.31%)	1,342 (0.31%)	0
Director	Wu, Pei- Chi	0	0	0	0	0	0	16	16	16 (0.00%)	16 (0.00%)	4,358	4,358	0	0	0	0	0	0	4,374 (1.02%)	4,374 (1.02%)	5,965
Director	Ying, Bao-Luo	1,000	1,000	0	0	0	0	140	140	1,140 (0.27%)	1,140 (0.27%)	0	0	0	0	0	0	0	0	1,140 (0.27%)	1,140 (0.27%)	0
Director	Pi, Shu- Chien	0	0	0	0	0	0	136	136	136 (0.03%)	136 (0.03%)	0	0	0	0	0	0	0	0	136 (0.03%)	136 (0.03%)	66
Independent Director	Chen, Tien- Wen	1,200	1,200	0	0	0	0	164	164	1,364 (0.32%)	1,364 (0.32%)	0	0	0	0	0	0	0	0	1,364 (0.32%)	1,364 (0.32%)	0
Independent Director	Wei, Yung- Tu	1,200	1,200	0	0	0	0	164	164	1,364 (0.32%)	1,364 (0.32%)	0	0	0	0	0	0	0	0	1,364 (0.32%)	1,364 (0.32%)	0
Independent Director	Li, Kuo- Hsiang	1,200	1,200	0	0	0	0	160	160	1,360 (0.32%)	1,360 (0.32%)	0	0	0	0	0	0	0	0	1,360 (0.32%)	1,360 (0.32%)	0
Independent Director	Chen, Piao- Chun	1,200	1,200	0	0	0	0	160	160	1,360 (0.32%)	1,360 (0.32%)	0	0	0	0	0	0	0	0	1,360 (0.32%)	1,360 (0.32%)	974

1. Please state the policies, systems, standards, and structure of independent directors' remuneration payment, and describe the relevance to the amount of remuneration according to their responsibilities, risks, and time of investment:  
The remuneration of Independent Directors is paid based on the Company's Articles of Incorporation and the remuneration policies and measures and depends on the degree of participation and the value of their contribution to the Company's operations, with reference to the median level in the industry, and it shall be distributed after submitted to and approved by the Remuneration Committee and adopted by the Board of Directors. Except for the fixed remuneration, no other consideration is paid each year.

2. In addition to the information disclosed in the table above, remuneration paid to any director of the Company (such as serving as an adviser to all non-employees of the parent company/all companies/re-invested companies in the financial report, etc.) in the most recent fiscal year: None.

## Range of Remuneration: N/A

- Note 1: The names of Directors shall be listed separately (for corporate shareholders, their names and the name of their representatives shall be listed separately) and the amount of remuneration paid to them shall be disclosed collectively. This table and table (3-1), or tables (3-2-1) and (3-2-2) below shall be filled out if a Director concurrently serves as the General Manager or Deputy General Manager.
- Note 2: Remuneration received by a director in the most recent fiscal year (including director's salary, job-related allowances, separation pay, various bonuses and incentives).
- Note 3: Fill the amount of rewards approved by the Board of Directors and distributed to the directors in the most recent fiscal year.
- Note 4: Business expenses paid to the directors in the most recent fiscal year (including services and goods provided such as transportation allowances, special allowances, various allowances, accommodation and vehicle). If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel costs calculated based on the actual amount or fair market value, and other payments shall be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company in a separate note (not included in the remuneration).
- Note 5: Salary, job-related allowances, severance pay, various bonuses, incentives, transportation allowance, special allowance, various allowances, accommodation allowance and driver allowance received by directors who concurrently serve as employees (including general manager, deputy general manager, other managerial officers and employees) in the most recent fiscal year. If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel costs calculated based on the actual amount or fair market value, and other payments shall be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company in a separate note (not included in the remuneration). Any compensation listed under IFRS 2 Share-Based Payment, including issuance of employee stock options, new restricted employee shares and cash capital increase by stock subscription shall be included. The Company provides transportation and other expenses amounting to NT\$498,000.
- Note 6: For directors concurrently serving as employees (including general manager, deputy general manager, other managerial officers and employees) who receive employee rewards (including shares and cash), the amount of employee rewards that have been approved by the Board of Directors and are distributed to them in the most recent fiscal year shall be disclosed. If the amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be calculated based on the ratio of the amount of rewards distributed in the previous fiscal year, and this amount shall also be filled in Table 1-3.
- Note 7: The total amount of all the remuneration paid to the Company's Directors by all the companies in the consolidated financial statements (including the Company) shall be disclosed.
- Note 8: The name of each Director shall be disclosed in the range of remuneration corresponding to the amount of all the remuneration paid to each Director by the Company. (N/A)
- Note 9: The total amount of all the remuneration paid to each Director of the Company by all the companies in the consolidated financial statements (including the Company) shall be disclosed. The name of each Director shall be disclosed in the range of remuneration corresponding to the total amount. (N/A)
- Note 10: Net income after tax refers to net income after tax listed in the parent company only or individual financial statements in the most recent year.
- Note 11:
- a. This field shall clearly indicate the amount of remuneration received by the Company's Directors from investees other than a subsidiary or the parent company (if not, please fill in "none").
  - b. The remuneration means pay, compensation (including compensation of employees, directors and supervisors) and business expenses received by the directors, serving as a director, supervisor or manager of a reinvestment business or parent company of the Company other than
- \* The content of compensation disclosed in this table is derived based on a concept different from the concept of income stipulated in the Income Tax Act. The purpose of the table is for the disclosure of information, instead of taxation.



2. Remuneration paid to supervisors: Not applicable as the Company has an Audit Committee that replaces the functions of Supervisors.
3. Remuneration for General Manager and Deputy General Manager (Disclosed Individually by Name and Method of Compensation)

Unit: NT\$ 1,000

Title	Name (Note 1)	Salary (A) (Note 2)		Separation Pay and Pension (B)		Bonuses and special allowances (C) (Note 3)		Amount of employee rewards (D) (Note 4)				Percentage of the total of 4 items A, B, C and D on net income after tax (%) (Note 8)		Remuneration from Invested Companies Other than Subsidiaries or the Parent Company (Note 9)
		The Company	All companies in the Financial Report (Note 5)	The Company	All companies in the Financial Report (Note 5)	The Company	All Companies in the Financial Report (Note 5)	The Company		All companies in the Financial Report (Note 5)		The Company	All companies in the Financial Report (Note 5)	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chief Executive Officer	Quintin Wu	3,839	3,839	0	0	335	335	0	0	0	0	4,174 (0.98%)	4,174 (0.98%)	17,846
General Manager	Wu, Pei-Chi	1,637	1,637	0	0	2,721	2,721	0	0	0	0	4,358 (1.02%)	4,358 (1.02%)	5,965

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

### Range of Remuneration: N/A

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

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

Note 3: Fill the amount of various bonuses, incentives, transportation allowances, special allowance, various allowances, accommodation, and vehicle received by the General Manager and Deputy General Managers in the most recent fiscal year. If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel costs calculated based on the actual amount or fair market value, and other

payments shall be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company in a separate note (not included in the remuneration). Any compensation listed under IFRS 2 Share-Based Payment, including issuance of employee stock options, new restricted employee shares and cash capital increase by stock subscription shall be included. The Company provides transportation and other expenses amounting to NT\$498,000.

- Note 4: Fill the amount of employee rewards (including shares and cash) that have been approved by the Board of Directors and are distributed to the general manager and deputy general manager in the most recent fiscal year. If the amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be calculated based on the ratio of the amount of rewards distributed in the previous fiscal year, and this amount shall also be filled in Table 1-3. Net income after taxes refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after taxes refers to net income after taxes recorded in the parent company-only or individual financial statements in the most recent fiscal year.
- Note 5: The total amount of the remuneration of all the companies (including the Company) in the consolidated report to the General Manager and Deputy General Manager and Deputy General Managers of the Company shall be disclosed.
- Note 6: The name of each general manager and deputy general manager should be disclosed in the range of remuneration corresponding to the amount of all the remuneration paid to the general manager and deputy general manager by the Company. (N/A)
- Note 7: The Company shall disclose the total compensation paid by all companies included in the consolidated financial statements (including the Company itself) to each of the Company's general managers and deputy general managers, and disclose their names within the applicable compensation range. (N/A)
- Note 8: Net income after tax (NIAT) refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after tax refers to net income after tax recorded in the parent company only or standalone financial statements in the most recent fiscal year.
- Note 9:
- a. This field shall clearly indicate the amount of remuneration received by the Company's General Manager or Deputy General Manager from investees other than subsidiaries or the parent company (if not, please fill in "none").
  - b. If the General Manager or Deputy General Managers of the Company receive remuneration from investees other than subsidiaries or the parent company, the remuneration received by the General Manager or Deputy General Managers of the Company from investees other than subsidiaries or the parent company shall be included in Column E in the Range of Remuneration Table, and the column shall be renamed "Parent Company and All Investees."
  - c. Remuneration in this case refers to remuneration, bonuses (including employee, Director, or supervisor compensation), and allowances received by the General Manager or Deputy General Managers of the Company as the Directors, supervisors, or managerial officers of investees other than subsidiaries or the parent company
- \* The content of compensation disclosed in this table is derived based on a concept different from the concept of income stipulated in the Income Tax Act. The purpose of the table is for the disclosure of information, instead of taxation.



4. The remuneration of the top five executives with the highest remuneration (name and remuneration shall be disclosed individually)

Unit: NTS 1,000

Title	Name (Note 1)	Salary (A) (Note 2)		Separation Pay and Pension (B)		Bonuses and special allowances (C) (Note 3)		Amount of employee rewards (D) (Note 4)				Proportion of the sum of A, B, C, and D to NIAT (%) (Note 6)		Remuneration from Invested Companies Other than Subsidiaries or the Parent Company (Note 7)
		The Company	All companies in the Financial Report (Note 5)	The Company	All companies in the Financial Report (Note 5)	The Company	All Companies in the Financial Report (Note 5)	The Company		All the Companies Included in the Consolidated Financial Statements (Note 5)		The Company	All companies in the Financial Report (Note 5)	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chief Executive Officer	Quintin Wu	3,839	3,839	0	0	335	335	0	0	0	0	4,174 (0.98%)	4,174 (0.98%)	17,846
General Manager	Wu, Pei- Chi	1,637	1,637	0	0	2,721	2,721	0	0	0	0	4,358 (1.02%)	4,358 (1.02%)	5,965
Senior Manager	Huang, Chun- Hao	2,108	2,500	108	108	1,710	1,933	0	0	0	0	3,926 (0.92%)	4,541 (1.06%)	0
Director of Chienche n Plant	Wang, Wen- Yao	1,919	1,919	108	108	674	674	0	0	0	0	2,701 (0.63%)	2,701 (0.63%)	0
Head of the Toufen Plant	Liao, Kuo- Yun	1,596	1,596	94	94	607	607	0	0	0	0	2,297 (0.54%)	2,297 (0.54%)	0

Note 1: The term "individual remuneration to the top five management personnel" refers to the Company's managerial officers. The criteria for identifying these managerial officers are based on the rules set forth in the letter Tai-Cai-Zheng-III No. 0920001301 issued by the Securities and Futures Commission, Ministry of Finance, dated March 27, 2003. As for the principle of determining the "individual remuneration to the top five management personnel", it is based on the total amount of salaries, pensions, bonuses, and special allowances, as well as employee remuneration received by the Company's managerial officers from all companies in the consolidated financial reports (i.e., the sum of A+B+C+D), and the top five management personnel with the highest remuneration are determined after sorting. If a Director concurrently serves as a managerial officer as above, this table

and Table (1-1) above shall be filled in.

- Note 2: Fill the salary, job-related allowances and severance pay received by the top five management personnel with the highest remuneration in the most recent fiscal year.
- Note 3: Fill the amount of various bonuses, incentives, transportation allowances, special allowance, various allowances, accommodation, and vehicle received by the top five management personnel with the highest remuneration in the most recent fiscal year. If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rent fees and fuel costs calculated based on the actual amount or fair market value, and other payments shall be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company in a separate note (not included in the remuneration). Any compensation listed under IFRS 2 Share-Based Payment, including issuance of employee stock options, new restricted employee shares and cash capital increase by stock subscription shall be included. The Company provides dormitory accommodation and company vehicles. Rental expenses amounting to NT\$947 thousand have been included in the bonuses and special allowances presented in the table above. In addition, the Company also provides transportation and other expenses amounting to NT\$707,000.
- Note 4: Fill the amount of employee rewards (including shares and cash) that have been approved by the Board of Directors and are distributed to the top five management personnel with the highest remuneration in the most recent fiscal year. If the amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be calculated based on the ratio of the amount of rewards distributed in the previous fiscal year, and this amount shall also be filled in Table 1 - 3.
- Note 5: The total amount of all the remuneration paid to the Company's top five management personnel with the highest remuneration by all the companies in the consolidated financial statements (including the Company) shall be disclosed.
- Note 6: Net income after tax refers to net income after tax listed in the parent company only or individual financial statements in the most recent year.
- Note 7:
- a. This field shall clearly indicate the amount of remuneration received by the Company's top five management personnel with the highest remuneration from investees other than a subsidiary or the parent company (if not, please fill in "none").
  - b. Remuneration refers to the compensation, rewards (including rewards distributed to employees, Directors, and supervisors) and remuneration related to business expenses that are received by the Company's top five management personnel with the highest remuneration who serve as Directors, supervisors or managerial officers at investees other than subsidiaries or the parent company.
- Note 8: Wang Wen-Yao, Plant Manager of the Chienchen Plant, retired on Dec. 30, 2025.
- \* The content of compensation disclosed in this table is derived based on a concept different from the concept of income stipulated in the Income Tax Act. The purpose of the table is for the disclosure of information, instead of taxation.



5. Name of Managerial Officers to Which Employee Rewards Are Distributed, and Status of Distribution

December 31, 2025

Unit: NT\$ 1,000

	Title (Note 1)	Name (Note 1)	Stock Amount	Cash Amount	Total	Percentage of total remuneration on NIAT (%)
Managerial Officer	Chief Executive Officer	Quintin Wu	0	0	0	0%
	General Manager	Wu, Pei-Chi				
	Senior Manager	Huang, Chun-Hao				
	Director of Chienchen Plant	Wang, Wen- Yao				
	Head of the Toufen Plant	Liao, Kuo- Yun				
	Director of Linyuan Plant	Tsai, Chung- Ju				
	Director of Chienchen Plant	Huang Feng- Chih				
	Corporate Governance Officer	Chen, Yung- Chih				
	Head of Accounting Department	Li, Chun- Yao				
	Head of Finance Department	Luo, Fei-Yun				

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

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

Note 3: The scope of application for the term “managerial officer” shall follow the approved document with Reference No. T.C.Z.S.Z. No. 0920001301 dated March 27, 2003. Its scope of application shall be as follows:

- (1) General Manager and its equivalent
- (2) Deputy General Manager and its equivalent



- (3) Senior Manager and its equivalent
- (4) Head of Finance Department
- (5) Head of Accounting Department
- (6) Other personnel authorized to manage company operations and sign for approval

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

Note 5: Wang Wen-Yao, Plant Manager of the Chienchen Plant, retired on Dec. 30, 2025.

(II) Analysis and comparison of percentages of remuneration paid to the Company's Directors, Supervisors, General Manager and Deputy General Managers by the Company and all the companies listed in its consolidated financial statements in the most recent two fiscal years to the net income (loss) after taxes recorded in its parent company-only or individual financial statements, and explanation on the remuneration policies, standards and packages, procedures for determining remuneration and their correlations with its business performance and future risk exposure.

1. Analysis of total remunerations of directors, general managers and deputy general managers in proportion to earnings after tax:

Type \ Year	2025		2024	
	The Company	All companies in the Financial Report	The Company	All companies in the Financial Report
General Directors	(0.61%)	(0.61%)	(1.21%)	(1.21%)
Independent Director	(1.28%)	(1.28%)	(1.88%)	(1.88%)
General Directors (Including Those Who Concurrently Serve as Employees and Receive Employees' Compensation)	(2.61%)	(2.61%)	(5.03%)	(5.03%)
Independent Directors (Including Those Who Concurrently Serve as Employees and Receive Employees' Compensation)	(1.28%)	(1.28%)	(1.88%)	(1.88%)
Chief Executive Officer, General Manager and Deputy General Managers	(2.00%)	(2.00%)	(3.82%)	(3.82%)

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

(1) Remuneration policies, standards and packages

- The remuneration of the directors is in accordance with Article 19-1 of the Company's Articles of Incorporation, which stipulates, "Regardless of the Company's operating profit or loss, the remuneration shall be based on the value of their participation in and contribution to the Company's operations, with the industry standards in the R.O.C. as a reference." The remuneration of the directors shall not exceed one percent of the profit for the year, and the remuneration of the employees shall not be less than one percent of the profit for the year in accordance with Article 34 of the Company's Articles of Incorporation. The foregoing remuneration is determined with reference to the Company's operating performance and the results of the evaluation of the directors' performance. In addition, the Company shall pay the traffic allowance in accordance with the resolution of the shareholders' meeting, but the manager of the Company who concurrently serves as the director shall not receive the traffic allowance. Among them, the aspects of directors' regular evaluation include the mastery of the Company's objectives and tasks, directors' cognition of their responsibilities, their participation in the Company's operation, internal relationship management and communication, directors' professionalism and continuous learning, and internal control.
- The manager's remuneration shall be handled in accordance with the relevant personnel regulations and Article 22 of the Articles of Incorporation. It shall be approved by the Board of Directors by considering the operating performance. The operational performance encompasses various dimensions: financial aspects (operating revenue, operating profit, and pre-tax net profit), customer aspects (customer satisfaction, service quality, significant market development), product aspects (brand management, quality innovation), talent



aspects (talent cultivation, potential development), safety aspects (zero pollution, zero emissions, zero occupational accidents, zero incidents, zero failures), and project aspects (digital transformation, energy conservation and carbon reduction, circular economy, net-zero emissions). The evaluation of achievement rates in these areas includes a weight of at least 40% for sustainability-related indicators, with at least 15% of the sustainability indicators pertaining to climate-related items. The relevant indicator items are established based on the short, medium, and long-term planning outlined in the ESG report's sustainability vision and goals.

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

## (2) Procedures for determining the remuneration

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

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

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

The Remuneration Committee references the Company's overall business performance, outlook of the industry, business risks, and development trends and evaluates the performance targets of the Company's Directors and managerial officers to establish the content and amount of their remuneration individually. The Committee forms recommendations and submits them to the Board of Directors for passage. The Committee reviews the remuneration system for the Company's Directors and managerial officers any time in light of the actual operating conditions and relevant laws and regulations and should not guide the Company's Directors and managerial officers to pursue compensation and engage in behaviors beyond the Company's risk appetite.

### III. Implementation of Corporate Governance

(I) Operations of the Board of Directors

A total of four (4) meetings (A) were held by the Board of Directors in the most recent fiscal year (2025). The attendance of the members of the Board are as follows:

Title	Name	1st meeting 2025.3.5	2nd meeting <sup>20</sup> 25.5.5	3rd meeting 2025.8.6	4th meeting 2025.11.7	Number of Attendance in Person B	Attendance by Proxy	Rate of Attendance in Person (%) [B/A] (Note 2)	Notes
Chairman	Quintin Wu (representative of Union Polymer International Investment Corporation)	◎	◎	◎	◎	4	0	100	
Director	Ma, I-Kung (representative of USIFE Investment Co., Ltd.)	◎	◎	◎	◎	4	0	100	
Director and General Manager	Wu, Pei-Chih (representative of Union Polymer International Investment Corporation)	◎	◎	◎	◎	4	0	100	
Director	Yin, Bao-Luo (representative of USIFE Investment Co., Ltd.)	☆	◎	◎	◎	3	1	75	
Director	Pi, Shu-Chien (representative of Tai Lien International Investment Co., Ltd.)	◎	◎	☆	◎	3	1	75	
Independent Director	Chen, Tien-Wen	◎	◎	◎	◎	4	0	100	
Independent Director	Wei, Yung-Tu	◎	◎	◎	◎	4	0	100	
Independent Director	Li, Kuo-Hsiang	◎	◎	◎	◎	4	0	100	
Independent Director	Chen, Piao-Chun	◎	◎	◎	◎	4	0	100	

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

Note 2:



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

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



Other matters to be noted:

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

Names of Director	Motion	Reason for Recusal	Participation in Voting	Board Meeting Session
Quintin Wu Wu, Pei-Chi Pi, Shu-Chien	Approval by the Annual Shareholders' Meeting for the removal of non-compete restrictions on directors.	The recused Director is the subject in the removal of the non-compete clause.	Did not participate in voting	2025 1st Meeting 2025.3.5
Quintin Wu Ma, I-Kung Wu, Pei-Chi	Donations to the USI Education Foundation.	They recused themselves due to conflict of interest as they serve as Directors of the foundation.		

3. Listed company shall disclose the evaluation cycle and duration, scope of evaluation, methodology, and evaluation contents of the evaluation of the Board of Directors.

Evaluation of the performance for the Board of Directors in 2025:

Frequency (Note 1)	Period of evaluation (Note 2)	Scope (Note 3)	Evaluation Method (Note 4)	Description (Note 5)
Once every three years	January 1, 2025 to December 31, 2025	Performance Evaluation of the Board of Directors	Engagement of External Professional Institutions	<p>The scope of the Board of Directors' performance evaluation encompasses four key dimensions:</p> <p>I. Board Professional Competence (including board composition and structure, as well as the nomination, election, and continuing education of directors).</p> <p>II. Board Decision-Making Effectiveness (including the extent of participation in corporate operations and the enhancement of decision-making quality).</p> <p>III. The Board's emphasis on and oversight of internal control systems.</p> <p>IV. The Board's commitment to sustainable operation.</p>



Frequency (Note 1)	Period of evaluation (Note 2)	Scope (Note 3)	Evaluation Method (Note 4)	Description (Note 5)
Once every year	January 1, 2025 to December 31, 2025	Performance Evaluation of the Board of Directors	Self- Evaluation of the Board of Directors	<p>The performance evaluation criteria for the Board of Directors shall encompass the following five key aspects:</p> <ul style="list-style-type: none"> <li>I. Degree of participation in the Company's operations</li> <li>II. Improvement in the quality of decision-making of the Board of Directors</li> <li>III. Composition and structure of the Board of Directors</li> <li>IV. Election and continuous education of directors</li> <li>V. Internal control</li> </ul>
Once every year	January 1, 2025 to December 31, 2025	Performance evaluation of individual directors	Self evaluation of board members	<p>The performance evaluation criteria for individual directors' self-assessment shall encompass the following six key aspects:</p> <ul style="list-style-type: none"> <li>I. Mastery of company objectives and tasks.</li> <li>II. Understanding of the director's roles and responsibilities</li> <li>III. Degree of participation in the Company's operations</li> </ul>

Frequency (Note 1)	Period of evaluation (Note 2)	Scope (Note 3)	Evaluation Method (Note 4)	Description (Note 5)
				IV. Internal relationship management and communication V. Expertise and continuing education of the directors VI. Internal control
Once every year	January 1, 2025 to December 31, 2025	Performance Evaluation of the Functional Committee (Audit Committee, Compensation Committee, and ESG Committee)	Self-evaluation of functional committees' members	The performance evaluation criteria for the functional committee shall encompass the following five key aspects: I. Extent of participation in functional committee II. Understanding of functional committee responsibilities III. Improvement of the decision-making quality of the functional committee IV. Composition of the functional committee and selection of committee members V. Internal control

※ The results of performance evaluation for the Board of Directors and functional committees for 2025 have been reported to the 1st meeting of the Board of Directors in 2025 (March 11, 2026) and disclosed on the Company's website.



- Note 1: Fill in the cycle of the evaluation of Board of Directors; for example: once a year.
- Note 2: Fill in the period covered by the evaluation of the Board of Directors. For example, the performance evaluation of the Board of Directors from January 1, 2025 to December 31, 2025.
- Note 3: The scope of the evaluation includes the performance evaluation of the Board of Directors, individual Board members, and functional committees.
- Note 4: The evaluation methods include self-evaluation of the Board of Directors, self-evaluation of the Directors, peer evaluation, appointment of external professional institutions or experts, or other appropriate methods.
- Note 5: The evaluation content includes at least the following items according to the evaluation scope:
- (1) Performance evaluation of the Board of Directors: It shall at least include the degree of participation in the Company's operations, the quality of decision-making of the Board of Directors, the composition and structure of the Board of Directors, the selection and continuous learning of directors, and internal control.
  - (2) Evaluation of individual Directors' performance: It shall at least include the knowledge about the Company's objectives and tasks, the understanding of Director duties, the participation in the Company's operations, the internal relationship management and communication, Directors' specialties and continuous learning, and internal control.
  - (3) Performance evaluation of functional committees: It shall include the degree of participation in the Company's operations, the understanding of the functional committee's responsibilities, the quality of decision-making of the functional committee, the composition and selection of members of the functional committee, and internal control.
4. The targets for strengthening the functions of the Board of Directors in the current year and recent years (such as the establishment of the Audit Committee and enhancement of information transparency) and the assessment of implementation:

- (1) The Board of Directors operates in compliance with laws, regulations, the Articles of Incorporation, and the resolutions adopted by the shareholders' meeting. In addition to possessing necessary professional knowledge to carry out their duties, all Directors shall act in accordance with the principles of honesty and good faith and their due obligations, to create the maximum interests for all shareholders.
- (2) The Company constantly pays attention to changes in laws and regulations of the competent authority, reviews its Board of Directors Meeting Regulations and Rules Governing the Scope of Powers of Independent Directors, and evaluates its Audit Committee Charter and Remuneration Committee Charter in due course. The Company really seeks to improve information transparency in accordance with the amended laws, and the implementation of these regulations has been favorable.
- (3) The Board appointed a Corporate Governance Officer on May 9, 2019 to ensure the implementation of corporate governance best practices, to safeguard the interests of shareholders, and to strengthen the functions of the Board.
- (4) 4) The Company established the Remuneration Committee in 2011, the Audit Committee in 2015, and the ESG Committee in 2017, and has continued to enhance the effectiveness of these functional committees.
- (5) The Company's website and the Market Observation Post System disclose relevant information on the Company's compliance with related regulations and major resolutions of the Board of Directors to help shareholders understand the Company's development and enhance the transparency of the Company's information.
- (6) The Company organizes 6 hours of directors training sessions each year and assists directors to participate in external corporate governance courses. Below details the continued training sessions attended by the Company's Directors in 2025:



Title	Name	Date	Organizer	Course Title	Hours
Chairman	Quintin Wu	2025/7/29	Securities & Futures Institute	Industry Case Studies on Smart Manufacturing and Digital Decision-Making	3
		2025/10/16	Securities & Futures Institute	U.S.–China Economic Outlook and Taiwan’s Industrial Prospects Following the U.S. Presidential Election	3
Director	Ma, I-Kung	2025/7/29	Securities & Futures Institute	Industry Case Studies on Smart Manufacturing and Digital Decision-Making	3
		2025/10/16	Securities & Futures Institute	U.S.–China Economic Outlook and Taiwan’s Industrial Prospects Following the U.S. Presidential Election	3
Director and General Manager	Wu, Pei-Chi	2025/7/29	Securities & Futures Institute	Industry Case Studies on Smart Manufacturing and Digital Decision-Making	3
		2025/7/31	Taiwan Stock Exchange (TWSE)	Strengthening the Taiwan Capital Market Summit 2025	3
Director	Ying, Bao-Luo	2025/9/26	Securities & Futures Institute	2025 Insider Trading Prevention Seminar	3
		2025/10/16	Securities & Futures Institute	U.S.–China Economic Outlook and Taiwan’s Industrial Prospects Following the U.S. Presidential Election	3
Director	Pi, Shu-Chien	2025/7/9	Taiwan Stock Exchange (TWSE)	2025 Cathay Sustainable and Climate Change Summit Forum	6
Independent Director	Chen, Tien-Wen	2025/7/29	Securities & Futures Institute	Industry Case Studies on Smart Manufacturing and	3

Title	Name	Date	Organizer	Course Title	Hours
				Digital Decision-Making	
		2025/10/16	Securities & Futures Institute	U.S.–China Economic Outlook and Taiwan’s Industrial Prospects Following the U.S. Presidential Election	3
Independent Director	Wei, Yung-Tu	2025/3/26	Taiwan Corporate Governance Association	Sustainable Transformation: Pioneering a New Era Symposium	2
		2025/7/29	Securities & Futures Institute	Industry Case Studies on Smart Manufacturing and Digital Decision-Making	3
		2025/10/16	Securities & Futures Institute	U.S.–China Economic Outlook and Taiwan’s Industrial Prospects Following the U.S. Presidential Election	3
Independent Director	Li, Kuo-Hsiang	2025/7/29	Securities & Futures Institute	Industry Case Studies on Smart Manufacturing and Digital Decision-Making	3
		2025/10/16	Securities & Futures Institute	U.S.–China Economic Outlook and Taiwan’s Industrial Prospects Following the U.S. Presidential Election	3
Independent Director	Chen, Piao-Chun	2025/7/29	Securities & Futures Institute	Industry Case Studies on Smart Manufacturing and Digital Decision-Making	3
		2025/10/16	Securities & Futures Institute	U.S.–China Economic Outlook and Taiwan’s Industrial Prospects Following the U.S. Presidential Election	3



## (II) Operations of the Audit Committee:

### 1. Operations of the Audit Committee

#### (1) Functions

- Formulation and amendment of the internal control system pursuant to Article 14-1 of the Act.
- Evaluation of the effectiveness of the internal control systems.
- Pursuant to Article 36-1 of the Securities and Exchange Act, formulate or revise procedures for major financial business actions including the acquisition or disposal of assets, engaging in derivative trading, loaning of funds to others, making endorsement or guarantees for others
- Items involving the interests of directors.
- Major assets or derivative trading.
- Major loaning of funds, making of endorsements or provision of guarantees.
- Raising, issuing, or privately placing marketable securities.
- Appointment, dismissal and compensation of CPAs.
- Appointments and dismissal of finance, accounting and internal audit managers.
- Annual financial reports signed and sealed by the Chairman, a managerial officer, and the accounting manager.
- Other major items required by other companies or the competent authority.

#### (2) Annual Work Summary

The Audit Committee is composed of four independent directors. In total four meetings (A) were held during the fiscal year of 2025. The attendance of the members is listed below:

Title	Name	Number of Attendances In Person (B)	Number of Proxy Attendances	Percentage of attendance in person (%) (B/A) (Note 1, Note 2)	Notes
Independent Director	Chen, Tien-Wen	4	0	100	
Independent Director	Wei, Yung-Tu	4	0	100	
Independent Director	Li, Kuo-Hsiang	4	0	100	
Independent Director	Chen, Piao-Chun	4	0	100	

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

Note 2: If independent directors are re-elected before the end of the fiscal year, incoming and outgoing independent directors shall be listed accordingly, and the Remark column shall indicate whether the status of an independent director is “outgoing,” “incoming” or “re-elected,” and the date of re-election. The attendance ratios (%) should be calculated based on the number of meetings held by the Audit Committee and the actual number of meetings attended during the member’s term of office.

#### Main Items for Review:

1. Assess the effectiveness of the internal control system and issue the Internal Control System Statement.
2. Review the annual accounts and earnings distribution and issue an audit report.
3. Lift competition restrictions against Directors.
4. Assess the independence of CPAs and appoint CPAs and audit their remuneration.
5. Implemented the Non-Assurance Services Pre-Approval Policy by CPAs.
6. Amendment of the internal control system.
7. Endorsements/guarantees.



8. Interim financial report.
9. Change of Chief Audit Officer.
10. Audit plan.
11. Oversee the implementation of risk management policies.

(3) Implementation Status

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

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

Audit Committee	Resolution and Follow-up Actions	Items listed in Article 14-5 of the Securities and Exchange Act	Dissenting Opinion or Qualified Opinion by Independent Directors
3rd meeting of the 4th term 2025.3.5	1. Preparation of 2024 consolidated and parent company only financial statements	V	None
	2. Appointment of CPAs for 2025.	V	None
	3. Internal Control System Statement in 2024.	V	None
	Opinions of the Audit Committee: None. The Company's Handling of Opinions of the Audit Committee: None Resolution: The motions were passed unanimously by the Directors in attendance and filed for discussion at the board meeting.		
4th meeting of the 4th term 2025.5.5	1. Approve the Q1 2025 Consolidated Financial Statements.	V	None
	2. Change of Chief Audit Officer.	V	None

	Opinions of the Audit Committee: None.		
	The Company's Handling of Opinions of the Audit Committee: None		
	Resolution: The motions were passed unanimously by the Directors in attendance and filed for discussion at the board meeting.		
5th meeting of the 4th term 2025.8.6	1. Consolidated Financial Statement for Q2 2025.	V	None
	2. Ratified the provision of endorsement guarantee for subsidiary TAITA (BVI) Holding Co., Ltd. .	V	None
	3. Amendment of the Company's internal control system.	V	None
	Opinions of the Audit Committee: None.		
	The Company's Handling of Opinions of the Audit Committee: None		
	Resolution: The motions were passed unanimously by the Directors in attendance and filed for discussion or report at the board meeting.		
6th meeting of the 4th term 2025.11.7	1. Consolidated Financial Statement for Q3 2025.	V	None
	2. Remuneration of CPAs for 2025.	V	None
	3. Amendment of the Company's internal control system.	V	None
	Opinions of the Audit Committee: None.		
	The Company's Handling of Opinions of the Audit Committee: None		
	Resolution: The motions were passed unanimously by the Directors in attendance and filed for discussion at the board meeting.		

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

B. In regard to the recusal of independent Directors from voting due to conflict of interests, the name of the



independent Directors, the resolutions, reasons for recusal due to conflict of interests and voting outcomes shall be stated: No such occurrences.

- C. Communications between independent directors and the head of internal audit and CPAs (material issues, methods and outcomes related to the Company's financial and business status should be included).
  - (A) Besides submitting the monthly audit reports to independent directors for review, the internal Chief Audit Officer also reports major audit findings to independent directors each quarter at the Audit Committee meeting.
  - (B) CPAs review the Company's consolidated financial statements (annual as well as parent only statements) and presented the result as well as any governance issues in person or in writing to the Audit Committee on a quarterly basis, in accordance with the Statement of Auditing Standards No. 39 - "Communication with Those Charged with Governance" and the approved letter with Reference No. Tai Tsai Cheng Liu Tzu 0930105373 issued by SFB on March 11, 2004.

Summary of communication between independent directors and CPAs and Chief Audit Officer in 2025:

Date/ Meeting	Attendee	Communication Item	Communication Results
2025/11/7 The 6th meeting of the 4th Audit Committee	Independent Directors: Chen, Tien-Wen Wei, Yung-Tu Li, Kuo-Hsiang Chen, Piao-Chun CPA Chen Chun- Hung Chief Audit Officer: Tu, Ying- Chun	CPA: Reported and communicated the review of the financial statements for the third quarter of 2025 and key audit matters. Chief Audit Officer: 1. Internal audit execution report 2. Amendment of the internal control system. 3. 2026 Annual Internal Audit Plan Report	No dissenting opinion

2. Participation of Supervisors at the board meeting: Not applicable for the Company has an Audit Committee that replaces the functions of supervisors.

(III) Corporate Governance Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons

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



Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
<p>implemented them accordingly?</p> <p>(II) Does the Company maintain a list of major shareholders who have actual control over the Company and persons who have ultimate control over the major shareholders?</p>	V		The Company has been maintaining contact with its major shareholders and persons who have ultimate control over the major shareholders.	No material discrepancy
<p>(III) Has the Company established and implemented risk control and firewall mechanisms among its affiliated companies?</p>	V		The Company has established and implemented a system to monitor its subsidiaries.	No material discrepancy
<p>(IV) Has the Company formulated internal regulations that prohibit insiders of the Company from trading marketable securities using</p>	V		<p><b>Measures to prevent insider trading</b></p> <p>The Company conducts annual educational training on the “Internal Material Information Processing Procedures” and related regulations for current directors, managers, and employees. This training is also provided to newly appointed directors, managers, and employees upon their assumption of</p>	No material discrepancy

Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
undisclosed information in the market?			<p>office.</p> <p>In 2025, a total of 416 individuals, including current directors, managers, and employees, received education and training through online courses and assessments. The total training hours amounted to 416 hours. The detailed course titles and hours are as follows:</p> <p>[Online Courses and Educational Tests] Group Employee Code of Conduct Test (Including Insider Trading Prevention) - 2 hours</p> <p>The content includes: regulations on insider trading, definitions and essential elements, an examination of insider trading from the perspective of corporate governance, an introduction to Article 157-1 of the Securities Exchange Act with case studies, and a promotion of the scope of significant information and the procedures for handling such information.</p> <p>Additionally, online course materials and presentations are regularly available on the internal training and learning platform system, allowing all colleagues to view and learn at any time.</p> <p>It is clearly stipulated that directors are prohibited from trading the company's stock during the blackout periods: 30 days prior to the annual financial report announcement and 15 days prior to the quarterly financial report announcement.</p>	

Evaluation Item	Implementation Status (Note)		Overview	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p><b>Implementation Status</b></p> <ol style="list-style-type: none"> <li> <p><b>Company Regulations</b></p> <p>In August 2022, the Board of Directors approved amendments to the Company’s “Corporate Governance Best Practice Principles.” Subsequently, in November 2022, the Board of Directors approved amendments to the Company’s “Procedures for Ethical Management and Guidelines for Conduct.” These amendments stipulate that, in addition to complying with the provisions of the Securities and Exchange Act prohibiting insider trading, directors are also prohibited from trading the Company’s stock during the blackout periods, which are defined as the 30 days prior to the annual financial report announcement and the 15 days prior to the quarterly financial report announcement.</p> </li> <li> <p><b>Specific implementation of internal regulations</b></p> <p>Training — Administered via the training management platform, course title: [Group Employee Code of Conduct Test] - It has been incorporated that directors are prohibited from trading the Company’s stock during the closed period prior to the announcement of financial reports.</p> </li> </ol>	

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	Yes	No	Overview	
			<ul style="list-style-type: none"> <li>● In 2025, a total of 416 individuals participated in the aforementioned training, accumulating a total of 416 training hours.</li> <li>● Notice:                      Notice of Reminder Prior to the Blackout Period: A reminder will be sent by the Secretary of the Board of Directors via email to the directors seven days prior to the commencement of each blackout period, with a copy to members of the Shareholder Services Department.                      Second Reminder Mechanism: Executed by the Shareholder Services team, upon receiving the aforementioned information until the “Financial Report Announcement Date (i.e., the date of the Board of Directors meeting),” if any company director still applies for “Pre-Disclosure of Stock Transfer,” an email reminder will be sent to the director at that time regarding the regulations of the closed period (for independent directors, this will be communicated by the Secretary of the Board as per usual practice), and simultaneously to the Deputy Secretary of the Board and the Corporate Governance Supervisor.</li> </ul>	

Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>Notification by the Board Secretary —The Company has implemented the aforementioned regulations in the discussion of financial reports during board meetings, as outlined below:</p> <p>(1) On March 5, 2025, a board meeting was held to discuss the financial report for 2024. The announcement date for the financial report is set for the same day as the board meeting (March 5). Counting backward, the start date for the blackout period is 30 days prior (February 3), which means the closed period for trading stocks is from February 3, 2025, to March 5, 2025. On January 22, 2025, the Board Secretary informed all directors that trading of the Company’s stock is prohibited during the blackout period.</p> <p>(2) On May 5, 2025, the Board of Directors convened to discuss the financial report for the first quarter of 2025. Since major information regarding the financial report’s key data was released on the same day following the board meeting, the date of the board meeting (May 5) is set as the announcement date for the financial report. Counting backward 15</p>	

Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>days (April 20) determines the start date of the closed period, making the stock trading closed period from April 20, 2025, to May 5, 2025. On April 16, 2025, the Secretary of the Board informed all directors by email that trading of the Company's stock is prohibited during blackout periods.</p> <p>(3) On August 6, 2025, the Board of Directors convened to discuss the financial report for the second quarter of 2025. Since major information regarding the financial report's key data was released on the same day following the board meeting, the date of the board meeting (August 6) is set as the announcement date for the financial report. Counting backward 15 days (July 22) determines the start date of the closed period, making the stock trading closed period from July 22, 2025, to August 6, 2025. On July 16, 2025, the Secretary of the Board informed all directors by email that trading of the Company's stock is prohibited during the blackout period.</p> <p>(4) On November 7, 2025, the Board of Directors convened to discuss the financial report for the third quarter of 2025. Since major information regarding</p>	



Evaluation Item	Implementation Status (Note)		Overview	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>the financial report's key data was released on the same day following the board meeting, the date of the board meeting (May 7) is set as the announcement date for the financial report. Counting backward 15 days determines the start date of the closed period, making the stock trading closed period from April 22, 2024, to May 7, 2024. On October 17, 2025, the Secretary of the Board informed all directors by email that trading of the Company's stock is prohibited during the blackout period.</p> <p>In 2025, the Company's directors did not report any stock transfer activities during the blackout period.</p>	
<p>III. Composition and responsibilities of the Board of Directors</p> <p>(I) Has the Board of Directors drawn up policies on diversity of its members and implemented them?</p>	V		<p>I. The diversity policy of board members</p> <p>According to Article 20 of the Company's "Corporate Governance Best Practice Principles", diversity shall be considered in the composition of the Company's Board of Directors, and members of the Board of Directors shall possess the knowledge, skills and qualities required to</p>	No material discrepancy

Evaluation Item	Implementation Status (Note)		Overview	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:</p> <ul style="list-style-type: none"> <li>(I) Ability to make sound business judgment.</li> <li>(II) Ability to conduct accounting and financial analysis.</li> <li>(III) Business management ability.</li> <li>(IV) Crisis management ability.</li> <li>(V) Knowledge of the industry.</li> <li>(VI) An understanding of international markets.</li> <li>(VII) Leadership skills.</li> <li>(VIII) Decision-making ability.</li> </ul> <p>In addition to the eight competencies listed above, the Company added legal and environmental capabilities to the list in light of growing global attention on corporate governance issues and environmental protection, as well as the pressing need for diversified professional skillsets in the Board. At present, existing members of the Board of Directors possess the knowledge, skills and qualities required to perform their duties, and specialize in professional areas including accounting and finance, international markets and environmental protection.</p>	



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	Yes	No	Overview	
			<p>II. Specific Management Objectives for Diversity of Board Members</p> <p>The current Board of Directors was appointed on May 31, 2024, consisting of 9 members, including 4 independent directors and 5 representatives of legal entities. Currently, the Board of Directors of the Company has two female directors, which does not meet the one-third requirement of the total seats. The primary reason for this is that, due to the characteristics of our industry, there is a scarcity of women with substantial industry experience, making it difficult to achieve the one-third standard for board seats in the short term. In the future, additional female director positions that meet regulatory standards will be established in accordance with legal provisions. Furthermore, when selecting candidates for the Board of Directors, various considerations will be taken into account to identify suitable talents from different fields, thereby achieving the goal of board diversity. Additionally, in response to the growing global emphasis on corporate sustainability, the Company plans to increase the number of board members from relevant fields. This initiative aims to enhance the Company's sustainable competitiveness and further improve the functionality of the</p>	

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			<p>Board of Directors.</p> <p>III. Implementation of diversification of board members For details on the diversity of Board please refer to the table below. Please take note that Ma, Yi-Kung and Pi, Shu-Chien are female Directors.</p> <table border="1"> <thead> <tr> <th rowspan="2">Names of Director</th> <th rowspan="2">Gender</th> <th colspan="10">Core Competence</th> </tr> <tr> <th>Business judgment</th> <th>Accounting and finance</th> <th>Business management</th> <th>Crisis management</th> <th>Knowledge of the industry</th> <th>International markets</th> <th>Leadership</th> <th>Decision-making abilities</th> <th>Law</th> <th>Environmental protection</th> </tr> </thead> <tbody> <tr> <td>Quintin Wu</td> <td>Male</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Ma, I-Kung</td> <td>Female</td> <td>√</td> <td>√</td> <td></td> <td>√</td> <td></td> <td></td> <td></td> <td>√</td> <td></td> <td>√</td> </tr> <tr> <td>Wu, Pei-Chi</td> <td>Male</td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Ying, Bao-Luo</td> <td>Male</td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td>√</td> </tr> <tr> <td>Pi, Shu-Chien</td> <td>Female</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Chen, Tien-Wen</td> <td>Male</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Wei, Yung-Tu</td> <td>Male</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Li, Kuo-Hsiang</td> <td>Male</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Chen, Piao-Chun</td> <td>Male</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> </tbody> </table> <p>※ The members of the Board of Directors of the Company are all Taiwanese citizens, including 4 independent directors,</p>	Names of Director	Gender	Core Competence										Business judgment	Accounting and finance	Business management	Crisis management	Knowledge of the industry	International markets	Leadership	Decision-making abilities	Law	Environmental protection	Quintin Wu	Male	√	√	√	√	√	√	√	√			Ma, I-Kung	Female	√	√		√				√		√	Wu, Pei-Chi	Male	√		√	√	√	√	√	√			Ying, Bao-Luo	Male	√		√	√	√	√	√	√		√	Pi, Shu-Chien	Female	√	√	√	√	√	√	√	√			Chen, Tien-Wen	Male	√	√	√	√		√	√	√			Wei, Yung-Tu	Male	√	√	√	√	√	√	√	√			Li, Kuo-Hsiang	Male	√	√	√	√		√	√	√			Chen, Piao-Chun	Male	√	√	√	√			√	√			
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Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
(II) Has the Company voluntarily established functional committees other than the Remuneration Committee and Audit	V		<p>accounting for 44%; 2 directors with employee status, accounting for 22%.</p> <p>※ The age distribution of the directors is 1 director aged 51-60, 3 directors aged 61-70 and 5 directors aged 71-80.</p> <p>※ Reasons for the continued nomination of independent directors who have served three terms: Mr. Chen, Tien-Wen possesses extensive practical experience and expertise in the fields of finance, corporate management, and sustainable development, which greatly benefit Taita Chemical Co., Ltd. in financial planning, risk management, and energy conservation and carbon reduction Although having served three consecutive terms as an independent director of Taita Chemical, he has consistently demonstrated professional independence in his judgments and provided constructive suggestions in both functional committees and the Board of Directors.</p> <p>The Company has established a remuneration committee and an audit committee, which exercise their authority in accordance with the Remuneration Committee Charter and the Audit Committee Charter respectively with favorable performance. The Company has voluntarily established a Sustainable Development Committee which exercises its authority in accordance with the</p>	No material discrepancy

Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
<p>Committee that are established in accordance with the law?</p> <p>(III) Does the Company formulate the performance evaluation methods for the Board of Directors, conduct performance evaluations annually and regularly, and report the results of the performance evaluations to the Board of Directors, and use them as a reference for individual Directors' remuneration and nomination and renewal?</p>	V		<p>Sustainable Development Committee Charter with favorable performance.</p> <p>I. Implementation and Results of the Performance Evaluation of the Board of Directors</p> <ol style="list-style-type: none"> <li>1. The Company has established the Board Performance Evaluation Guidelines to implement corporate governance, strengthen the functions of the Board of Directors, and enhance the overall operational efficiency of the Board through clear performance evaluation targets. According to the regulations, the Board Performance Evaluation is to be conducted at least once every three years by an external professional independent organization or a team of external experts and scholars.</li> <li>2. The Company appointed the Taiwan Institute of Ethical Business (TIEB) to evaluate the effectiveness of the Executive Board of Directors. The presiding officer is Attorney Chung, Shih-Min, and the execution year is 2025, with the evaluation period from January 1, 2025, to December 31, 2025. The organization and its executive committee have had no financial, business, or</li> </ol>	No material discrepancy



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	Yes	No	Overview	
			<p>other matters in the recent year that could affect their professional judgment and independence with the Company. They have also not provided any other consulting or auditing-related services to the Company, ensuring the objectivity and fairness of the evaluation process, and have issued a declaration of independence. The effectiveness evaluation of the Board of Directors was conducted based on four key dimensions: the Board’s professional competencies, decision-making effectiveness, the Board’s emphasis on and oversight of internal controls, and the Board’s commitment to sustainable operations. The evaluation methods include reviewing the Company’s internal regulations and records, having Board of Directors members complete evaluation questionnaires, and conducting individual interviews with Directors. The Company submitted the evaluation results to the Board of Directors on November 7, 2025.</p> <p>3. The process for the external evaluation of the performance of the Board of Directors is as follows:</p>	

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	Yes	No		
			<p>(1) The external organization provides a list of documents required for the assessment and the assessment questionnaire.</p> <p>(2) The evaluated company provides the required documents and responds to the assessment questionnaire.</p> <p>(3) The external organization conducts a written review of the documents submitted by the evaluated enterprises, and may request additional information or explanations from the evaluated enterprises as necessary.</p> <p>(4) The external organization will then conduct interviews with the directors and relevant personnel of the evaluated companies to gain an in-depth understanding of the actual operations of the Board of Directors.</p> <p>(5) The external independent organization will prepare and issue the Board effectiveness evaluation report.</p> <p>4. Assessment results: Overall observations and conclusions</p> <p>(1) Directors have clear channels to understand the issues proposed for discussion at the Board of</p>	



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	Yes	No	Overview	
			<p>Directors in advance and to provide feedback, allowing the Board to engage in thorough discussions, thereby ensuring that the decisions made by the Directors align with the needs of the evaluated enterprise.</p> <p>(2) The evaluated company values sustainable operation, strengthens its supply chain management, and establishes functional committees related to sustainability. It continuously optimizes sustainability policy standards and regularly tracks the implementation effectiveness.</p> <p>5. Assessment results: Optimization recommendations</p> <p>(1) Establish a talent pool for directors to ensure diversity among the board members.</p> <p>The Company should evaluate suitable candidates to establish a board talent pool, ensuring that the tenure of independent directors complies with regulatory requirements upon expiration of their terms, and further strengthening the future Board's diversity in terms of professional expertise and age composition. In the future, consideration may also be given to establishing a Nomination Committee to enhance the</p>	

Evaluation Item	Implementation Status (Note)		Overview	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>Board of Directors' understanding and oversight of the Company's succession planning.</p> <p>(2) Enhance the recording of directors' remarks in board meeting minutes Based on interviews, it is understood that members of the Board of Directors of the evaluated company discuss the background of agenda items with the management team prior to meetings and also exchange views on proposals through communication applications. It is recommended that if directors express significant views on material agenda items during meetings, such opinions should be summarized and recorded in the meeting minutes to preserve documentation of the directors' diligent oversight.</p> <p>(3) Strengthen the independence of whistleblowing channels To strengthen independence, it is recommended that the Audit Committee or independent directors be granted direct access to relevant whistleblowing information and be empowered to designate appropriate personnel to conduct subsequent</p>	



Evaluation Item	Implementation Status (Note)		Overview	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>investigations. Alternatively, the Company may consider engaging an independent external organization to provide a dedicated whistleblowing email address or hotline, thereby enhancing the independence of the reporting channel and encouraging employees to come forward with internal reports.</p> <p>The whistleblowing policy of the evaluated company should clearly define how senior management is identified to facilitate the subsequent implementation of the reporting procedures. In addition, it is recommended that the Company specify whether reports are to be submitted to the entire group of independent directors or to individual independent directors, in order to ensure effective execution of the whistleblowing process.</p> <p>(4) Strengthen integrated risk management mechanisms and enhance evaluation and discussion of development strategies</p> <p>The evaluated company has already established that the Audit Committee's responsibilities include overseeing existing and potential corporate risk</p>	

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	Yes	No		
			<p>management matters. Risk assessments are conducted by respective responsible units, with overall supervision coordinated by the General Manager's Office. It is recommended that the Company further strengthen the integration of group-wide risk identification and assessment processes, enabling the Board of Directors and functional committees to conduct oversight based on integrated risk analysis. In recent years, the evaluated enterprise's operational development strategy has expanded from B2B to B2C. It is recommended that the Board of Directors increase the assessment and discussion of key risks associated with the development strategy.</p> <p>(5) Strengthen the succession mechanism It is recommended that the evaluated enterprises establish a succession pipeline by implementing a tiered talent pool, setting succession nodes, designing differentiated compensation and retention plans, and publicly disclosing promotion criteria to strengthen employee trust. At the same time, appropriately introduce external professional consultants and</p>	



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	Yes	No	Overview	
			<p>collaboration channels. Finally, through the appropriate oversight of the Board of Directors and functional committees, the succession mechanism is strengthened.</p> <p>6. The Company's Future Improvement Plan The Company will refer to the results of this external Board performance evaluation and the recommended improvement suggestions to continuously enhance the Board's operating mechanisms and corporate governance system. The key areas for improvement and corresponding enhancement measures are outlined as follows:</p> <p>(1) Board composition and diversity In response to the growing global emphasis on corporate sustainability, the Company plans to increase the number of board members with expertise and specialization in relevant fields. This initiative aims to enhance the Company's sustainable competitiveness and further improve the functionality of the Board of Directors. In the long term, the Company will assess the feasibility and functions of establishing a Nomination</p>	

Evaluation Item	Implementation Status (Note)		Overview	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>Committee to further enhance overall corporate governance effectiveness.</p> <p>(2) Enhance the recording of directors' remarks in board meeting minutes The Company will follow the recommendation that, when the Board of Directors deliberates on material agenda items, any significant opinions raised by directors will be appropriately summarized and recorded in the meeting minutes to preserve documentation of the directors' diligent oversight.</p> <p>(3) Strengthen the independence of whistleblowing channels The Company has established the "Procedures for Handling Cases of Illegal and Unethical or Dishonest Conduct" to promote the reporting of any illegal behavior or violation of the Code of Conduct or the Ethical Corporate Management Principles. Multiple reporting channels are provided, allowing employees or external parties to report illegal, unethical, or dishonest behavior. Going forward, the Company will review the proposed recommendations and consider additional measures to strengthen</p>	



Evaluation Item	Implementation Status (Note)		Overview	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
			<p>whistleblowing channels, with the aim of further enhancing the system's effectiveness.</p> <p>(4) Strengthen integrated risk management mechanisms and enhance evaluation and discussion of development strategies The Company will follow the recommendation to strengthen the integration of group-wide risk identification and assessment, and will regularly report on the Company's transformation strategies to the Board of Directors. This will enable the Board and functional committees to conduct discussions based on integrated risk analyses, thereby enhancing deliberation on risks related to operational strategies and strengthening overall operational resilience.</p> <p>(5) Strengthen the succession mechanism The Company will continue to review the appropriateness of its current performance evaluation system and related supporting mechanisms to ensure alignment with its business strategy and talent development direction. The Board of Directors will also continue to monitor the progress of talent development and succession planning. Through</p>	

Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>institutionalized review and tracking mechanisms, the Board will ensure that relevant measures are effectively implemented to support the Company’s long-term stable operation and sustainable development.</p> <p>II. Performance evaluation results of the Board of Directors and individual members</p> <ol style="list-style-type: none"> <li>1. In accordance with the “Regulations Governing the Evaluation of the Performance of the Board of Directors” amended and approved by the Board of Directors in November 2025, the Company plans to conduct the performance evaluation of the Board of Directors as a whole and individual Directors at the end of each year.</li> <li>2. The performance assessment of the Board of Directors as a whole and individual directors is performed by the Secretariat of the Board using internal self-assessment. The results of the performance evaluation will be used as a reference for the Company’s review and improvement, as well as for the remuneration of individual directors and their nomination and renewal.</li> </ol>	



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Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>4. The CPA shall ensure that his/her assistants are honest, fair and independent.</p> <p>5. The CPA may not perform audit and assurance services on the financial statements of companies he/she has served within two (2) years before practicing.</p> <p>6. The CPA may not permit others to practice under his/her name.</p> <p>7. The CPA does not own any shares of the Company and its affiliated companies.</p> <p>8. The CPA has not engaged in lending and borrowing of money with the Company and its affiliated companies.</p> <p>9. The CPA has not engaged in joint investments or benefit sharing with the Company or its affiliated companies.</p> <p>10. The CPA does not concurrently serve as a regular employee of the Company or its affiliated companies and does not receive a fixed salary from them.</p> <p>11. The CPA is not involved in the decision-making process of the Company and its affiliated companies.</p> <p>12. The CPA does not concurrently engage in other businesses that may lead to loss of independence.</p>	



Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>13. The CPA does not have a spouse, immediate family members or relatives within the second degree of kinship who serve in the senior management of the Company.</p> <p>14. The CPA has not collected any commission related to his/her service.</p> <p>15. As of now, the CPA has not engaged in any matter that may result in disciplinary actions taken against him/her or damage to the principle of independence.</p> <p>It is confirmed that there is no other financial interest and business relationship with the Company except for the audit fee, financial and tax expenditures and that their family members do not violate the independence requirements, and by referring to the AQI index information, it is confirmed that the audit experience meets the level and the number of training hours of the CPAs and the CPA firm is better than the average level of the industry. In addition, we will introduce audit innovation tools, expand audit support center and introduce cloud audit platform to improve audit quality. The results of the latest annual assessment were discussed and approved by the Audit Committee on March 11, 2026, and were submitted to the Board of Directors for resolution on the independence and competency assessment of the CPAs on the same day.</p>	

Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
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IV. Has the TWSE/TPEX listed company designated an appropriate number of qualified corporate governance personnel and appointed a corporate governance officer responsible for matters related to corporate governance(including but not limited to providing directors and supervisors with the necessary information for operation,assisting directors and supervisors in following regulations, handling matters related to Board meetings and the shareholders’	V		<p>In order to safeguard the interests of the shareholders and strengthen the functions of the Board of Directors, the Company has appointed Chen, Yung-Chih, Head of Legal Division, as the Corporate Governance Officer, the top-level manager in charge of corporate governance, as approved by the Board of Directors on May 9, 2019. Corporate Governance Officer Chen, Yung-Chih has over 20 years of experience as a practicing lawyer and has held the position of head of a legal unit in a listed company for over ten years. His main duties are to handle matters related to Board of Directors meetings and the shareholders’ meetings in accordance with the laws, prepare minutes of the said meetings, assist Directors with their appointment and continuing education, provide information required by the Directors to perform their duties, assist them with compliance, report the examination results of independent directors’ qualifications to the Board of Directors during nomination, appointment, and tenure, and managing matters related to changes in the Board of Directors.</p> <p>Key business activities in 2025:</p> <ol style="list-style-type: none"> <li>1. Assisted Directors in performing their duties, provide the necessary information, arrange continuing education for Directors, and process liability insurance policies.</li> </ol>	No material discrepancy



Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
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meetings in accordance with the regulations, preparing minutes for Board meetings and the shareholders' meetings, etc.)?			<p>(1) Compile the latest laws and regulations related to the business areas and corporate governance of the Company, put them forward at the Board of Directors meeting for discussion, and keep members of the Board informed accordingly from time to time.</p> <p>(2) Assist Directors, upon request, in understanding the regulations to be complied with in the execution of their business.</p> <p>(3) Provide corporate information required by the Directors and assist them with communication and interaction with supervisors in various business categories.</p> <p>(4) Assist Independent Directors in arranging meetings with the chief internal auditor or CPAs to understand the financial and business needs of the Company.</p> <p>(5) Assisted the Company in arranging at least 6 hours of continuing education courses for members of the Board of Directors.</p> <p>(6) Confirm that the Company has purchased the "Directors and Supervisors and Important Staff Liability Insurance" for the members of the Board and reported to the Board of Directors.</p>	

Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
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			<p>2. Handle matters related to the proceedings of Board of Directors' meetings and shareholders' meetings and confirmed compliance matters of resolutions.</p> <p>(1) Prepare notice and agenda of Board of Directors meetings in accordance with laws; where Directors have to recuse themselves from the agenda items, they shall be reminded beforehand; the minutes shall be prepared within the statutory period.</p> <p>(2) Registered the date of the shareholders' meeting in advance according to the law and prepared the meeting notice, handbook, and meeting minutes within the statutory time limit.</p> <p>(3) Confirm that the convening of the Board of Directors' meetings and shareholders' meetings, procedures for resolutions, and minutes of the said meetings are in compliance with relevant laws and regulations and the Corporate Governance Best Practice Principles.</p> <p>(4) Handling matters related to the registration changes for the Board of Directors and Shareholders' Meetings.</p> <p>3. Confirmation of Independent Director Qualifications and Handling of Director Changes:</p>	

Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
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			<p>(1) Ensure that the qualifications of independent directors align with applicable laws and regulations throughout the nomination, appointment, and tenure processes, and provide the Board of Directors with a report on the review outcomes.</p> <p>(2) In relation to any changes in the Board of Directors, all relevant matters will be managed in accordance with the law.</p> <p>4. Maintain investor relations:                      The Company's website is updated from time to time to keep investors abreast of the Company's financial, business, and corporate governance information in order to protect shareholders' rights and interests.                      Directors' continuing education in 2025 is as follows:                      Pursuant to Article 24 of the "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers," a listed company shall arrange continuing professional education for its corporate governance officer.                      The Corporate Governance Officer shall receive at least 12 hours of continuing education each year, except for at least 18</p>	

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			<p>hours within one year for the first term commencing from the date of his/her appointment.</p> <p>In 2025, Mr. Chen, Yung-Chih, the corporate governance officer of the Company, has completed 50 hours of further study after taking office. The details are as follows:</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Organizer</th> <th>Course Title</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td>2025/2/13</td> <td>Taiwan Institute for Sustainable Energy</td> <td>39th TCCS Council Meeting and CEO Lecture</td> <td>2</td> </tr> <tr> <td>2025/4/24</td> <td>Taiwan Institute for Sustainable Energy</td> <td>40th TCCS Council Meeting and CEO Lecture</td> <td>2</td> </tr> <tr> <td>2025/5/16</td> <td>Securities &amp; Futures Institute</td> <td>2025 Insider Trading Prevention Seminar</td> <td>3</td> </tr> <tr> <td>2025/7/9</td> <td>Taiwan Stock Exchange (TWSE)</td> <td>2025 Cathay Sustainable Finance and Climate Change Summit Forum</td> <td>6</td> </tr> <tr> <td>2025/7/25</td> <td>Securities &amp; Futures Institute</td> <td>2025 Insider Shareholding Trading Compliance Seminar</td> <td>3</td> </tr> <tr> <td>2025/7/29</td> <td>Securities &amp; Futures Institute</td> <td>Industry Case Studies on Smart Manufacturing and Digital Decision-Making</td> <td>3</td> </tr> <tr> <td>2025/8/22</td> <td>Chinese National Association of Industry</td> <td>2025 Taishin Shin Kong Net Zero Summit</td> <td>3</td> </tr> </tbody> </table>	Date	Organizer	Course Title	Hours	2025/2/13	Taiwan Institute for Sustainable Energy	39th TCCS Council Meeting and CEO Lecture	2	2025/4/24	Taiwan Institute for Sustainable Energy	40th TCCS Council Meeting and CEO Lecture	2	2025/5/16	Securities & Futures Institute	2025 Insider Trading Prevention Seminar	3	2025/7/9	Taiwan Stock Exchange (TWSE)	2025 Cathay Sustainable Finance and Climate Change Summit Forum	6	2025/7/25	Securities & Futures Institute	2025 Insider Shareholding Trading Compliance Seminar	3	2025/7/29	Securities & Futures Institute	Industry Case Studies on Smart Manufacturing and Digital Decision-Making	3	2025/8/22	Chinese National Association of Industry	2025 Taishin Shin Kong Net Zero Summit	3	
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			2025/12/5	Securities & Futures Institute	New Perspectives on Corporate Hedging: Addressing Currency Challenges and Trends in Asset Management	3
V. Has the Company established channels of communication with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), dedicated a section of the Company's website for stakeholder affairs, and adequately responded to stakeholders' inquiries on significant corporate social responsibility issues?	V		The Company's Sustainability Development website features a dedicated stakeholder section, outlining stakeholder engagement. It provides contact information for communication channels with various stakeholder units, identifies core stakeholder categories, highlights key issues of concern, and specifies response mechanisms. The results of the Stakeholder Engagement conducted in 2025 were submitted to the ESG Committee for approval on March 11, 2026, and subsequently reported to the Board of Directors on the same day.		No material discrepancy	



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

Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
<p>a spokesperson system, and disclosing the process of investor conferences on the Company website)?</p> <p>(III) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?</p>		V	<p>The Company has not published and disclosed its annual financial reports within two months after the end of the fiscal year. However, the Company has published and disclosed its quarterly financial reports, monthly revenues, and information on endorsements and guarantees before the statutory deadlines.</p>	No material discrepancy
<p>VIII. Is there any other important information to facilitate a better understanding of the Company's corporate</p>	V		<p>(I) The Company is committed to building a comprehensive employee well-being system, not only by providing professional psychological counseling and support through Employee Assistance Programs (EAPs) but also by regularly holding well-being seminars and</p>	No material discrepancy



Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, Directors' and Supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by Directors and Supervisors)?			<p>implementing friendly workplace guidelines. We adopt a multifaceted approach to support our colleagues in overcoming various challenges in their work and personal lives, ranging from physical health (annual health check-ups, fitness facilities) and mental well-being (outdoor activities, counseling services) to life security (group insurance), thereby promoting a balance between work and life.</p> <p>(II) The Company has always been committed to the principle of equal opportunities and recognizes the contribution of employees from different backgrounds. The Company adopts an open selection process and hires the right talent for the right position, instead of restricting employees' career development based on their race, gender, age, religion, nationality or political affiliation.</p> <p>(III) With regard to the promotion of environmental protection, occupational safety and health management system, and process safety management (PSM) system, the Company not only complies with the domestic laws and regulations, but strives to meet internationally recognized standards. The Company has successfully obtained ISO-9000, ISO-14001, ISO-45001, and ISO-500001 certifications and</p>	

Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>will continue to push for further certifications. To enhance self-GHG accounting capability, the Company has implemented the Group Safety and Health Partners Regional Joint Rescue system and actively participates in events organized by Linyuan Industrial Park’s Safety and Health Promotion Association.</p> <p>(IV) The Company actively attends activities held by Taiwan Responsible Care Association (TRCA) in the chemical engineering industry and upholds its spirit, participates in community events, and cares for product protection in order to create a better living environment. Additionally, the Company also helps contractors by building a safe and health-conscious environmental management system to ensure safety at work.</p> <p>(V) The Company has formulated “Risk Management Policies and Procedures”, which include risk management policies, organization, processes, risk management categories and mechanisms, so as to effectively manage risk arising from the Company’s operations, including measurement of risk exposure as well as internal control system, clear policies around authorization of risk tolerance limit, strong internal audit for effective management of risk, and disclosure of</p>	



Evaluation Item	Implementation Status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Overview	
			<p>risk in the annual report. The operation of risk management is reported to the Board of Directors at least once a year by the General Manager or a designated representative. Relevant matters were included in the Board of Directors' report on November 7, 2025.</p> <p>(VI) The Company has established the intellectual property rights management system in order to strengthen the Company's competitive edge in the industry by offering high value-added products and services to achieve higher profitability.</p> <p>(VII) The Company has established a spokesperson's function to respond to all shareholder questions. The spokesperson serves as the bridge between the Company and shareholders, and maintains close contact with major shareholders.</p> <p>(VIII) Implementation of consumer protection or customer protection policies: The Company has a quality policy, which aims to improve the quality of products and services, and continues to work hard to improve customer satisfaction. The Company also maintains good relationships with suppliers based on the principles of good faith and mutual benefits.</p>	

Evaluation Item	Implementation Status (Note)			Overview	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No			
			(IX) The Company promotes continuing education of its directors through offering internal training courses from time to time, providing Directors with continuing education information, and inviting Directors to take courses on corporate governance. (X) The Company has purchased liability insurance for its directors and supervisors		
<p>IX. Please explain the improvements made in accordance with the Corporate Governance Evaluation results released by the Taiwan Stock Exchange’s Corporate Governance Center, and provide the priorities and plans for improvement with items yet to be improved. (Leave blank if the Company was not evaluated):</p> <p>Improvements:</p> <ol style="list-style-type: none"> <li>1. The “Corporate Value Enhancement Program” has been submitted to the Board of Directors and disclosed on the Market Observation Post System. (No.1.5)</li> <li>2. The Board Performance Evaluation Guidelines stipulate that an external evaluation should be conducted at least once every three years; the most recent external evaluation has been completed. (No. 2.23)</li> </ol>					

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



(IV) If the Company has set up a Remuneration Committee, the composition, responsibilities and operations of the Committee shall be disclosed

1. Information on the members of the Remuneration Committee

December 31, 2025

Criteria		Professional Qualifications and Experiences (Note 2)	Status of Independence (Note 3)	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Title (Note 1)	Name			
Independent Director (Convener)	Wei, Yung-Tu	Formerly the President of Deloitte Taiwan, CPA, with professional experience in accounting and finance.	Two years before the appointment and during the term of office, there is no matter described in Item 1, Article 3 of "Measures for setting up and Matters to be Followed by Independent Directors of public offering Companies".	1
Independent Director	Chen, Tien-Wen	Formerly the Chairman of affiliates of the Capital Group and now the Chairman of Chia Shih Construction Co., Ltd., with expertise in corporate operations management.	Two years before the appointment and during the term of office, there is no matter described in Item 1, Article 3 of "Measures for setting up and Matters to be Followed by Independent Directors of public offering Companies".	2
Independent Director	Li, Kuo-Hsiang	Chairman of Taiwan Shiseido, experienced in business operation and management.	Two years before the appointment and during the term of office, there is no matter described in Item 1, Article 3 of "Measures for setting up and Matters to be Followed by Independent Directors of public offering Companies".	0



Note 1: Please specify in the form the relevant working years, professional qualifications and experience and independence of the members of the Remuneration Committee. If they are independent directors, please indicate to refer to Schedule 1 on page OO and the Directors and Supervisors (I) for details. Fill “Director,” “Independent Director,” or “Others” in the Title column (specify in case of convenor).

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

Note 3: Circumstances conforming to the independence: The independent director shall state the circumstances conforming to the independence, including but not limited to whether he/she, his/her spouse or his/her second relative are directors, supervisors or employees of the Company or its related enterprises; the number and proportion of shares held by himself, his spouse or his second-degree relatives (or in the name of others); whether he/she serves as a director, supervisor or employee of a company that has a specific relationship with the Company (refer to Sub-paragraphs 5 to 8, Paragraph 1, Article 6 of the Regulations on the Establishment and Exercise of Powers of the Compensation and Remuneration Committee of Companies Listed in Stocks or Trading at the Business Office of Securities Firms); the amount of remuneration obtained by providing the Company or its affiliates with business, legal, financial, accounting and other services in the last two years.

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

## 2. Responsibilities

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

- (1) Regularly review the Committee’s charter and propose recommendations to amend it when necessary.

- (2) Establishing and regularly reviewing the BOD and upper management's performance evaluation in conjunction with the remuneration policies, systems, standards, and structure.
- (3) Regular evaluation and stipulation on the remuneration of directors and managers.

Three meetings were held this year, and the key points are summarized as follows:

- (4) Review of Directors' and Managers' Compensation: Compensation for directors and managers is evaluated for reasonableness based on the company's compensation policies, systems, standards, and structure, as well as performance evaluation results. Additional factors considered include the median compensation levels within the industry, individual time commitment, responsibilities undertaken, achievement of personal goals, compensation of peers in equivalent positions, attainment of the company's short- and long-term performance targets, and the company's overall financial condition.
  - (5) Review and revision of relevant regulations for appropriateness and compliance, including: the Remuneration Committee Charter, the Compensation Policy for Directors and Managers, the Board Performance Evaluation Guidelines, and the Manager Performance Appraisal Guidelines, among others.
  - (6) Conduct a market compensation benchmarking for directors and managers.
  - (7) Review the self-assessment results of the Remuneration Committee's performance evaluation.
  - (8) Formulate the annual work plan.
3. Operations of the Remuneration Committee:
- (1) The Company's Remuneration Committee consists of three



- (3) members.
- (2) Term of office of the current members: June 5, 2024 to May 30, 2027. The Remuneration Committee convened three (3) meetings (A) in the most recent year. The qualification and attendance of members are as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Percentage of attendance in person (%) (B/A) (Note)	Notes
Convener	Wei, Yung-Tu	3	0	100%	
Committee Member	Chen, Tien-Wen	3	0	100%	
Committee Member	Li, Kuo-Hsiang	3	0	100%	
<p>I. If the Board of Directors rejects or amends the suggestions of the Remuneration Committee, it should state the date of the Board Meeting, the term of the fiscal year, the content of the proposal, and resolution of the Board Meeting and the follow-up treatments (e.g., if the resolution of the Board Meeting states that the amount of remuneration is higher than that of the suggestions from the Remuneration Committee, the Board should specify the difference in number and the reason behind the resolution): None.</p> <p>II. Resolutions of the Remuneration Committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None</p>					

Note:

- (1) Where a member of the Remuneration Committee resigns before the end of the fiscal year, the "Remarks" column shall state the member's resignation date, whereas his/her rate of attendance in person (%) shall be calculated based on the number of meetings held by the Remuneration Committee and the actual number of meetings attended during his/her term of office.
- (2) If members of the Remuneration Committee are re-elected before the end of the fiscal year, incoming and outgoing members shall be listed accordingly, and the Remark column shall indicate whether the status of a member is "outgoing", "incoming" or "re-elected", and the date of re-election. The rate of attendance in person (%) is calculated based on the number of meetings held by the Remuneration Committee and the actual number of meetings attended during his/her term of office.

<b>Remuneration Committee</b>	<b>Resolution and Follow-up Actions</b>	<b>Dissenting opinions or qualified opinions of members of the Remuneration Committee</b>
3rd meeting of the 6th term 2025.03.05	1. Report on the Distribution of Compensation for Directors and Employees for 2024.	None
	2. Proposal for the 2024 special bonus for managerial officers.	None
	3. Reviewed the remuneration of the Directors and managers and the performance appraisal system.	None
	Opinions of the Remuneration Committee: None.	
	Remuneration Committee resolution: The proposal was passed unanimously by the Committee Members in attendance.	
	Company's response to the Remuneration Committee's opinions: Relevant actions are carried out in accordance with the resolutions.	
4th meeting of the 6th term 2025.08.06	1. The Company's annual salary adjustment.	None
	2. Amended certain articles of the "Remuneration Committee Charter".	None
	Opinions of the Remuneration Committee: None.	
	Resolution of the Remuneration Committee: All members in attendance unanimously passed the proposals and filed for discussion in the board meeting.	
	The Company's actions in response to the opinions of the Remuneration Committee: All the Directors in attendance voted in favor of the resolution.	
5th meeting of the 6th term 2025.11.07	1. Amended certain articles of the "Remuneration Committee Charter".	None
	2. Review of the Company's "Articles of Incorporation of the Remuneration Committee".	None
	Opinions of the Remuneration Committee: None.	
	Resolution of the Remuneration Committee: All members in attendance unanimously passed the proposals and filed for discussion in the board meeting.	
	The Company's actions in response to the opinions of the Remuneration Committee: All the Directors in attendance voted in favor of the resolution.	

(V) Implementation of the promotion of sustainable development and the differences and reasons from the Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
I. Does the Company establish a governance structure to promote sustainable development, and set up a full-time (part-time) unit to promote sustainable development, which is authorized by the Board of Directors to be handled by senior management, and the	V		(I) In April 30, 2015, to enhance corporate governance, the Company approved to upgrade the status of the Corporate Social Responsibility Committee to the functional committee of the Board of Directors on December 22nd, 2017. The Company has also formulated the “Corporate Social Responsibility Charter” in accordance with Article 23-3 of the Company’s Articles of Incorporation and Article 26 of the Regulations for Corporate Governance, which is to be complied with by this committee. On March 9, 2022, the Company renamed its “Corporate Social Responsibility Committee” to “ESG Committee”, and the “Organizational Rules of Corporate Social Responsibility Committee” to the “ESG Committee Charter”. The Committee is composed of the Chairman, General Manager and at least two independent directors, of which the Chair is an independent director and the Deputy Chair is the General Manager. The Committee has three working groups, namely, corporate governance, environmental protection and social relations, and a project secretary. The working groups are composed of representatives of relevant departments and	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
supervision of the Board of Directors?			<p>are responsible for promoting sustainable development. The Project Secretary is responsible for integrating the working groups and reporting the annual plan and implementation results to the Committee. After the annual plan and execution results have been presented to the committee, they will be submitted to the Board of Directors.</p> <p>(II) The ESG Committee has the following main functions:</p> <ol style="list-style-type: none"> <li>1. Agreement of sustainable development policies.</li> <li>2. Agreement of sustainable development strategic plans, annual plans and project plans.</li> <li>3. Supervising the implementation of sustainable development strategic plans, annual plans and project plans, and evaluation of their implementation.</li> <li>4. Approval of the Sustainability Report.</li> <li>5. Report the implementation of sustainable development activities to the Board of Directors each year.</li> <li>6. Other matters handled by the Committee according to the instruction by the resolution of the Board of Directors.</li> </ol> <p>(III) The Committee reports the implementation of sustainable development to the Board of Directors at least twice a year. On March 5, 2025, and August 6, 2025,</p>	

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
			<p>two meetings of the ESG Committee were held to report to the Board of Directors on the implementation of the sustainable development promotion plan and its actual execution. The main agenda items included:</p> <ul style="list-style-type: none"> <li>(1) GHG accounting and verification</li> <li>(2) Results of stakeholder engagement, including stakeholder identities, key concerns, communication channels, and response methods.</li> <li>(3) Results of sustainable development implementation and future promotion goals.</li> <li>(4) Progress and planning of the sustainability report.</li> </ul> <p>Relevant proposals are reviewed and approved by the ESG Committee before being reported to the Board of Directors.</p> <p>(IV) Supervision by the Board of Directors The Board of Directors oversees and reviews the management, strategies, and goals related to governance, environment, and social (ESG) aspects. It also evaluates the progress and performance and reviews and approves the ESG report, while providing guidance on strategies and directions for important key issues.</p>	



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
II. Has the Company conducted risk assessments related to environmental, social, and corporate governance (ESG) issues relevant to its operations, in accordance with the materiality principle, and established related risk management policies or strategies? (Note 2)	V		<p>The disclosed data and risk assessment boundaries encompass the sustainability performance of the consolidated company from January 2025 to December 2025. For a long time, the Company has complied with the relevant laws and regulations of the competent authorities, formulated the operation standard of each risk management unit for the risk assessment of major issues related to the environment, society and corporate governance, so as to carry out risk control in daily operations, and to cope with short-term, medium-term and long-term risks, such as operational risks, regulatory risks, climate change and environmental risks, disaster and accident risks and financial risks. In December 2020, in order to strengthen corporate governance, the Audit Committee and the Board of Directors passed the “Measures for Risk Management Policies and Procedures”. The Company’s risk management process includes risk identification, risk measurement, risk monitoring, risk reporting and disclosure, and risk response. The risk management operation situation includes how to respond to Including supply chain disruptions and carbon fee levies, strengthen information security, reduce industrial safety risks and legal compliance risks, etc. The identification and measurement of operational risks have been completed one after another, and the effective supervision and control of risks are within an affordable range. In order to effectively implement the risk management</p>	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
			<p>mechanism, the Company was jointly promoted by the Board of Directors, the Audit Committee, the persons responsible for the daily affairs of each risk management unit, the auditors, the risk management units and the subsidiaries to identify, measure and control risks according to the work scope of each risk management unit. Every year, the Company regularly identifies, measures and controls risks according to the work scope of each risk management unit. The Company currently assigns units responsible for execution of specific items or management of important risks to assess and formulate response strategies. The Audit Office shall regularly follow up on results of the plans and report the internal control self-assessment results to the Committee for prompt corrections and improvements to implement the PDCA management cycle and enhance risk management.</p>	



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies																	
	Yes	No																			
			<p>The Company’s Risk Management Policy or Strategy:</p> <table border="1"> <thead> <tr> <th>Material Issues</th> <th>Risk evaluation item</th> <th>Risk Management Policy or Strategy</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Environment</td> <td>Management of the environment</td> <td>Establish environmental protection impact and grievance channels</td> </tr> <tr> <td>Environmental protection</td> <td>Produce in accordance with the requirements of laws and regulations, improve water resource efficiency, reduce air pollutant emissions, and promote waste reduction and material circulation projects</td> </tr> <tr> <td>Climate change</td> <td>Established the Group’s Green Power Team to set a carbon reduction target for 2030 and a long-term carbon neutrality target for 2050. Formulate and promote various energy-saving and carbon reduction plans in the factory area</td> </tr> <tr> <td rowspan="3">Society</td> <td>Employee welfare</td> <td>Provide employees with welfare measures and a safe and healthy work environment</td> </tr> <tr> <td>Social responsibility</td> <td>Sponsor and participate community welfare activities</td> </tr> <tr> <td>Product responsibility</td> <td>Establish MSDS for products as guidance for customers’ use Require suppliers to jointly abide by environmental protection and occupational safety and health policies</td> </tr> </tbody> </table>	Material Issues	Risk evaluation item	Risk Management Policy or Strategy	Environment	Management of the environment	Establish environmental protection impact and grievance channels	Environmental protection	Produce in accordance with the requirements of laws and regulations, improve water resource efficiency, reduce air pollutant emissions, and promote waste reduction and material circulation projects	Climate change	Established the Group’s Green Power Team to set a carbon reduction target for 2030 and a long-term carbon neutrality target for 2050. Formulate and promote various energy-saving and carbon reduction plans in the factory area	Society	Employee welfare	Provide employees with welfare measures and a safe and healthy work environment	Social responsibility	Sponsor and participate community welfare activities	Product responsibility	Establish MSDS for products as guidance for customers’ use Require suppliers to jointly abide by environmental protection and occupational safety and health policies	
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Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies							
	Yes	No									
			<table border="1"> <tr> <td rowspan="3">Corporate Governance</td> <td>Shareholder equity</td> <td>The Company assigns dedicated personnel to handle its shares-related affairs to ensure quality and efficiency.</td> </tr> <tr> <td>Stakeholders</td> <td>Set up stakeholder areas and respond to issues of concern to stakeholders</td> </tr> <tr> <td>Information disclosure</td> <td>Appoint a spokesperson system to disclose financial and non-financial information on the Company’s website</td> </tr> </table>	Corporate Governance	Shareholder equity	The Company assigns dedicated personnel to handle its shares-related affairs to ensure quality and efficiency.	Stakeholders	Set up stakeholder areas and respond to issues of concern to stakeholders	Information disclosure	Appoint a spokesperson system to disclose financial and non-financial information on the Company’s website	
Corporate Governance	Shareholder equity	The Company assigns dedicated personnel to handle its shares-related affairs to ensure quality and efficiency.									
	Stakeholders	Set up stakeholder areas and respond to issues of concern to stakeholders									
	Information disclosure	Appoint a spokesperson system to disclose financial and non-financial information on the Company’s website									
<p>III. Environmental issues</p> <p>(I) Has the Company established a suitable environmental management system based on its industrial characteristics?</p>	V	(I)	<p>1. The Company belongs to petrochemical materials industry. According to the laws and regulations such as air pollution prevention and control law, water pollution prevention and control law, waste cleaning law, management measures for toxic and concerned chemicals, etc., and by introducing the ISO 14001 environmental management system, the Company has established appropriate safety management and environmental management systems for raw materials, production, products, transportation, pollution prevention and control, etc., so as to comply with the laws, regulations and policies of the government.</p>	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”							



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
			<p>2. The Company has passed the ISO 14001 Environmental Management System certification (valid from October 2022 to October 2025), the scope of which includes, for example, the external and internal issues related to the performance of its business, the needs and expectations of workers and stakeholders, and accordingly defines the Company’s environmental policy and establishment of standard procedures and environmental performance targets in accordance with the Air Pollution Control Act, Water Pollution Control Act, Waste Disposal Act, and Toxic and Concerned Chemical Substances Control Act, with regular monitoring and review. This confirms the Company’s objectives and commitments to its environmental management system.</p>	
(II) Does the Company endeavor to improve energy efficiency and use renewable materials that have	V	(II)	<p>1. In 2020, the Company began to promote the introduction of ISO 50001 (valid from November 2023 to November 2026), an energy management system, with the standards and methods adopted by the Energy Management Manual as the guiding principle of the energy management system, so as to ensure the effective operation of the energy system, and</p>	

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
low impact on the environment?			<p>continue to promote energy conservation and carbon reduction projects to achieve the Company’s energy policies and objectives.</p> <p>2. The Company has obtained ISO 50001 Energy Management System certification, valid until November 2026.</p> <p>The Company’s energy consumption and renewable energy share over the past two years are as follows (covering the parent company and subsidiaries included in the consolidated financial statements, as well as all production sites):</p> <ul style="list-style-type: none"> <li>• In 2024, total energy consumption was 849,477 GJ. Renewable energy usage was 0 GJ, resulting in a renewable energy share of 0%.</li> <li>• In 2025, total energy consumption was 816,577 GJ. Under the planned procurement of renewable electricity, expenditures amounted to NT\$4,362 thousand, and renewable energy usage reached 2,989 GJ, increasing the renewable energy share to 0.4%.</li> <li>• The Company has set 2017 as the base year and established unit product energy intensity reduction targets as follows: short-term (2026): 3.5% reduction; medium-term (2028): 4.5% reduction; and long-term (2030): 6.0% reduction.</li> </ul>	



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
			<ul style="list-style-type: none"> <li>The data for 2017 are: 2.06GJ/ton products of Linyuan Plant, 1.21GJ/ton products of Chienchen Plant, 1.09 GJ/ ton products of Zhongshan Plant and 17.32 7GJ/ton products of Toufen Plant. The data for 2025 are: 2.18 GJ/ton products of Linyuan Plant, 1.12 GJ/ton products of Chienchen Plant, 1.12 GJ/ton products of Zhongshan Plant and 15.72 7GJ/ton products of Toufen Plant. In 2025, the unit energy consumption of both the Linyuan Plant and the Zhongshan Plant increased slightly compared with the 2017 baseline. This was mainly due to the impact of market demand, resulting in lower-than-target production utilization.</li> </ul> <p>3. In 2024, the Company promoted the ISO 14021 certification for recycled content (obtaining SGS certification in November 2024). It offers five different recycled content ratios of PIR plastic raw materials, branded as TAIECOR ABS, which are characterized by their pure color, impact resistance, and non-toxicity. These materials not only facilitate processing and ensure consumer safety but also provide additional support for post-processing products in response to the European Union’s Carbon Border</p>	

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
			Adjustment Mechanism (CBAM), fostering a collaborative effort towards sustainability from the supply chain to the consumer chain.	
(III) Has the Company assessed the present and future potential risks and opportunities of climate change for the entity, and taken measures to respond to climate-related issues?	V		(III) The assessment of climate change-related risks and opportunities for the Group, along with corresponding response measures, is detailed in Appendix 2.2.3 of this annual report. The Company, with reference to IFRS S2 Climate-related Disclosures standards, evaluates the impact of climate-related risks and opportunities on corporate strategy and financial position. The Company identifies key factors through scenario analysis and incorporates response strategies into the management decision-making process. For physical risks, reference is made to the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), specifically the “Taiwan Climate Change Key Indicators Atlas: AR6 Statistical Downscaling Edition,” as well as research data from the National Science and Technology Center for Disaster Reduction (NCDR). The analysis adopts scenarios from the IPCC AR6, integrating the Shared Socioeconomic Pathways (SSPs) and the Representative Concentration Pathways (RCPs). The Company has selected the SSP5-8.5 scenario (very high greenhouse gas emissions) as its baseline. Under this	

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
			<p>scenario, carbon dioxide emissions are projected to double by around 2050. Financial impact analyses have been conducted for hazards including extreme heat, flooding, and drought.</p> <ol style="list-style-type: none"> <li>Analysis of physical impacts and financial effects of climate events <ul style="list-style-type: none"> <li>Typhoon and precipitation risks: Although the number of typhoons affecting Taiwan is projected to decrease by approximately 15% by the mid-21st century, the proportion of intense typhoons is expected to increase significantly by about 100%, and typhoon-related rainfall is projected to rise by 20%. This trend may cause operational sites to experience flooding from heavy rainfall, leading to equipment damage or work stoppages and resulting in revenue loss.</li> <li>Strong winds and extreme wind speeds: The maximum wind speed is expected to increase by approximately 4%. Threats from strong winds may damage plant structures or disrupt power facilities, thereby increasing subsequent repair expenses and operating costs.</li> <li>Long term climate trends: By the end of the 21st century, the proportion of intense typhoons could increase by up to 50%, while typhoon-related rainfall may rise by 35%. In the long term, if no</li> </ul> </li> </ol>	

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
			<p>adaptive actions are taken, the risk of asset loss and operational uncertainty will continue to rise.</p> <p>2. Strengthening resilience in response to physical risks To strengthen strategic resilience and reduce potential financial losses, the Company has adopted preventive adaptive measures.</p> <ul style="list-style-type: none"> <li>Strengthening disaster preparedness: Enhancing plant drainage systems and flood control facilities against severe typhoon threats, while improving the wind and disaster resistance of buildings and equipment to reduce unplanned capital expenditures caused by equipment damage.</li> <li>Refining scenario analysis: Continuously updating physical risk scenario analysis tools to incorporate high temperature and drought risks into financial assessments, thereby facilitating the planning of more precise adaptation management strategies.</li> </ul> <p>Integration into decision-making processes: The above risk assessment results are incorporated into the Company’s overall strategic resilience evaluation to ensure that the financial impacts of climate change are considered in management decisions at an early warning stage. The</p>	



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
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			Company has disclosed a detailed analysis of climate change risks and opportunities in its TCFD report ( <a href="https://www.ttc.com.tw/zh-tw/dirCSRnew/frmTCFDReport.aspx">https://www.ttc.com.tw/zh-tw/dirCSRnew/frmTCFDReport.aspx</a> ).	
(IV) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set greenhouse gas emissions reduction, water usage reduction, and other waste management policies?	V	(IV)	<ol style="list-style-type: none"> <li>1. The assessment and response measures for climate change-related risks and opportunities of the consolidated companies are presented in Appendix 2.2.3 of this Annual Report. In 2025 and 2024, consolidated Scope 1 and Scope 2 greenhouse gas emissions amounted to 75,692 tons and 77,641 tons, respectively; Scope 3 emissions were 83,956 tons and 77,969 tons, respectively. Water consumption totaled 1,029,967 tons and 1,073,092 tons, respectively. Non-hazardous waste treatment volumes were 4,991 tons and 4,696 tons, respectively, with no hazardous waste generated.</li> <li>2. The Company follows the Group’s policies on energy conservation, carbon reduction, and water conservation and waste reduction, and has established reduction targets:</li> </ol>	

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			<p>For greenhouse gas emissions, the Company has set 2017 as the base year. It targets a 27% reduction in emissions by 2030 compared to the base year, and net-zero emissions (carbon neutrality) by 2050. Key initiatives include fuel switching to natural gas, replacement of high-energy-consumption motors, upgrading aging energy-intensive equipment, and replacing chiller systems. Energy-saving and carbon reduction measures, as well as their effectiveness, are reviewed annually on a rolling basis. In 2025, greenhouse gas emissions were reduced by 17.94% compared to the base year.</p> <p>In terms of water management, the Company has set 2017 as the base year, with a target of reducing water intensity per unit of product by 15% by 2030 compared to the base year. Through measures such as improving process wastewater recovery rates, optimizing water-intensive equipment, and enhancing manufacturing processes, unnecessary water consumption is reduced. In 2025, water intensity per unit of product decreased by 18.58% compared to the base year.</p> <p>In terms of the circular economy, the Company actively promotes circular economy policies by implementing raw material recycling and reuse,</p>	



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			<p>process optimization, and resource circulation management mechanisms. These efforts aim to develop low-carbon and environmentally friendly products while advancing both internal and external circular systems. To implement this policy, the Company established an innovation team in 2024, formally dedicating efforts to the development and certification of recycled plastic products. The concrete achievements in circular economy for 2025 include significant investment in research and development and certification costs for products such as rapid prototyping EPS packaging and recycled glass raw materials, and successfully obtaining ISO 14021 international recycled content certification. In addition, the Company is actively pursuing NSF composite material certification and product development, while continuously developing building insulation and thermal insulation materials using recycled glass as a primary raw material.</p> <p>In terms of waste management, the goal is to ensure that 100% of the waste generated each year is properly handled. This is achieved through the implementation of systems such as the sludge frame system, sludge drying system, and the recycling and reprocessing of secondary materials</p>	

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
			<p>produced during the manufacturing process. Efforts are made to reduce waste generation actively, with a target of achieving a 100% proper handling rate for waste in 2025.</p> <p>3. The Company’s 2024 ESG Report was assured by Deloitte as the independent third-party verification body. In August 2025, an assurance statement was issued, covering indicators such as water consumption and waste generation. In the same month, ISO 14064-1 greenhouse gas inventory and assurance were completed for both the individual company and consolidated subsidiaries.</p>	
<p>IV. Social Issues</p> <p>(I) Has the Company formulated the relevant management policies and procedures in accordance with relevant laws and</p>	V		<p>(I) Human Rights Policy To fulfill corporate social responsibility and uphold human rights, realizing universal human rights values, our company has referred to the International Bill of Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, among other internationally recognized human rights standards. In March 2018, we established a human</p>	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
regulations and the International Bill of Human Rights?			<p>rights policy applicable to our company and all affiliated enterprises of the Formosa Plastics Group. This policy aims to eliminate human rights violations and provide a safe and healthy work environment, ensuring that our employees are treated and cared for with fairness and dignity.</p> <p>Identification and Assessment of Human Rights Risks                      Conducting annual human rights risk identification, compliance checks, and third-party assessments on identified human rights issues of concern, followed by the mitigation and corrective actions based on risk assessments and internal and external review findings, with continuous improvements to achieve risk management objectives.</p> <p>Human rights issues involve various departments and units. The Human Resources Department conducts human rights due diligence and risk management operations, targeting different affected parties and human rights issues.</p>	Listed Companies.”

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies														
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			<p>The Company has established a series of steps and processes for managing human rights at various stages, serving as the foundation for the maintenance and protection of human rights. These include:</p> <p><b>Human Rights Due Diligence Process</b></p> <table border="1"> <thead> <tr> <th>Phase</th> <th>Step</th> <th>Measure</th> </tr> </thead> <tbody> <tr> <td>Phase One: Commitment</td> <td>Declaration</td> <td>Commit to supporting and adhering to international standards and local regulations by establishing a human rights policy.</td> </tr> <tr> <td rowspan="2">Phase Two: Management</td> <td>Identification</td> <td>Confirm the significant human rights issues related to organizational attributes and operational types, as well as the affected parties.</td> </tr> <tr> <td>Assessment and Analysis</td> <td>Regularly assess human rights impacts concerning all employees and the service process to understand the level of risk exposure.</td> </tr> <tr> <td>Phase Three: Corresponding Measures</td> <td>Actions and Initiatives</td> <td>Propose different action plans based on the periodic assessment of human rights risk levels.</td> </tr> </tbody> </table>	Phase	Step	Measure	Phase One: Commitment	Declaration	Commit to supporting and adhering to international standards and local regulations by establishing a human rights policy.	Phase Two: Management	Identification	Confirm the significant human rights issues related to organizational attributes and operational types, as well as the affected parties.	Assessment and Analysis	Regularly assess human rights impacts concerning all employees and the service process to understand the level of risk exposure.	Phase Three: Corresponding Measures	Actions and Initiatives	Propose different action plans based on the periodic assessment of human rights risk levels.	
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			<table border="1"> <tr> <td></td> <td> <ul style="list-style-type: none"> <li>• Monitor the implementation and performance of the action plans while facilitating communication, ensuring the effectiveness of human rights management.</li> <li>• Provide compensation measures through institutional improvements, material support, and psychological counseling in the event of human rights violations.</li> </ul> </td> </tr> <tr> <td>Reporting</td> <td>Conduct discussions and reports on human rights management within the Company, and publicly disclose the practices and effectiveness of human rights management on the Company website.</td> </tr> </table>		<ul style="list-style-type: none"> <li>• Monitor the implementation and performance of the action plans while facilitating communication, ensuring the effectiveness of human rights management.</li> <li>• Provide compensation measures through institutional improvements, material support, and psychological counseling in the event of human rights violations.</li> </ul>	Reporting	Conduct discussions and reports on human rights management within the Company, and publicly disclose the practices and effectiveness of human rights management on the Company website.	
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Reporting	Conduct discussions and reports on human rights management within the Company, and publicly disclose the practices and effectiveness of human rights management on the Company website.							
			<p>Results of Human Rights Management for 2025</p> <p>Based on the Company’s Human Rights Policy Management Plan, a risk identification process was conducted this year, resulting in the inclusion of 13 human rights issues. Among these, 9 issues were classified as significant management concerns, including: workplace inclusivity, forced labor, excessive working hours, sexual harassment, illegal workplace violations, child labor, personal data management and privacy protection, occupational safety</p>					

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	Yes	No													
				<p>management, and employment and workplace discrimination. For the items identified as potential risks among the aforementioned material issues, based on the 2025 Human Rights Risk Assessment Management Table, the Company has implemented risk mitigation measures and impact compensation measures. The implementation ratio of impact compensation has reached 100%. The mitigation and compensation measures executed are as follows:</p> <p>Mitigation and compensation measures for human rights management</p> <table border="1"> <thead> <tr> <th>Issue</th> <th>Mitigation Measures</th> <th>Compensation Measures</th> <th>Impact Compensation Implementation Ratio (%)</th> <th>Achievements</th> </tr> </thead> <tbody> <tr> <td>Excessive working hours</td> <td>1. In accordance with the relevant regulations regarding working hours as stipulated by labor laws, the Company conducts regular compliance reviews of its</td> <td>1. Compensate employees who work overtime for their overtime hours in accordance with the law. 2. Understand employees’</td> <td>100%</td> <td>The system reviews the causes of overtime on a daily basis. In the event of excessive working hours, appropriate</td> </tr> </tbody> </table>	Issue	Mitigation Measures	Compensation Measures	Impact Compensation Implementation Ratio (%)	Achievements	Excessive working hours	1. In accordance with the relevant regulations regarding working hours as stipulated by labor laws, the Company conducts regular compliance reviews of its	1. Compensate employees who work overtime for their overtime hours in accordance with the law. 2. Understand employees’	100%	The system reviews the causes of overtime on a daily basis. In the event of excessive working hours, appropriate	
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	Yes	No	Overview				
				<p>regulations and ensures their implementation.</p> <p>2. Through the attendance and overtime management system, employee attendance times are accurately recorded.</p> <p>3. The system sends daily notifications for clock-in/out time breaches, reminding employees of standard working hours and overtime regulations. It also checks whether extended working hours constitute overtime, allowing employees to choose between receiving</p>	<p>workloads and reasons for overtime, actively improve processes, and enhance operations to boost efficiency.</p> <p>3. Employees with excessively long working hours are included in the abnormal workload identification and risk investigation list. Regular health check-ups are conducted, and related</p>		<p>overtime pay or compensatory leave is provided in accordance with applicable compensation measures, and relevant operations and staffing arrangements are adjusted as necessary.</p>

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	Yes	No				
			<ul style="list-style-type: none"> <li>4. overtime pay or compensatory leave.</li> <li>4. The overtime situation of each department is regularly reviewed.</li> <li>5. Promote the Group’s electronic operations and intelligent production, while simplifying administrative processes.</li> <li>6. Continuously offer professional training courses and implement a generative AI tool training project to enhance employee skills and improve office work efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>operations and human resource arrangements are adjusted as necessary.</li> <li>4. Understand employees’ workloads and reasons for the excessive working hours, actively improve processes, and enhance operations to boost efficiency.</li> </ul>		

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	Yes	No		
			<p>Measures to mitigate human rights risks</p> <p>The Company is committed to ensuring the safety of its employees, contractors and working environment, guaranteeing that all personnel are treated with respect and dignity, and operating in compliance with ESG principles, regulations, and ethical standards. To reflect this commitment, the Company operates with integrity as its foundation, respecting the rights of employees and partners within a legal framework, assigning dedicated personnel to implement occupational safety and health practices in accordance with the law, continuously promoting training and contractor management mechanisms, embedding human rights policies into daily operations, and establishing effective internal and external grievance channels.</p> <p>Human Rights Concerns and Practices</p> <ol style="list-style-type: none"> <li>1. Providing a safe and healthy working environment In order to maintain the workplace safety of our employees, we have not only installed various pollution prevention and fire safety equipment, but also introduced the ISO 14001 environmental management system, ISO 45001 occupational safety and health management system, and ISO 50001</li> </ol>	

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	Yes	No		
			<p>Energy Management System for review and verification, and actively promoted improvement activities such as energy saving and carbon reduction, disaster prevention, and pollution prevention to ensure a safe working environment. In alignment with the USI Corporation’s carbon reduction target, to reduce carbon emissions by 27% by 2030 compared with 2017 levels, the Company conducts annual tracking and reviews of progress. Appropriate measures are implemented as needed, including equipment replacement and upgrades, renewable energy installation, and green electricity procurement.</p> <p>In addition to providing a safe and healthy working environment in accordance with laws and regulations, the Company has established a special unit and committee for occupational safety and health, employed professional doctors and nursing staff to conduct regular health service visits for employees, and conducted regular education and training on safety and health, fire fighting, etc., and took necessary preventive measures to prevent occupational disasters, so as to reduce the risk factors in the working environment.</p> <p>2. Friendly workplace</p>	



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	Yes	No		
			<p>Diversity, Equity, and Inclusion (DEI)</p> <p>The Company is committed to creating a welcoming work environment that values and leverages the strengths of all individuals, regardless of gender, age, or cultural background.</p> <p>In the workplace, individuals of diverse backgrounds, ethnicities, genders, sexual orientations, abilities, and perspectives are embraced to foster an inclusive environment. The Company provides transparent employment conditions, promotion opportunities, and compensation packages based on fairness, equal pay, and inclusivity, thereby narrowing gaps among different groups. This ensures that every employee and contractor partner is respected, accepted, and able to fully participate and contribute.</p> <p>Each year, the Company continues to implement gender equality policies and prevent workplace misconduct through posters, awareness seminars, and various training programs, striving to provide employees and contractor partners with a dignified and friendly working environment.</p> <p>3. Elimination of unlawful discrimination to reasonably ensure equal employment opportunities.</p> <p>The Company implements its human rights policies in the internal control</p>	

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			<p>procedures, applies them to employment, remuneration and benefits, training opportunities, promotion, dismissal or retirement and other matters related to labor rights and interests, and does not treat employees and job-seekers unfairly based on their race, class, language, thought, religion, party affiliation, native place, place of birth, gender, sexual orientation, age, marriage, pregnancy, appearance, facial features, physical and mental disabilities, constellation, blood type and other factors.</p> <p>4. Prohibition of child labor To ensure compliance with corporate social responsibility and ethical standards, the Company explicitly prohibits child labor since the beginning of recruitment, and as of the end of December 2025, the total number of employees was 471, among whom there was no child labor.</p> <p>5. Prohibition of forced labor The Company does not force or coerce any unwilling personnel to perform labor services. The daily and weekly working hours, extended working hours, vacations, special leave and other types of leave for employees are in accordance with the law. A reminder function is set up in the attendance system for employees</p>	



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	Yes	No		
			<p>applying for overtime, overtime pay or compensatory leave is provided after overtime, and a dedicated person is assigned to inspect and control the working hours of the factory on a monthly basis.</p> <p>Assisting employees to maintain physical and mental health and work-life balance</p> <ol style="list-style-type: none"> <li>1. The Company commissions large hospitals annually to conduct health checkups to ensure the physical well-being of its employees and submits reports to the relevant authorities as required. In addition, special health examinations have been reinforced for factory employees to ensure the safety and health management of the work environment.</li> <li>2. The Company provides venues or sponsorship funds to encourage employees to participate in healthy activities, and employees can form their own clubs to unite colleagues by emotion through club activities.</li> <li>3. Besides holding activities such as beano, Mid-Autumn Festival party to adjust employees’ body and mind and cohesion, the Company also sets up sports and fitness equipment for employees to use after work.</li> <li>4. To encourage employees to maintain physical and mental well-being while achieving work-life balance, the Group launched the “USI Group</li> </ol>	

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			<p>Walkathon” in 2024. By setting a daily walking goal of 6,000 steps, employees are encouraged to develop regular exercise habits amidst their busy work schedules. The accumulated steps are then collectively counted as contribution to corporate tree-planting initiatives, achieving the dual benefits of promoting health and supporting environmental sustainability. Through this initiative, employees not only boost physical and mental vitality but, through collaboration and mutual encouragement, are also able to strengthen workplace cohesion and team morale.</p> <p>5. The Employee Assistance Program (EAP) is established with the purpose of assisting employees in resolving personal issues that affect their work performance. Through professional, confidential, and free services, the program helps employees restore their physical and mental well-being, thereby maintaining or enhancing their work performance and quality of life. Employees can access assistance services related to mental health, work, management, medical, legal, and financial matters through the (0800) telephone, email, Line, and one-on-one individual consultation channels. [USI Good Mood Hotline] The hotline offered care to</p>	



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			<p>employees and recorded a total of 78 uses across the Group from March to December 2025.</p> <p>6. Wellbeing (employee physical and mental health/well-being) seminars are organized to create a workplace environment where employees feel supported, balanced, and healthy across physical, psychological, social, and financial dimensions, thereby enhancing overall productivity. The seminar content includes mental health, tax and financial planning, parent-child communication, and physical health (in coordination with annual health examinations). The sessions are also edited into online courses to ensure accessibility for all employees.</p> <table border="1"> <thead> <tr> <th>[USI Good Lecture Series] Course Name</th> <th>Lecturer</th> <th>Number of Personnel in Taipei and Plant Areas</th> </tr> </thead> <tbody> <tr> <td>Protecting mental health / mindfulness-based stress reduction techniques</td> <td>Chen, Nai-Ling, Psychological Counselor</td> <td>185</td> </tr> </tbody> </table>	[USI Good Lecture Series] Course Name	Lecturer	Number of Personnel in Taipei and Plant Areas	Protecting mental health / mindfulness-based stress reduction techniques	Chen, Nai-Ling, Psychological Counselor	185	
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			<p>85% among office staff and 34% among factory workers (with factory workers participating in the survey for the first time). The overall employee satisfaction score was 4.35 out of 6. In response to the survey results across various dimensions, the following improvement measures will be implemented, and continuous optimization will be pursued:</p> <table border="1"> <tr> <td>Targets</td> <td>All employees and workers</td> </tr> <tr> <td>Dimensions and topics</td> <td>Supervisors, remuneration, colleagues, work, development, corporate culture, sustainable operation, organizational commitment, etc.</td> </tr> <tr> <td>Number of respondents</td> <td>310 people</td> </tr> <tr> <td>Coverage rate (100%)</td> <td>The employee response rate was 85%, and worker response rate was 34% To expand coverage, the Company has included workers in the survey for the first time.</td> </tr> <tr> <td>Survey unit</td> <td>The Group’s Human Resources Division</td> </tr> <tr> <td>Survey frequency</td> <td>Once a year</td> </tr> <tr> <td>Survey period</td> <td>2025/07/28~2025/08/08</td> </tr> </table>	Targets	All employees and workers	Dimensions and topics	Supervisors, remuneration, colleagues, work, development, corporate culture, sustainable operation, organizational commitment, etc.	Number of respondents	310 people	Coverage rate (100%)	The employee response rate was 85%, and worker response rate was 34% To expand coverage, the Company has included workers in the survey for the first time.	Survey unit	The Group’s Human Resources Division	Survey frequency	Once a year	Survey period	2025/07/28~2025/08/08	
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	Yes	No		
			<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>(5) Actively communicate the Company’s vision, mission, and values during major corporate events, meetings at all levels, and training programs, and ensure that these principles are clearly embedded in its regulations, policies, and operational frameworks.</p> </div> <p>The Company aims to understand employees’ perspectives on its management and operations through an organization-wide employee survey. The results are used to identify key talent retention indicators, determine priority areas for talent development, implement targeted training and development programs, and anticipate future human resource trends.</p> <p>Training practices for human rights protection</p> <ul style="list-style-type: none"> <li>● New employee training- New education and training on compliance with relevant laws is required upon induction, including: sexual harassment prevention, anti-discrimination, anti-harassment, implementation of working hour management, and protection of humane treatment.</li> </ul>	

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	Yes	No		
			<ul style="list-style-type: none"> <li>● Prevention of workplace violence- Through promotion and public announcements, employees are made aware of their responsibility to help ensure that THE workplace is free of unlawful abuse in the course of their duties, and a complaint line is disclosed to create a friendly working environment.</li> <li>● Occupational safety series training - content includes: safety and health education and training, fire safety training, emergency response, first aid personnel training, etc.</li> <li>● Integrity and ethical conduct education - Educate and promote daily behavior and ethical standards in order to provide a healthy and positive workplace culture.</li> </ul> <p>The Company continues to pay attention to human rights protection and carries out relevant training, so as to raise awareness of human rights protection and reduce the possibility of related risks. The training program covers four key areas: Integrity Management and Regulatory Compliance: focusing on the Group’s Code of Conduct (CoC) and legal risk prevention (e.g., breach of trust), supporting corporate governance evaluation; Occupational Safety and</p>	



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies												
	Yes	No														
			<p>Health: including mandatory safety training (pressure vessels and working at heights), first aid, fire suppression skills, and process safety assessments, directly linked to production stability and employee safety protection; Environmental Management and Emergency Response: incorporating energy management, toxic chemical incident response, and pollution prevention (including air pollution emergency response), demonstrating the Company’s capability in managing environmental risks; Human Rights and Friendly Workplace: providing human rights education for new employees (prevention of sexual harassment and anti-discrimination) and workplace violence prevention, thereby upholding humane treatment under the Social (S) dimension.</p> <table border="1"> <thead> <tr> <th>Type</th> <th>Course</th> <th>Total Participants</th> <th>Total hours</th> </tr> </thead> <tbody> <tr> <td>Integrity Management and Regulatory Compliance</td> <td>The Group’s first Code of Conduct Promotion Test in 2025</td> <td>237</td> <td>237</td> </tr> <tr> <td></td> <td>The Group’s second Code of Conduct Promotion Test in 2025</td> <td>179</td> <td>179</td> </tr> </tbody> </table>	Type	Course	Total Participants	Total hours	Integrity Management and Regulatory Compliance	The Group’s first Code of Conduct Promotion Test in 2025	237	237		The Group’s second Code of Conduct Promotion Test in 2025	179	179	
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Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
			<p><b>Complaint System</b>  The Company has smooth internal and external complaint channels, through which colleagues can file a complaint with supervisors at all levels or the Human Resources Department when they encounter various problems within the Company. In addition, the Company has a dedicated complaint mailbox and e-mail for sexual harassment prevention, in order to maintain gender equality in work and provide employees and job seekers with a work and service environment free from sexual harassment. During the period of complaint investigation, it will be handled in a confidential manner, and the name of the complainant or other relevant information sufficient to identify the complainant will not be disclosed to protect the complainant.</p> <p>In 2025, the Auditing Division received one case involving a violation of integrity management, which was properly closed following a fair investigation process, with the personnel concerned handled in accordance with the employee work rules.</p>	

	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies				
	Yes	No						
Promotion items								
(II) Does the Company establish and implement reasonable employee welfare measures (including salary, leave and other benefits) and appropriately reflect operational performance or results in employee compensation?	V		<p>(II) We adhere to the principle of profit sharing with employees to attract, retain, cultivate, and motivate outstanding talent from all sectors. The Company offers a diversified and competitive salary system, sharing the success of its operations with its employees.</p> <p>Employees who are hired by the Company to perform work and receive wages are entitled to:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Compensation System</td> <td>                     Provide a fixed salary for a total of 12 months over the course of one year.                     <ol style="list-style-type: none"> <li>Bonuses for June and December will be distributed in accordance with labor conditions.</li> <li>Bonuses for the third quarter will be distributed in accordance with company regulations.</li> <li>Year-end special bonuses are distributed based on the Company’s operating performance, individual employee performance, and the provisions of labor contracts.</li> </ol> </td> </tr> </tbody> </table>	Item	Description	Compensation System	Provide a fixed salary for a total of 12 months over the course of one year. <ol style="list-style-type: none"> <li>Bonuses for June and December will be distributed in accordance with labor conditions.</li> <li>Bonuses for the third quarter will be distributed in accordance with company regulations.</li> <li>Year-end special bonuses are distributed based on the Company’s operating performance, individual employee performance, and the provisions of labor contracts.</li> </ol>	
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	Yes	No		
			<ul style="list-style-type: none"> <li>• Leave System: Comprehensive attendance and leave system: Implementation of all attendance operations and leave policies in accordance with applicable laws.</li> <li>• Employee Compensation Systematization: The Company’s employee compensation system has been stipulated in the Articles of Incorporation: “In the event of annual profits, compensation shall be allocated to directors and employees, with directors’ compensation not exceeding 1% of the annual profits and employees’ compensation not less than 1% of the annual profits. However, if there are still accumulated losses, the amount to be compensated should be retained in advance. Of the total employee compensation allocated pursuant to the preceding provision, the proportion allocated to grassroots employees shall not be less than 40% of such amount. “</li> <li>• Employee Assistance Program: USI Corporation values the physical and mental health of its employees and has launched the Employee Assistance Program (EAP) to provide comprehensive support services. Employees can confidentially consult with</li> </ul>	



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
			<p>professional psychologists one-on-one via phone, email, or LINE to alleviate work and life stress, enhance psychological resilience, and improve workplace well-being. This program promotes work-life balance, stimulates employee potential, and enhances organizational cohesion and sustainable competitiveness.</p> <ul style="list-style-type: none"> <li>• Social Insurance and Group Insurance The Company administers all statutory social insurance programs in accordance with the law and provides group insurance coverage for every employee. For details, please refer to the “Employee Group Insurance Plan.” The Company may revise this plan at any time.</li> <li>• Other Benefits               <ol style="list-style-type: none"> <li>1. Taita Chemical’s Linyuan Plant provides an employee cafeteria.</li> <li>2. Recognition of model workers.</li> </ol> </li> </ul> <p>For detailed information, please refer to the labour relations section in Chapter 4, Operating Overview, of the Company's 2025 Annual Report.</p>	
(III) Does the Company provide a safe and	V		(III)	

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
healthy work environment to its employees, and regularly offer safety and health education to its employees?			<ol style="list-style-type: none"> <li>1. The Company distributes personal safety protective equipment to each employee, conducts education and training on the inspection and safety of the working environment every six months, conducts irregular inspections on the working safety environment and conducts regular annual health check-ups, and sets up an occupational safety and health special unit and committee organization, and employs professional doctors and nursing staff to provide consultation and assistance on employees’ health problems.</li> <li>2. The Company has passed the examination and verification of ISO 14001 (Environmental Management System, valid from October 2025 to October 2028) and ISO 45001 (Occupational Safety and Health Management System, valid from September 2025 to August 2028), which covers workers (employees and contractors of the Company) and stakeholders (such as internal and external government and non-governmental organizations entering the workplace, etc.). Through annual internal and external audits, identified deficiencies are tracked, reviewed, and improved. An annual management review meeting is convened to report performance outcomes to senior management, so as to provide a safe working environment for workers and personnel.</li> </ol>	

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	Yes	No								
			<p>3. In 2025, the Company underwent 91 on-site occupational safety audits by government agencies all of which were in compliance with the occupational safety regulations. There was no occupational accident involving employees or contractors; additionally, the number of fire incidents: 0, number of casualties: 0, and the casualty rate as a percentage of total employees: 0%.</p> <p>4. The Company has conducted safety education training and promotion over the past three years. To ensure that employees are well-informed about occupational safety and health regulations, as well as environmental safety education and training, which are fundamental to enhancing the awareness of employees and contractors regarding safety and health, Taita Chemical has established relevant management regulations at each of its plants. Based on practical needs, training on knowledge and skills related to emergency (fire) response, occupational safety and health, and health promotion is conducted for different employee categories and contractor personnel.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Participants in education and training</th> <th>Education and training hours</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>7,151</td> <td>23,074</td> </tr> </tbody> </table>	Year	Participants in education and training	Education and training hours	2023	7,151	23,074	
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			<table border="1"> <tr> <td>2024</td> <td>6,773</td> <td>19,410</td> </tr> <tr> <td>2025</td> <td>5,306</td> <td>14,825</td> </tr> </table> <p>5. Through the labor union, labor-management meetings, and related labor education and training, the Company maintains good communication with employees; therefore, no collective agreement has been specifically concluded with the union.</p>	2024	6,773	19,410	2025	5,306	14,825	
2024	6,773	19,410								
2025	5,306	14,825								
(IV) Has the Company established an effective training plan for employees’ career development?	V		<p>(IV) Career competency development programs</p> <p>To enhance employees’ overall competitiveness, the Company has built a comprehensive training system aligned with external trends, group management strategies, corporate development plans, departmental performance goals, and individual career development needs, providing training programs that support the growth of well-rounded talent.</p> <p>The training framework primarily consists of three main components: “On-the-Job Training (OJT),” “Off-the-Job Training (Off-JT),” and “Self-Directed Learning (SD).” It is systematically designed to plan training programs that facilitate employees’ career development, thereby extending into a lifelong learning education and training system for individuals.</p>							



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	Yes	No		
			<p>For new employees, a detailed introduction to the corporate culture, business philosophy, labor regulations, organizational system standards, professional skills, and operational processes of the group will be provided. This aims to assist in the rapid integration into the work environment, enhance the sense of identity and cohesion towards the Company, and implement specialized courses or safety training as per the needs of each unit.</p> <p>Regarding the training and continuing education of current employees, an employee training needs assessment is conducted in the fourth quarter of each year. An annual education and training execution plan and budget are formulated. Regular training sessions are held for employee competencies, management training, special lectures, health seminars, and various workshops. The course delivery methods are diverse; in addition to lectures, activities are designed based on the nature of the courses, including case studies and group discussions, to make learning more dynamic and engaging. A digital learning platform is also available to provide avenues for self-directed learning, enabling employees to effectively engage in learning activities anytime and anywhere, thereby enhancing their professional or management skills and promoting a balanced development of their holistic well-being. This year, workshops and</p>	

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	Yes	No		
			<p>competition activities have further facilitated the implementation of generative AI in the workplace, training employees to master AI collaboration skills and create career advantages.</p> <p>The implementation of the “Succession Planning Personnel” training is aimed at ensuring a smooth transition and continuity for key positions within the Company. The training content includes job rotation, overseas assignments, project leadership, management skills, and leadership training courses, thereby preventing talent gaps and maintaining the stability and sustainable development of the Company’s operations and competitiveness.</p> <p>In response to the physical and mental health of “retiring personnel” and their post-retirement life planning, courses on retirement financial management, health management, and life adjustment have been arranged to facilitate a smooth transition into retirement.</p>	
(V) Does the Company comply with relevant laws and regulations and international	V		(V) The Company establishes long-term cooperation with high-quality suppliers based on quality, capability and environmental protection policies, fulfills corporate social responsibilities, and delivers the idea of environmental protection policies to contractors and carriers. At the same time, the Company	



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
standards, and has a policy and complaint procedure to protect the rights of consumers or customers with respect to the health and safety of customers, customer privacy, marketing and labeling of products and services?			<p>complies with the RoHS directive and enhances environmental protection education and training. The Company also pays serious attention to the safety of construction companies in the plant area and ensures the safety of various operations so as to protect the safety and health of workers and jointly engage in good risk management with them.</p> <ol style="list-style-type: none"> <li>1. Customer health and safety: all products have SDS (safety data sheet) to provide customers with guidelines for storage and transportation, so as to maintain health and safety.</li> <li>2. Customer privacy: The Company has established the “Customer Personal Data Management Procedures” to safeguard customer privacy.</li> <li>3. Marketing and labeling: all in compliance with relevant laws and international standards. Trademark labeling on packaging bags is processed in accordance with regulations in the Trademark Act.</li> <li>4. Establishment of related consumer rights protection policy and grievance-filing procedures: The Company provides customers with complaint channels for in accordance with the “Operating Procedures for Processing Customer Complaints” to protect their interests.</li> </ol>	

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	Yes	No		
(VI) Does the Company formulate and implement supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor human rights?	V		<p>(VI) The supplier management policy is described as follows:</p> <ol style="list-style-type: none"> <li>1. Supplier Evaluation System: In order to encourage suppliers to continuously optimize their performance, the Company aims to obtain high-quality raw materials and services in a timely, adequate, and cost-effective manner. Each year, in alignment with production operations and environmental protection policies, we conduct an annual evaluation of suppliers based on criteria such as quality, delivery time, environmental safety, packaging, quality certification, and service.</li> <li>2. Promote and encourage suppliers to sign the Supplier Corporate Social Responsibility Commitment (hereinafter referred to as the Commitment), requiring suppliers to commit to issues such as human rights, occupational safety, health, environmental protection, and conflict minerals.               <ol style="list-style-type: none"> <li>(1) Requirements: (a) Labor and human rights: Including non-forced labor, prohibition of child labor, provision of due wages and benefits, protection of working hours and rest time, elimination of sexual harassment, bullying and discrimination in the workplace, and non-use of conflict minerals, etc. (b) Health and safety: Including necessary measures such as occupational safety, emergency response, industrial</li> </ol> </li> </ol>	



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	Yes	No		
			<p>hygiene, machine protection, public health, accommodation and health and safety information. (c) Environment: Including environmental operation permit, pollution prevention and resource conservation, hazardous substances, sewage, harmless solid waste, noise, exhaust gas emission, product and service restriction, energy/resource consumption and greenhouse gas emission, etc. (d) Ethical standards: Including ethical management, respecting intellectual property rights, abiding by relevant confidentiality agreements, safeguarding privacy and avoiding conflicts of interest.</p> <p>3. Execution Status: (1) In 2025, a total of 263 suppliers were evaluated, achieving a qualification rate of 100%. (2) Existing suppliers have signed the commitment letter at a rate of 100%, and this commitment letter will also be included as a criterion for the selection of new suppliers. (3) Planning of supplier on-site audits: Starting in 2023, the Company has been conducting initial on-site audits for major raw material suppliers and special auxiliary material suppliers. Suppliers will be required to complete a self-assessment form regarding the Supplier Code of Conduct and quality requirements. Starting from 2025, we have also expanded the supplier</p>	

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	Yes	No		
			factory audit program. Currently, we are on track to conduct approximately four audits per year, and we are gradually adjusting the content of these audits. This ensures that suppliers, in collaboration with the Company, can all meet social and environmental assessment standards.	
V. Does the Company refer to internationally-used standards or guidelines for the preparation of reports such as sustainability reports to disclose non-financial information? Are the reports certified or assured by a third-	V		The Company’s CSR reports are drafted based on the Global Reporting Initiative (GRI) Standards: 2021(GRI Standards) published by the Global Reporting Initiative (GRI). Does the Company obtain third-party assurance or qualified opinions for the reports above every year. In 2024, the ESG report was approved with KPMG as the third-party assurance provider. The firm reviewed the compliance with GRI standards and conducted limited assurance operations on five ESG indicators in accordance with Assurance Standard 3000, subsequently issuing an assurance report. ESG Report download link: <a href="https://www.ttc.com.tw/zh-tw/dirCSRnew/frmReport.aspx">https://www.ttc.com.tw/zh-tw/dirCSRnew/frmReport.aspx</a>	Compliant with the requirements of the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies.”



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
party accreditation body?				
<p>VI. If the Company has its own code of practice for sustainable development in accordance with the Code of Practice for Sustainable Development of Listed Companies, please describe the differences between its operation and the code:            On March 11, 2015, the Company’s Board of Directors approved the establishment of the “Corporate Social Responsibility Code of Practice.” Subsequently, on August 12, 2020, and March 9, 2022, the Board of Directors approved amendments to the Code to enhance the implementation of corporate social responsibility. On March 3, 2023, in conjunction with the latest revision of the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” the “Code of Corporate Social Responsibility” were amended to the “Code of Sustainable Development.” The Company will manage its risks and impacts on the economy, environment, and society in accordance with these principles and will make improvements based on them. There have been no discrepancies to date.</p>				
<p>VII. Other important information that is helpful to understand the operation of promoting sustainable development:            For information regarding the Company’s sustainable development operations, please refer to the Company’s ESG website (<a href="https://www.ttc.com.tw/zh-tw/dirCSRnew/frmIndex.aspx">https://www.ttc.com.tw/zh-tw/dirCSRnew/frmIndex.aspx</a>), press releases, and sustainability reports.</p> <ol style="list-style-type: none"> <li>Investment in various energy-efficient and environmentally sustainable equipment                2025                The addition and replacement of energy-saving equipment and motors, with an expenditure of approximately NT\$33,464</li> </ol>				

Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies						
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<p>thousand, are estimated to save 819,000 kWh of electricity annually and reduce carbon emissions by 389 tons (CO<sub>2</sub>e). Enhancing energy management involves an expenditure of approximately NT\$6,617,000, resulting in annual savings of 600,000 kWh of electricity and a reduction of 285 metric tons of CO<sub>2</sub>e emissions.</p> <p>2. TTC upholds the spirit of “giving back to the society what is taken from it” to care for the community, local groups and local schools, as well as continuing to interact with local communities to maintain good relations. Risks or opportunities to the community are as follows:                      Giving back to the community: including community development associations, education and culture, environmental protection agencies, community associations, local folk festivals, and emergency assistance.                      Offer job opportunities: local talents are prioritized for appropriate vacancies and contractors are encouraged to hire local residents.                      Community fellowship: Including activities for local inhabitant, community representatives, environmental protection groups, religious activities.</p> <p>2025 Community Care Activities for Social Participation and Implementation Results</p> <table border="1"> <thead> <tr> <th>Type</th> <th>Results / Implementation</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Community and neighborhood</td> <td>* Linyuan District neighborhood care get-together or activities and social lectures feedback</td> </tr> <tr> <td>* District community club development association and the association study activities</td> </tr> <tr> <td>* Renovation of various public facilities in Linyuan Plant</td> </tr> </tbody> </table>					Type	Results / Implementation	Community and neighborhood	* Linyuan District neighborhood care get-together or activities and social lectures feedback	* District community club development association and the association study activities	* Renovation of various public facilities in Linyuan Plant
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	Yes	No			
care	*			Marketing of New Year folklore and agricultural and fishery products in Linyuan Plant	
	*			Subsidies for school facilities at all levels in Linyuan District	
	*			Scholarships for schools in Linyuan District	
	*			Toufen Plant participated in a beach cleanup charity event in Miaoli County.	
	*			In order to promote a healthy workplace environment, the Toufen Plant has jointly signed a “Smoke-Free and Betel Nut-Free Employee Health Enhancement” Memorandum of Understanding with the Health Bureau of Toufen City, Miaoli County. This collaboration aims to create a smoke-free and betel nut-free workplace, reduce the harm of tobacco and betel nut to employees, and enhance the overall health and safety of the work environment.	
	*			On November 22–23, 2025, we sponsored and actively participated in the softball tournaments hosted by regional corporate unions and federation of petrochemical unions, allowing employees to showcase their vitality and passion for sports.	
	*			On November 15, 2025, Taita, APC, and TVCM each sponsored NT\$100,000 to jointly host the USI Cup Tennis Championship.	
	*			Taita Chemical’s Linyuan Plant upholds the corporate ESG spirit and continues to participate in the 2025 Air Purification Zone Management Program and the 2025 Kaohsiung City Interdepartmental Greenhouse Gas Reduction Program launched by the Environmental Protection Bureau Kaohsiung City Government. It also sponsors Shanwei Elementary	

Promotion items	Implementation Status (Note 1)			Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No			
Donations and other sponsorship				School Library for replacement of lighting equipment, and adopts Zhong-Yun Elementary’s air quality purification zone (campus greening project and air purification green wall).	
	*			We were awarded an excellence award for contributions to the adoption of air quality purification zones by the Environmental Protection Bureau, Kaohsiung City Government.	
	*			Long-term investment in local community engagement activities in the Lin Yuan District has fostered harmonious relationships with the local community, resulting in the award of a certificate of honor from the Kaohsiung City Lin Yuan District Office.	
	*			The Toufen Plant received the 2025 Regional Joint Defense Organization Excellence Award for outstanding performance in practical drills.	
	*			Certified under ISO 14021 for recycled materials, demonstrating alignment with global trends in the circular economy and sustainable development.	
	*			To advance the Company’s sustainable development goals, green procurement practices have been implemented in support of the government’s net-zero policy.	
	*			We participated in activities held by the USI Educational Foundation.	
	*			Temple celebrations and other sponsorships	



Promotion items	Implementation Status (Note 1)		Overview	Discrepancies between its implementation and the “Corporate Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies,” and reasons for such discrepancies
	Yes	No		
<p>3. Implementation of Social Services and Public Welfare:            USI Group upholds the business philosophy of “Solid Operation, Professional Management, Seeking Excellence and Serving the Society”. On December 30, 2011, USI Corporation and Asia Polymer Corporation jointly established the USI Education Foundation with a fund of NT\$ 50 million.            The USI Education Foundation aims to engage in education-related charitable activities, and focuses on care for the disadvantaged, people in rural areas, and the ecology. The foundation has carried out the following activities in accordance with the relevant laws:</p> <ol style="list-style-type: none"> <li>(1) Sponsor education in rural areas.</li> <li>(2) Set up scholarships.</li> <li>(3) Hold talks, seminars or other education-related charitable activities.</li> <li>(4) Sponsor schools at various levels or educational groups to engage in activities such as literature, sports, music, dance, arts and drama.</li> <li>(5) Industry-academia collaboration.</li> <li>(6) Other educational activities of public interest in line with the objectives of the Foundation.</li> </ol>				

Note 1: If “Yes” is selected in the operating status, please explain the important policies, strategies, and measures adopted, and the implementation status; if “No” is selected in the operating status, please specify the difference reason and explain related future policies and plans for strategies and measures in the column “Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed

Companies and Reasons Thereof’.

Note 2: The principle of materiality refers to environmental, social, and corporate governance issues that have significant impacts on the Company’s investors and other stakeholders.

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

## Climate-related Information for Listed Companies

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

Item	Implementation Status
<p>1. This report provides an overview of how the Board of Directors and management supervise and manage climate-related risks and opportunities.</p>	<p>The Company has established the ESG Committee under the Board of Directors as the highest authority for climate management. The committee is led by an independent director and conducts annual reviews of the Company’s climate change strategies and targets. It also manages climate change risks and opportunities, and evaluates the progress of implementation, reporting directly to the Board of Directors.</p> <p>Relevant consolidated information from various meetings is as follows:</p> <ol style="list-style-type: none"> <li>1. The Management and Administration Meeting: chaired by the Chairman, periodically promotes planning and provides updates on the progress of major energy-saving and carbon reduction policies.</li> <li>2. Group Environmental Department Quarterly Report Meeting: The Environmental Department is the highest authority for energy management in USI Group. These meeting serves as an opportunity to update the Chairman and seek approval for future actions, and they are held every quarter to report progress and plans to the Chairman for decision-making.</li> <li>3. The Board of Directors oversees the Audit Committee, which annually submits the Risk Management Group’s identification results to the Board. The identification covers risks arising from global climate change, energy, and related financial and taxation issues. The Remuneration Committee evaluates and reviews the performance of managerial officers related to ESG each year, including the management of issues related to climate change. It incorporates climate-related targets into the performance evaluation and remuneration system of senior executives to monitor the achievement of climate-related objectives.</li> </ol>



Item	Implementation Status
	<p>In light of the increasing global emphasis on Environmental (E), Social (S), and Governance (G) issues, the Company is implementing a phased approach to promote the disclosure of greenhouse gas inventory and assurance information by publicly listed companies, in accordance with the “Sustainable Development Roadmap for Listed Companies” issued by the Financial Supervisory Commission. This initiative aims to build the capacity for corporate greenhouse gas inventory. The Company has completed the audit and assurance procedures for the consolidated financial statements. Each annual report specifically promotes various measures, with recommendations provided by the Board of Directors.</p> <p>In addition to continuously enhancing corporate governance effectiveness, the Company is also carefully planning and executing strategies to implement carbon reduction targets and develop green energy initiatives, assisting the enterprise in reducing issues and risks, with the aim of meeting international standards and achieving the ambitious goal of sustainable corporate development.</p>
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy and finances of the Company (short, medium and long term).</p>	<p>In response to the uncertainties arising from climate change, USI Corporation has identified major climate-related physical risks, transition risks, and climate-related opportunities associated with its operations, and has assessed their potential impacts on the Company’s business, operational strategies, and financial performance across different time horizons.</p> <p>Based on its operational characteristics and industry environment, the Company defines the time horizons as follows:  Short-term: 2025 to 2027  Medium term: 2027 to 2030  Long term: 2030 to 2050</p>

Item	Implementation Status					
	The impacts of the climate-related risks identified by the Company on its operations are as follows:					
	Type	Item	Description	Potential Time Horizon of Impact		
				Short-term	Medium-term	Long-term
	Transition risk	Carbon Fee Levy	Pursuant to the Climate Change Response Act, Taiwan will officially impose a carbon fee starting in 2025. The levy will apply to enterprises with annual carbon emissions exceeding 25,000 metric tons of CO <sub>2</sub> e. The initial standard carbon fee rate is set at NT\$300 per metric ton. Enterprises that submit specific and verifiable voluntary reduction plans, which are reviewed and approved by the competent authority, may qualify for a preferential rate of NT\$100 per metric ton. In addition, entities classified as being at high risk of carbon leakage are eligible for adjustments to chargeable emissions, with an initial adjustment coefficient of 0.2.	◎	◎	◎
Physical risk	High Temperatures and Unstable Energy Supply	With the intensification of climate change, the continuous rise in average annual temperatures and the significant increase in the number of high-temperature days have become a common global trend. According to data from the Central Weather Administration, both the average annual temperature and the frequency of high-temperature events in Taiwan have shown a clear upward trend, indicating that extreme summer heat may become a persistent source of risk in the future.			◎	
	Extreme Wind, Rainfall, and Flooding	Based on observations from the Central Weather Administration and IPCC reports, the frequency of typhoons, heavy rainfall, and localized torrential rain events in Taiwan has increased significantly in recent years. These events have not only caused repeated flooding in urban and low-lying areas but have also brought immediate and severe impacts on industrial operations, representing acute physical risks.		◎	◎	

	Opportunities	Adoption of Low-Carbon Energy	Driven by increasingly stringent global climate policies and the 2050 net-zero emissions target, corporate energy consumption structures are undergoing rapid transformation. The adoption of renewable energy has become a key opportunity for companies to fulfill their carbon reduction commitments and maintain international competitiveness. For carbon emissions-intensive manufacturing industries, generating or procuring renewable energy—such as solar, wind, and geothermal power—can effectively reduce indirect emissions associated with electricity consumption.	◎	◎	◎
		Enhancement of Corporate Reputation and Brand Recognition	Sustainable operation has become an integral component of corporate brand value and market competitiveness. Participation in sustainability assessments (e.g., CDP, Taiwan Corporate Sustainability Awards (TCSA)), proactive disclosure of TCFD / TNFD-related information, and the expansion of third-party assurance for consolidated greenhouse gas inventories and ESG reports will enhance the transparency and consistency of sustainability information, thereby strengthening credibility with investors, customers, and regulatory authorities.	◎	◎	◎
The impacts of the climate-related risks identified by the Company on its operations are as follows:						
	<b>Type</b>	<b>Item</b>	<b>Financial impact</b>	<b>Response strategy</b>		
	Transition risk	Carbon Fee Levy	<p>The potential impact horizon of this risk spans the short-, medium-, and long-term. The associated financial impacts for the current period are as follows:</p> <ul style="list-style-type: none"> <li>In accordance with the carbon fee regulations promulgated by the Ministry of Environment, the Company has recognized an estimated carbon fee expense (operating expense) of NT\$3,000 thousand based on its emissions for the current year.</li> <li>To mitigate carbon emissions and address the financial impact of carbon fees, the Company incurred capital expenditures of NT\$33,173</li> </ul>	<ol style="list-style-type: none"> <li>The Company has implemented an internal carbon pricing mechanism, adopting a shadow pricing approach to incorporate carbon costs into investment evaluations, thereby enhancing the likelihood of executing decarbonization initiatives.</li> <li>Plans for energy conservation and carbon</li> </ol>		

Item	Implementation Status		
			<p>thousand and operating expenses of NT\$291 thousand during the reporting period. These expenditures were primarily allocated to the replacement of aging motors, boilers, and chillers with energy-efficient equipment, resulting in an increase in non-current assets and cash outflows from investing activities.</p> <ul style="list-style-type: none"> <li>Although such equipment investments have led to increased depreciation expenses and cash outflows in the short term, over the long term, improvements in energy efficiency are expected to reduce electricity costs and carbon fee expenditures, thereby enhancing overall operational efficiency and sustaining profitability.</li> </ul> <p>3. The Company has directly submitted an application for a voluntary emission reduction plan to the Ministry of Environment to obtain preferential carbon fee rates.</p>
	Physical risk	High Temperatures and Unstable Energy Supply	<p>The potential impact horizon of this risk is long-term. The associated financial impacts for the current period are as follows:</p> <ul style="list-style-type: none"> <li>To ensure the operational stability of production equipment under extreme climate conditions, the Company enhanced routine maintenance and calibration of critical equipment, including substations, generators, and chillers, resulting in related capital expenditures of NT\$2,216 thousand for the current period.</li> <li>In consideration of the long-term trend of global warming and the resilience of power supply, the Company incurred capital expenditures of NT\$4,538 thousand during the reporting period</li> </ul> <p>1. Conducts annual routine maintenance and servicing of system equipment, including compressed air systems, chilled water systems, and power generation systems.</p> <p>2. Carries out the replacement of aging equipment within compressed air, chilled water, and power generation systems.</p> <p>3. Performs annual emergency response drills</p>



Item	Implementation Status			
			<p>for the installation of new electromechanical and HVAC systems, as well as the replacement of aging equipment. These investments have led to an increase in non-current assets and are intended to strengthen long-term operational stability.</p> <ul style="list-style-type: none"> <li>Through the enhancement of energy infrastructure and equipment resilience, although capital expenditures and maintenance costs have increased in the short term, such measures are expected to effectively mitigate potential business interruption losses arising from high-temperature-related shutdowns or power rationing in the future.</li> </ul>	<p>and training for generator equipment.</p>
		<p>Extreme Wind, Rainfall, and Flooding</p>	<p>The potential impact horizon of this risk spans the medium- and long-term. The associated financial impacts for the current period are as follows:</p> <ul style="list-style-type: none"> <li>In response to the potential increase in flooding risks arising from long-term climate change trends, the Company carried out routine dredging of the plant's drainage systems during the reporting period, incurring related maintenance expenses of NT\$231 thousand. In addition, to mitigate the financial risks associated with extreme weather events, insurance investments increased by NT\$3,776 thousand compared to the previous year.</li> <li>In consideration of long-term physical risk mitigation requirements, the Company incurred capital expenditures of NT\$1,000 thousand and maintenance expenses of NT\$307 thousand during the current period for drainage system upgrades and flood prevention infrastructure improvements. These initiatives have enhanced the resilience of plant operations and resulted in an increase in non-current assets.</li> </ul>	<ol style="list-style-type: none"> <li>1. Improve wastewater recycling systems and enhance operational management to increase the volume of recycled water and reduce water consumption.</li> <li>2. Improvement of process equipment and operation to reduce steam volume.</li> <li>3. Continuously develop plans to reduce water consumption and promote water conservation.</li> <li>4. Conducts regular inspection of in-plant drainage ditch (trench) systems.</li> </ol>

Item	Implementation Status		
			<ul style="list-style-type: none"> <li>Through preventive dredging, risk transfer via insurance, and the reinforcement of physical infrastructure, the Company is committed to reducing recovery costs and the risk of business interruption associated with extreme climate events over the medium to long term, thereby maintaining long-term financial stability.</li> </ul>
	Opportunities	Adoption of Low-Carbon Energy	<p>The opportunity impact horizon spans the short-, medium-, and long-term. The associated financial impacts for the current period are as follows:</p> <ul style="list-style-type: none"> <li>To achieve the annual carbon reduction targets, the Company implemented a renewable electricity procurement plan during the reporting period, with related electricity purchase expenditures amounting to NT\$4,362 thousand, recognized as operating expenses for the year.</li> <li>While renewable electricity procurement has resulted in higher electricity costs in the short term, over the long term it is expected to reduce reliance on conventional fossil fuels, effectively mitigate the potential impact of increasing carbon fee costs, and enhance the Company's green competitiveness and brand value.</li> </ul> <p>1. Natural gas is prioritized as the primary fuel source for steam supply. 2. Focus on and engage in the renewable electricity market.</p>
		Enhancement of Corporate Reputation and Brand Recognition	<p>The opportunity impact horizon spans the short-, medium-, and long-term. The associated financial impacts for the current period are as follows:</p> <ul style="list-style-type: none"> <li>In response to increasing market demand for transition-related solutions, sustainability-related products (including expandable polystyrene (EPS) raw materials for rapid prototyping packaging and encapsulated glass wool) contributed NT\$888,457 thousand to operating revenue in the current period.</li> <li>The Company invested NT\$2,050 thousand during the reporting period in research and development expenses for sustainability-related</li> </ul> <p>The Company actively develops new products and accelerates its transformation to capture opportunities in the B2C market:</p> <p>1. Development of products certified under ISO 14021 for recycled content. 2. Certification and product development for composite materials in accordance with NSF International standards.</p>



Item	Implementation Status		
		products under development, as well as in sustainability brand promotion activities.	3. Continuous development of building insulation and thermal insulation materials using recycled glass as a primary raw material.
<p>3. This report aims to elucidate the effects of extreme weather events and transition actions on the financial sector.</p>	<p><b><u>Impacts of extreme weather events on the financial sector</u></b></p> <p>The Company, with reference to IFRS S2 Climate-related Disclosures standards, evaluates the impact of climate-related risks and opportunities on corporate strategy and financial position. The Company identifies key factors through scenario analysis and incorporates response strategies into the management decision-making process.</p> <p>For physical risks, reference is made to the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), specifically the “Taiwan Climate Change Key Indicators Atlas: AR6 Statistical Downscaling Edition,” as well as research data from the National Science and Technology Center for Disaster Reduction (NCDR). The analysis adopts scenarios from the IPCC AR6, integrating the Shared Socioeconomic Pathways (SSPs) and the Representative Concentration Pathways (RCPs).</p> <p>The Company has selected the SSP5-8.5 scenario (very high greenhouse gas emissions) as its baseline. Under this scenario, carbon dioxide emissions are projected to double by around 2050. Financial impact analyses have been conducted for hazards including extreme heat, flooding, and drought.</p> <p>1. Analysis of physical impacts and financial effects of climate events</p> <ul style="list-style-type: none"> <li>• Typhoon and precipitation risks: Although the number of typhoons affecting Taiwan is projected to decrease by approximately 15% by the mid-21st century, the proportion of intense typhoons is expected to increase significantly by about 100%, and typhoon-related rainfall is projected to rise by 20%. This trend may cause operational sites to experience flooding from heavy rainfall, leading to equipment damage or work stoppages and resulting in revenue loss.</li> <li>• Strong winds and extreme wind speeds: The maximum wind speed is expected to increase by approximately 4%. Threats from strong winds may damage plant structures or disrupt power facilities, thereby increasing subsequent repair expenses and operating costs.</li> </ul>		

Item	Implementation Status
	<ul style="list-style-type: none"> <li>• Long term climate trends: By the end of the 21st century, the proportion of intense typhoons could increase by up to 50%, while typhoon-related rainfall may rise by 35%. In the long term, if no adaptive actions are taken, the risk of asset loss and operational uncertainty will continue to rise.</li> </ul> <p>2. Strengthening resilience in response to physical risks</p> <p>To strengthen strategic resilience and reduce potential financial losses, the Company has adopted preventive adaptive measures.</p> <ul style="list-style-type: none"> <li>• Strengthening disaster preparedness: Enhancing plant drainage systems and flood control facilities against severe typhoon threats, while improving the wind and disaster resistance of buildings and equipment to reduce unplanned capital expenditures caused by equipment damage.</li> <li>• Refining scenario analysis: Continuously updating physical risk scenario analysis tools to incorporate high temperature and drought risks into financial assessments, thereby facilitating the planning of more precise adaptation management strategies.</li> </ul> <p>Integration into decision-making processes: The above risk assessment results are incorporated into the Company’s overall strategic resilience evaluation to ensure that the financial impacts of climate change are considered in management decisions at an early warning stage.</p> <p><b><u>Effects of extreme weather events and transition actions on the financial sector</u></b></p> <p>The financial impact of transition actions on the Company is primarily reflected in cost and investment adjustments driven by policy and regulatory changes, technological shifts, and evolving market demand. These include carbon pricing mechanisms, greenhouse gas emissions caps, and renewable energy regulatory requirements. The Company actively invests in low-carbon transformation initiatives, such as improving energy efficiency, upgrading equipment, and enhancing wastewater recycling systems. Although these measures require higher initial capital expenditure, they contribute to long-term reductions in operating costs and risk exposure. Overall, businesses undergoing low-carbon transformation should anticipate short-term cost increases. However, proactive measures can enhance their medium- to long-term competitiveness and sustainable development capabilities.</p>



Item	Implementation Status
	<p>In response to transition risk, the Company has taken the following actions, which are reflected in the financial structure:</p> <p>To mitigate carbon emissions and address the financial impact of carbon fees, the Company incurred capital expenditures of NT\$33,173 thousand and operating expenses of NT\$291 thousand during the reporting period. These expenditures were primarily allocated to the replacement of aging motors, blowers, and dryers with energy-efficient equipment, resulting in an increase in non-current assets and cash outflows from investing activities.</p> <ul style="list-style-type: none"> <li>• Although such equipment investments have led to increased depreciation expenses and cash outflows in the short term, over the long term, improvements in energy efficiency are expected to reduce electricity costs and carbon fee expenditures, thereby enhancing overall operational efficiency and sustaining profitability.</li> </ul> <p>3. Energy transition and low-carbon electricity adoption include the implementation of renewable energy procurement plans, with related electricity purchasing costs recognized in operating expenses. Through the procurement of green electricity, the Company aims to mitigate the impact of future increases in carbon costs associated with electricity. Additionally, by analyzing various data through the Energy Management System, the Company seeks to identify the maximum potential for improvement. To achieve the annual carbon reduction targets, the Company implemented a renewable electricity procurement plan during the year, with related electricity purchase expenditures amounting to NT\$4,362 thousand, recognized as operating expenses for the year. While renewable electricity procurement has resulted in higher electricity costs in the short term, over the long term it is expected to reduce reliance on conventional fossil fuels, effectively mitigate the potential impact of increasing carbon fee costs, and enhance the Company's green competitiveness and brand value.</p> <p>4. Product innovation and sustainable brand management: The Company continues to invest in the research, development, and promotion of sustainability-related products, and is actively transforming its business to expand into the B-to-C market. Significant research and development expenditures, as well as certification costs, have been invested in products such as rapid prototyping EPS packaging and recycled glass raw materials, resulting in the successful attainment of ISO 14021 international recycled content certification. Although these actions have increased current-period research and development and brand promotion</p>

Item	Implementation Status
	<p>expenses, they help enhance corporate reputation and secure competitive advantages in the context of the growing green consumption trend. In response to increasing market demand for transition-related solutions, sustainability-related products (including expandable polystyrene (EPS) raw materials for rapid prototyping packaging and encapsulated glass wool) contributed NT\$28,207 thousand to operating revenue in the current year.</p> <p>The Company invested NT\$2,050 thousand during the year in research and development expenses for sustainability-related products under development, as well as in sustainability brand promotion activities.</p>
<p>4. This report outlines the integration of the process of identifying, assessing, and managing climate risks into the overall risk management system.</p>	<p>Established a sound and trustworthy business philosophy to ensure the Company’s stable operations and sustainable development. To mitigate potential operational risks, the Board of Directors approved the “Risk Management Policies and Procedures” in 2020. This allows the Board to effectively assess and supervise various existing or potential risks faced by the Company. Each responsible functional department conducts real-time assessments and rolling adjustments based on the latest changes in the international economic situation, the most recent ESG regulations, and risk opportunity assessment management methods. The General Manager’s Office reports on the Company’s risk management operations to the Board at least once a year. On November 7, 2025, the annual risk management operations were presented to the Audit Committee and the Board of Directors, enabling the Board to understand the risks faced by the Company and to provide more specific recommendations for the Company’s operational strategies in a timely manner.</p>
<p>5. When utilizing scenario analysis to evaluate resilience to climate change risks, it is crucial to provide a clear explanation of</p>	<p>The Company continues to adopt the TCFD framework in response to the escalating global climate change, further identifying potential risk factors in the face of extreme weather conditions and seizing new business opportunities. Referencing the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and the National Science and Technology Center for Disaster Reduction, projecting for conditions of rising temperatures, rainfall, flooding, and droughts during 2016-2035 under the RCP 8.5 scenario. 3 physical risk issues were identified. Based on group strategy, industry characteristics, Intended Nationally Determined Contribution (INDC), and TCFD indicators.</p> <p>Based on the nature of risk and opportunity factors, risks are categorized into transformation risks</p>



Item	Implementation Status
<p>the scenario, parameters, assumptions, analysis factors, and significant financial impacts employed.</p>	<p>and physical risks. Transformation risks include: policy and regulations, reputation, technology, and market. Physical risks encompass: flooding, drought, and high temperatures. Opportunities are divided into four aspects, namely: resource efficiency, energy sources, products and services, and market.</p> <p>Physical risks are assessed with reference to the Taiwan Climate Change Projection Information Platform (TCCIP) and its publication in June 2023, titled “Taiwan Climate Change Key Indicators Atlas: AR6 Statistical Downscaling”, as well as the “Climate Change Disaster Risk Map” published by the National Science &amp; Technology Center for Disaster Reduction. These resources provide projections of long-term climate changes and potential climate risks for the future. The scenarios adopted by the IPCC AR6 combine the Shared Socioeconomic Pathways (SSPs) with the Representative Concentration Pathways (RCPs). The Company has selected the SSP 5 - 8.5 emission scenario (extremely high greenhouse gas emissions, with carbon dioxide emissions expected to double around the year 2050) to conduct future scenario analyses of climate disasters such as high temperatures, flooding, and drought.</p> <p>Transformation risks reference the International Energy Agency’s (IEA) 2021 World Energy Outlook (WEO), which categorizes scenarios based on varying energy trends and climate policies into three types: STEPS (Stated Policies Scenario), APS (Announced Pledges Scenario), and NZE (Net-Zero Emissions Scenario). Among these, NZE assumes that all countries will achieve net-zero emissions by 2050, representing the most proactive scenario for promoting reduction measures. In addition, we also referenced the “Taiwan 2050 Net Zero Emission Pathways and Strategic Overview” published by the National Development Council in 2022, in response to the national carbon reduction pathway, ensuring that the Company maintains its resilience for sustainable operations despite the impacts of extreme climate change.</p> <p>The main financial impacts include government carbon fees and water resource charges, which will directly increase the Company’s operating costs. In the short term, capital investment is required to improve energy and water efficiency. However, in the long term, the adoption of energy-saving technologies, process recycling and reuse, and circular economy initiatives will gradually reduce operating costs and enhance the Company’s competitiveness. In addition, rising</p>

Item	Implementation Status
	raw material prices driven by climate change are expected to affect production costs. The Company must invest in smart equipment to improve energy efficiency and resource recovery, thereby reducing financial risks and capturing opportunities arising from market transformation, in order to maintain long-term financial stability.
<p>6. If you have a transition plan in place to mitigate climate-related risks, please provide a detailed description of the plan's content. Additionally, include the indicators and objectives that are utilized to identify and manage both physical and transitional risks.</p>	<p>In order to achieve the Company's sustainable vision, practical actions are actively implemented to promote corresponding strategies and management mechanisms. The Company's production facilities continuously implement ISO 14064-1 greenhouse gas inventory and verification, and plan to execute carbon reduction programs. The Company follows the Group's carbon reduction target for 2030 and plans a carbon reduction pathway, setting a target of 27% reduction and achieving carbon neutrality by 2050, while actively executing energy saving and carbon reduction programs. The midterm decarbonization strategy will prioritize the transition to low-carbon energy, enhancing energy efficiency, implementing intelligent monitoring, and promoting the installation and utilization of renewable energy. The long-term decarbonization strategy will further prioritize low-carbon fuels, carbon capture and utilization technologies, and negative carbon emission technologies to attain carbon neutrality and foster sustainable development.</p>

Item	Implementation Status
<p>7. If internal carbon pricing is used as a planning tool, it is important to provide an explanation for the basis of price determination.</p>	<p>To proactively respond to government carbon fee policies, effectively address climate change, and mitigate carbon risks, USI Corporation implemented an internal carbon pricing mechanism in 2024. The scope covers all plants in Taiwan, with the initial carbon price set at NT\$300 per ton, based on domestic carbon fee benchmarks. The price will be periodically reviewed and adjusted (upward or downward) in phases, depending on government policy developments and the results of independent emission reduction plan reviews. This system primarily integrates carbon costs into the decision-making and investment evaluation processes of the Company, assesses the impact of carbon emissions on business operations, accelerates the implementation of carbon reduction measures, and drives low-carbon investments.</p> <p>To ensure the effective implementation of the mechanism, the Group conducts regular management and confirmation of execution each year. In May 2025, an assessment was completed to verify the performance of each unit in incorporating carbon pricing into project evaluations. This ensures that the mechanism can effectively transform into a driving force for low-carbon transition, thereby achieving the Company’s long-term sustainable development goals.</p>
<p>8. If climate related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, the annual progress of achievement, etc. should be stated; if carbon offsets or renewable</p>	<p>Climate change poses a global challenge that affects us all. To align with international standards and fulfill the requirements of sustainable development, our nation announced on February 15, 2023 the amendment of the Greenhouse Gas Reduction and Management Act to the Climate Change Response Act. In light of the impact of climate change, carbon reduction has become a global collaborative endeavor. At the beginning of 2022, USI Corporation set a target to achieve a 27% reduction in carbon emissions by 2030 compared to 2017 levels. Furthermore, in 2023, the Group established a long-term objective of reaching carbon neutrality by 2050. In alignment with the Group’s carbon reduction targets, the Company has established a decarbonization pathway toward 2050. To achieve its corporate sustainability vision, starting in 2025, the Company began procuring and disclosing renewable electricity usage of 830,000 kWh per year. The scope of greenhouse gas emissions, timelines, and annual progress information can be found in section 9. Implementation Status.</p>

Item	Implementation Status
energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon credits to be offset or the quantity of renewable energy certificates (RECs) should be stated.	
9. Inventory and verification of GHG emissions, along with reduction targets, strategies, and specific action plans (filled in sections 1-1 and 1-2).	Please refer to the detailed explanation in 1-1 and 1-2.

## 1-1 Greenhouse Gas Inspection and Verification of the Company in the Last Two Years

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

1. The Parent Company should start the inventory from 2026 in the Parent Company Only Financial Statements.
2. Subsidiaries should start the inventory from 2027 in the Consolidated Financial Statements.

The parent company has been conducting greenhouse gas inventories since 2021 in accordance with the ISO 14064-1:2018 standard issued by the International Organization for Standardization (ISO), in order to understand its greenhouse gas emissions profile. Since 2024, both the Company and its subsidiaries included in the consolidated financial statements have conducted annual inventories. The greenhouse gas inventory data for the most recent two years has been compiled using the operational control approach, aggregating emissions from the Company and all subsidiaries included in the consolidated financial statements, as described below:

Year	2024		2025	
	Emissions (CO <sub>2</sub> e)	Intensity (metric tons of CO <sub>2</sub> e / NT\$ million of revenue)	Emissions (CO <sub>2</sub> e)	Intensity (metric tons of CO <sub>2</sub> e / NT\$ million of revenue)
The Company				
Scope 1 (direct GHG emissions)	16,578.9159	/	17,107.3584	-
Scope 2 (indirect GHG emissions)	49,089.2291		48,332.1295	
Subtotal	65,668.1450		65,439.4879	
Subsidiaries included in the consolidated financial statements				
Scope 1 (direct GHG emissions)	410.1964	/	422.6883	/
Scope 2 (indirect GHG emissions)	11,562.7567		9,830.0026	
Subtotal	11,972.9531		10,252.6909	
Total	77,641.0981	4.1743	75,692.1788	5.2252

Note:

1. Inventory calculation for 2024 and 2025 in accordance with ISO 14064-1:2018.
2. In 2025, if the carbon emissions from the inspection points account for no more than 5% of the total emissions and there are no significant operational changes, the emission data from the first year (2023) will be used for calculations. Applicable locations include Taita Chemical Co., Ltd. - Taipei Office and Taita Chemical (Tianjin) Co., Ltd. The following companies are holding companies or registered entities only and therefore have no greenhouse gas emissions: Taita (BVI) Holding Co., Ltd., Zhangzhou Taita Chemical Co., Ltd.

### 1-1-2 Greenhouse Gas Assurance Information

1. The Parent Company should implement assurances from 2028 in the Parent Company Only Financial Statements.
  2. Subsidiaries should implement assurances from 2029 in the Consolidated Financial Statements.
- The Company and the assurance situation of the greenhouse gas inventory conducted by all subsidiaries in the consolidated financial statements for the past two years are described as follows:

Scope of Assurance		2024 Emissions (tons/CO <sub>2</sub> e)	2025 Emissions (tons/CO <sub>2</sub> e)	
The Company	(Scope 1) Direct GHG emissions	16,578.9159	Comprehensive assurance information will be disclosed in 2025 Sustainability Report.	
	(Scope 2) Indirect GHG emissions	49,089.2291		
	Total	65,668.1450		
	Percentage of the disclosed inspection data mentioned in section 1-1-1 above.	100%		
All subsidiaries included in the consolidated financial statements	(Scope 1) Direct GHG emissions	410.1964		
	(Scope 2) Indirect GHG emissions	11,562.7567		
	Total	11,972.9531		
	Percentage of the disclosed inspection data mentioned in section 1-1-1 above.	100%		
Assurance Institution		Ernst & Young Global Ltd.		
Note of verification status		Assurance Standard 3410 - Limited Assurance		
Conclusions/Opinions		No qualified conclusions		

Note:

1. In 2024, Taita Chemical's Linyuan Plant is classified as an emission point under the jurisdiction of the Environmental Protection Administration. Therefore, CPA assurance uses the data from the Environmental Protection Administration's verification statement as the basis for the allocation opinion. According to the Taiwan Stock Exchange's "Directions for the Implementation of Assurance Institutions: Q&A Collection," Q1-1, an accountant may issue a GHG integrated opinion report based on the verification statement obtained in accordance with the regulations of the Ministry of Environment, which can be used as a shared opinion.

## 1-2 Greenhouse Gas Reduction Goals, Strategies, and Specific Action Plan

GHG reduction baseline year and reduction targets:

Taita Chemical has actively promoted sustainable operations and established its first carbon reduction target in early 2022, aiming to reduce carbon emissions by 27% by 2030 compared with the 2017 baseline. In 2023, the Company further set a more ambitious target of achieving carbon neutrality by 2050. This target encompasses the consolidated company and focuses on Scope 1 (direct emissions) and Scope 2 (indirect emissions) greenhouse gases.

In terms of concrete implementation of carbon reduction actions, domestic production facilities continuously implement ISO 14064-1 greenhouse gas inventory and third-party verification. Through systematic management, they effectively grasp emission data and trends. In addition, the Company continues to implement the ISO 50001 Energy Management System to improve energy efficiency. Specific initiatives include replacing blower systems, upgrading to high-efficiency IE3 or higher motors, replacing air compressors, and upgrading transformers. These measures effectively reduce energy consumption and carbon emissions.

The introduction of renewable energy is also a key component of the Company's carbon reduction strategy. Starting in 2025, the Company began procuring and disclosing the use of 830,000 kWh of renewable electricity. USI Corporation is also actively developing external renewable energy projects. As of the end of 2025, its cumulative installed capacity of invested solar power projects reached 9.04 MW, generating approximately 11.303 million kWh of green electricity annually, demonstrating the Company's tangible progress in renewable energy deployment.

In 2025, the self-reported Scope 1 greenhouse gas emissions were 17,530 metric tons of CO<sub>2</sub>e, and Scope 2 emissions were 58,162 metric tons of CO<sub>2</sub>e, resulting in a total annual emissions of 75,692 metric tons of CO<sub>2</sub>e. This represents a decrease of 2.51% compared to 2024, and a reduction of 17.26% compared to the base year 2017.

The data above demonstrate that the Company's current carbon reduction strategy has begun to yield results. In the future, the Company will continue to promote various energy-saving and emission reduction measures, moving towards a more sustainable and competitive business model.

(VI) Implementation of Ethical Management; Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the Reasons Therefor

Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
<p>I. Establishment of ethical corporate management policies and programs</p> <p>(I) Does the Company establish an ethical corporate management policy approved by the Board of Directors, and declare its ethical corporate management policy and measures in its regulations and external documents, as well as the commitment of its Board and management to implementing the management policies?</p>	V		<p>(I) <b>Ethical Management Policy</b>                      The Group upholds the business philosophy of “Solid Operation, Professional Management, Seeking Excellence and Serving the Society” and exercises its corporate culture that “seeks truth, honesty and comprehensiveness”. The Company has established the “Ethical Corporate Management Best Practice Principles” “Procedures for Ethical Management and Guidelines for Conduct”, “Guidelines for the Adoption of Codes of Ethical Conduct for Directors and Managerial Officers”, which were approved by the Board of Directors, to specify its ethical corporate management policies. The Company’s Board of Directors and the General Manager have signed statements of ethical management to fulfill their commitments in management policies.</p>	<p>Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.</p>



Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
(II) Does the Company establish an assessment mechanism for unethical risks, according to which it analyzes and assesses operating activities with high potential unethical risks? Does the mechanism include any precautionary measures against all the conducts as stated in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	V		<p><b>(II) Code of Conduct for Ethical Corporate Management and Preventive Measures</b>                      The Company has established the Ethical Corporate Management Best Practice Principles, which has been approved by the Board of Directors, and established a risk assessment mechanism for unethical conduct to regularly analyze and evaluate business activities with higher risk of unethical conduct within the business scope, so as to formulate prevention programs, while reviewing the adequacy and effectiveness of prevention programs on a regular basis and strengthening relevant preventive measures.</p> <p>The prevention programs adopted by the Company shall include preventive measures against the following actions:</p> <ol style="list-style-type: none"> <li>1. Offering and acceptance of bribes.</li> <li>2. Illegal political donations.</li> <li>3. Improper charitable donations or sponsorship.</li> <li>4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.</li> </ol>	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.

Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
			5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights. 6. Engaging in unfair competitive practices. 7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.	
(III) Does the Company specify operating procedures, guidelines for conduct, punishments for violation, rules of appeal in the unethical conduct prevention plan, and does it implement and periodically review and revise the plan?	V		(III) Ethical management and reporting channels 1. The Company has established the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct with the approval of the Board of Directors, which specifically regulate the matters to which Directors, managerial officers, employees and persons in effective control should pay attention in the execution of their business, and the disciplinary and complaint systems for non-compliance.	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.



Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
			<p>2. The Company has established the “Procedures for Handling Cases of Illegal and Unethical or Dishonest Conduct” to promote the reporting of any illegal behavior or violation of the Code of Conduct or the Ethical Corporate Management Principles. Multiple reporting channels are provided, allowing employees or external parties to report illegal, unethical, or dishonest behavior. A designated professional handles the reports, ensuring confidentiality of the whistleblower’s identity and the content of the report. Whistle-blowing channels are as follows:</p> <ul style="list-style-type: none"> <li>● Audit Committee email: Disclosed on the Company’s website, accepting reports from shareholders, investors, and other stakeholders.</li> <li>● Group Audit Office: Reporting hotline 2650-3783.</li> <li>● Group Human Resources Division: Grievance hotline (extension 2609) and email address (usighr@usig.com).</li> <li>● Employee complaint mailboxes are located next to the security office or bulletin board</li> </ul>	

Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
			<p>in the factory area; in the Taipei office area, they are situated on the 6th floor of the USI Building.</p> <p>In the current year (2025), the Audit Department received one case of violation of integrity management. A fair investigation process has been properly concluded, and the relevant personnel have been handled in accordance with employee work regulations. Additionally, ongoing educational training sessions are being conducted for promotion.</p>	
<p>II. Implementing Ethical Corporate Management</p> <p>(I) Does the Company evaluate business partners’ ethical records and include ethics-related clauses in the business contracts signed with the counterparties?</p>	V		<p>(I) The Company has requested for terms of ethical conduct to be clearly defined in commercial contracts in accordance with its Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct.</p>	<p>Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.</p>



Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
(II) Has the Company established an exclusively (or concurrently) dedicated unit under the Board to implement ethical corporate management, and report to the Board on a regular basis (at least annually) about the ethical corporate management policies, precautionary measures against unethical conducts, as well as the implementation and supervision thereof?	V		<p>(II) To strengthen ethical corporate management, the corporate governance team is responsible for establishing the ethical corporate management policy and prevention programs while supervising such implementation; the Corporate Governance Officer reports to the Board of Directors regularly at least once a year.</p> <p>The Director of Corporate Governance shall report to the Board of Directors on November 7, 2025 on the implementation of ethical business for the year, including the following:</p> <ol style="list-style-type: none"> <li>1. Cooperate with laws and regulations to formulate and implement relevant regulations for the implementation of honest business policy</li> <li>2. Regularly analyze and assess the risk of dishonest conduct in the business area. Assess the risk of dishonest conduct within the business scope according to the checklist for assessing the risk of dishonest conduct.</li> <li>3. The Company has planned its internal organizational structure and placed a control mechanism on business activities with higher risk of dishonest conduct in the business scope.</li> </ol>	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.

Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
(III) Does the Company establish policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly?	V		<p>4. It promoted and coordinated honesty policy advocacy training. Planning and implementing a whistleblowing system to ensure effectiveness: According to statistics, in 2025, the Auditing Division received one case involving a violation of integrity management, which was properly closed following a fair investigation process, with the personnel concerned handled in accordance with the employee work rules.</p> <p>5. Assist the Board of Directors and the General Manager in reviewing and assessing whether the prevention measures taken for the purpose of implementing ethical corporate management are carried out effectively, and prepare reports on the regular assessment of compliance with operating procedures.</p> <p>(III) The Company has formulated the Code for Ethical Conduct of Directors and Managerial Officers to prevent conflict of interest and provide suitable channels for Directors, managers, and employees to explain any potential conflict of interest with the Company.</p>	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.



Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
(IV) Does the Company establish effective accounting systems and internal control systems to implement ethical corporate management, with the internal audit unit being responsible for devising relevant audit plans based on the results of assessment of any unethical conduct risk, examining accordingly the compliance with the prevention programs, or engaging CPAs to carry out the audit?	V		(IV) The Company’s accounting systems and internal control systems can run independently and objectively. Internal control personnel regularly report the audit opinions to the Audit Committee and the Board of Directors. CPAs appointed by the Company regularly perform internal audits and hold discussions with the management. After conducting risk assessment, the internal audit unit formulates the audit plan for the next year, and adds the audit item”management of reports of illegal and unethical or dishonest conduct” to check the compliance with the scheme for preventing dishonest conduct.	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.
(V) Does the Company regularly hold internal and external training on ethical corporate management?	V		(V) To facilitate the understanding and promotion of the Group’s integrity and ethical standards among the Company’s directors, managers, and employees, the Company requires that all employees adhere to the ethical corporate management policy as a condition of employment. Employees are required to sign a commitment letter on their first day of work, pledging to comply with the Company’s ethical corporate policy. Directors and senior managers are also required to sign a statement of integrity	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.

Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies																				
	Yes	No	Overview																					
			<p>management upon their appointment, which is kept on file by designated personnel for reference. To uphold integrity in business operations and ethical conduct, the Company continues to promote and regularly organize relevant training programs, reinforced by testing to strengthen employee awareness. As of December 31, 2025, integrity management training courses were conducted with a total of 773 employee participants, amounting to 994.5 training hours. The breakdown of the courses is as follows</p> <table border="1"> <thead> <tr> <th>Type</th> <th>Course Title</th> <th>Total Participants</th> <th>Total hours</th> </tr> </thead> <tbody> <tr> <td>Integrity Management and Regulatory Compliance</td> <td>[Ethical Management Lecture] Guidelines on AI Trends and Legal Risks</td> <td>44</td> <td>88</td> </tr> <tr> <td>Integrity Management and Regulatory Compliance</td> <td>The Responsible Care Group’s first meeting in 2025</td> <td>1</td> <td>4.5</td> </tr> <tr> <td>Integrity Management and Regulatory Compliance</td> <td>2025 USI Corporation Business Continuity Planning (BCP) Workshop</td> <td>13</td> <td>39</td> </tr> <tr> <td>Integrity Management and Regulatory</td> <td>The Group’s first Code of Conduct Promotion Test in 2025</td> <td>237</td> <td>237</td> </tr> </tbody> </table>	Type	Course Title	Total Participants	Total hours	Integrity Management and Regulatory Compliance	[Ethical Management Lecture] Guidelines on AI Trends and Legal Risks	44	88	Integrity Management and Regulatory Compliance	The Responsible Care Group’s first meeting in 2025	1	4.5	Integrity Management and Regulatory Compliance	2025 USI Corporation Business Continuity Planning (BCP) Workshop	13	39	Integrity Management and Regulatory	The Group’s first Code of Conduct Promotion Test in 2025	237	237	
Type	Course Title	Total Participants	Total hours																					
Integrity Management and Regulatory Compliance	[Ethical Management Lecture] Guidelines on AI Trends and Legal Risks	44	88																					
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Evaluation Item	Implementation Status (Note)				Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview		
			Compliance		
			Integrity Management and Regulatory Compliance	The Group’s second Code of Conduct Promotion Test in 2025	179 179
			Integrity Management and Regulatory Compliance	Linyuan - 2025 Labor Standards Act Promotion Conference	2 6
			Integrity Management and Regulatory Compliance	Group Product General Knowledge – Overview of USI Green and Global Green business operations and current development status.	39 78
			Integrity Management and Regulatory Compliance	Ethical Management Course (including Employee Code of Conduct)	120 120
			Integrity Management and Regulatory Compliance	Labor Standards Act Seminar	1 4
			Integrity Management and Regulatory Compliance	Occupational Safety and Health updated regulations briefing session	1 3
			Integrity Management and Regulatory Compliance	Others	136 236
			Total		773 994.5

Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
<p>III. Implementation of the Company’s whistleblowing system</p> <p>(I) Has the Company established a specific whistleblowing and reward system, set up convenient whistleblowing channels and designated appropriate personnel to handle investigations against wrongdoers?</p>	V		<p>(I) The Company’s Board of Directors passed the amendments to the “Procedures for Handling Cases of Illegal and Unethical or Dishonest Conduct” on November 12, 2019 (Website: <a href="https://www.ttc.com.tw/OthersPDF/TTC_HandlingForIllegalImmoral.pdf">https://www.ttc.com.tw/OthersPDF/TTC_HandlingForIllegalImmoral.pdf</a>).</p> <p>The specific whistleblowing channels, incentive system, dedicated personnel, and whistleblower protection are as follows:</p> <ol style="list-style-type: none"> <li>1. Whistle-blowing channels:               <ol style="list-style-type: none"> <li>(1) Personal reporting: In-person explanation.</li> <li>(2) Report via telephone: 02-26503783</li> <li>(3) Written report: Audit Division, 7F., No. 37, Jihu Rd., Neihu Dist., Taipei City.</li> </ol> </li> <li>2. Incentive system:               <p>Where a report is verified as true and its contribution generates significant economic benefits, the incident may be submitted to the General Manager to provide the whistleblower with appropriate rewards.</p> </li> <li>3. Dedicated personnel:</li> </ol>	<p>Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.</p>



Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
			<p>(1) Audit Committee: Accept reports from shareholders, investors, and other stakeholders.</p> <p>(2) Audit Office: Accept reports from customers, suppliers, and contractors.</p> <p>(3) HR Department: Accept reports from employees.</p> <p>4. Whistle-blower protection: Whistleblowers or persons involved in investigations shall be fully protected and the confidentiality of their identities and information provided shall be fully maintained, so that they will not be subjected to unfair treatment or retaliation. If the whistleblower is an employee, the Company guarantees the employee</p>	
(II) Has the Company established standard operating procedures for the investigation of reports, follow-up measures to be taken after the investigation is completed, and the relevant confidentiality mechanism?	V		<p>No improper treatment will be incurred as a result of reporting.</p> <p>(II) The measures mentioned in the preceding paragraph specify the standard operating procedures for investigating the case being exposed by the whistleblower and the relevant confidentiality mechanism; where whistleblower is anonymous or did not use his/her true name, or the</p>	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.

Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
(III) Has the Company set up protection for whistleblowers to prevent them from being subjected to inappropriate measures as a result of reporting such incidents?	V		<p>content stated or the proof of origin provided is deemed necessary for investigation, the case may still be reported to the Chairman/General Manager before the case is handled and recorded as a reference for internal review. Once they are verified as true, the Company shall, based on the violation or severity of the violation, implement disciplinary measures and process such violations in accordance with related regulations.</p> <p>(III) The procedures above also specify that whistleblowers or persons involved in investigations shall be fully protected and the confidentiality of their identities fully maintained, so that they will not be subjected to unfair treatment or retaliation.</p>	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.
IV. Strengthening Information Disclosure Has the Company disclosed the content and effectiveness of its integrity management principles on the Company’s website and the Market Observation Post System?	V		<p>The Company has disclosed relevant regulations and information on ethical corporate management on the Company’s website, which is available for employees at any time. (Website: <a href="https://www.ttc.com.tw/OthersPDF/TTC_FaithManagementRule.pdf">https://www.ttc.com.tw/OthersPDF/TTC_FaithManagementRule.pdf</a>). The information related to ethical corporate management and the effectiveness of implementation is disclosed on the MOPS website and in the annual report.</p>	Consistent with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies”.



Evaluation Item	Implementation Status (Note)			Discrepancies between its implementation and the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Companies” and reasons for such discrepancies
	Yes	No	Overview	
<p>V. If the Company has established the Ethical Corporate Management Principles based on the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the policies and the implementation:                      The Company has established its “Guidelines for the Adoption of Codes of Ethical Conduct for Directors and Managerial Officers”, the “Ethical Corporate Management Best Practice Principles”, the “Procedures for Ethical Management and Guidelines for Conduct”, the “Code of Conduct for Employees Regarding Concurrent and Part-time Work”, and the “Procedures for Handling Cases of Illegal and Unethical or Dishonest Conduct”. The operation is in accordance with the Ethical Corporate Management Best Practice Principles.</p>				
<p>VI. Other important information to facilitate better understanding of the Company’s ethical corporate management (e.g., review of and amendments to ethical corporate management policies)                      The Company has formulated the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct, which were approved by the Board of Directors, in accordance with the amended Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies announced by the competent authority. The Corporate Governance Officer reports to the Board of Directors once each year. On November 7, 2025, it reported to the Board of Directors on matters related to ethical corporate management.</p>				

(VII) Other material information that can enhance the understanding of the state of corporate governance at the Company:

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



(VIII) Implementation Status of Internal Control System:

1. Statement of Internal Control

The 2025 Statement of Internal Control has been disclosed and filed on the Market Observation Post System (MOPS). Please refer to the MOPS website under: Single Company/Corporate Governance/Company Regulations/Internal Control/Statement of Internal Control:

**Taita Chemical Company, Ltd.**  
Internal Control System Statement

Date: March 31, 2026

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

- I. The Company acknowledges that the establishment, implementation and maintenance of the internal control system are the responsibilities of the Company's Board of Directors and managerial officers, and thus the Company has established such a system. Its purpose is to reasonably ensure that operational effectiveness and efficiency (including income, performance, and asset safety) and reporting are reliable, timely, and transparent, as well as to ensure compliance with relevant regulations and laws.
- II. An internal control system has inherent constraints. No matter how comprehensive its design may be, an effective internal control system is only capable of providing adequate assurance for achieving the above-mentioned objectives. In addition, the effectiveness of the internal control system may change with the environment and under different situations. Nevertheless, the Company's internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
- III. The Company determines whether or not the design and implementation of its internal control system is effective according to the items for determining the effectiveness of internal control systems as stated in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) Control Environment; (2) Risk Assessment; (3) Control Activities; (4)

Information and Communication; and (5) Monitoring Activities. Each component includes a number of items. For more information on the above-mentioned items, please refer to the Regulations.

- IV. The Company has adopted the items for determining internal control systems in order to evaluate the effectiveness of its internal control system design and implementation.
- V. Based on the above results, the Company believes that the design and implementation of its internal control systems (including supervision and management of its subsidiaries), as of December 31, 2025, and the understanding of the level of goal achievement in regards to operational benefits and efficiency, as well as whether the reporting is reliable, timely and transparent and whether it complies with the relevant laws and regulations, is effective and can reasonably assure the accomplishment of the above-mentioned goals.
- VI. The Statement shall become the main content of the Company's annual report and prospectus, and shall be made public. Should the above-mentioned content contain illegalities such as fraudulent and hidden information, the Company shall assume legal liabilities involving Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchange Act.
- VII. In witness whereof, this statement was approved by the Board of Directors of the Company on March 31, 2026, among which eight Directors were present, all agreeing to the contents of this statement.

Taita Chemical Company, Ltd.

Chairman: Quintin Wu

Signature

General Manager: Pei-Chi Wu

Signature

- 2. Any CPA commissioned to conduct a project review of the ICS shall disclose the CPA's audit report: None.



(IX) Critical resolutions made during shareholders and Board of Directors' meetings and implementation status in the most recent fiscal year up to the publication date of this annual report

1. Shareholders' Meeting

Year of Meeting	Date of Meeting	Key Resolutions
2025	2025/5/28	<p>The minutes of the Shareholders' Meeting were posted onto MOPS on June 13, 2025. The resolutions and their status of implementation are as follows:</p> <ol style="list-style-type: none"> <li>1. Approved the 2024 financial statements. Implementation status: Resolution passed</li> <li>2. Approve the 2024 earnings distribution plan. Implementation status: Resolution passed The distribution of cash dividends of NT\$79,517,370 to the shareholders, with August 1, 2025 as the record date, was completed on August 21, 2025.</li> <li>3. Deliberated on the amendment of the Regulations Governing the Acquisition and Disposal of Assets Implementation status: Resolution passed</li> <li>4. Discussed the removal of the non-compete clause for newly appointed Directors. Implementation status: Resolution passed</li> </ol>

2. Board of Directors

Session (Year) of Meeting	Date of Meeting	Key Resolutions
2025 1st Meeting	2025/3/5	<ol style="list-style-type: none"> <li>1. Approved the 2024 financial statements.</li> <li>2. Approved the 2024 profit distribution plan.</li> <li>3. Approved the amendment to certain articles in the Articles of Incorporation.</li> <li>4. Established the scope of the Company’s “grassroots employees.”</li> <li>5. Approved the recommendation to lift competition restrictions against newly-appointed Directors at the general shareholders’ meeting.</li> <li>6. Approved matters related to the convening of the 2025 general shareholders’ meeting.</li> <li>7. Approved the period and location for accepting shareholder proposals.</li> <li>8. Approved the authorization of the Chairman to sign and deliver short-term credit loan contracts and related documents to financial institutions.</li> <li>9. Approved the 2025 evaluation of the independence and qualification of appointed CPAs.</li> <li>10. Approved the appointment of CPAs for 2025.</li> <li>11. Approved the issuance of the internal control system statement in 2024.</li> <li>12. Approved donations to the USI Education Foundation.</li> </ol>
2025 2nd Meeting	2025/5/5	<ol style="list-style-type: none"> <li>1. Approve the 1Q2025 Consolidated Financial Statements.</li> <li>2. Approved the change of the Head of Internal Audit.</li> </ol>
2025 3rd Meeting	2025/8/6	<ol style="list-style-type: none"> <li>1. Ratifying the signing and delivery of short-term credit contracts and relevant documents with financial institutions.</li> <li>2. Ratified the provision of endorsement guarantee for subsidiary TAITA (BVI) Holding Co., Ltd.</li> <li>3. Approved the 2Q2025 Consolidated Financial Statements.</li> <li>4. Approved the amendment of certain articles in the Remuneration Committee Charter.</li> <li>5. Through the revision of the Company’s internal control system.</li> <li>6. Approval of the 2024 sustainability Report.</li> </ol>



Session (Year) of Meeting	Date of Meeting	Key Resolutions
		7. Approved managerial officers to engage in competitions.
2025 4th Meeting	2025/11/7	<ol style="list-style-type: none"> <li>1. Ratify a three-year medium-term loan limit signed with the Export-Import Bank of the Republic of China.</li> <li>2. Approved the 3Q2025 Consolidated Financial Statements.</li> <li>3. Approved the annual audit budget in 2026.</li> <li>4. Approved CPAs' remuneration for 2025.</li> <li>5. Amendment to the Procedures for Handling Material Inside Information.</li> <li>6. Approved the amendment of certain articles in the Remuneration Committee Charter.</li> <li>7. Through the revision of the Company's internal control system.</li> <li>8. Approved the annual audit plan in 2026.</li> </ol>
2026 1st Meeting	2026/3/11	<ol style="list-style-type: none"> <li>1. Ratified the renewal of the two-year medium-term loan limit signed with Yuanta Commercial Bank</li> <li>2. Approved the 2025 financial statements and Business Report.</li> <li>3. Approved the 2025 profit distribution plan.</li> <li>4. Approved the amendment of certain articles in the Rules of Procedure for Shareholders' Meetings</li> <li>5. Approved the lifting of competition restrictions against Directors.</li> <li>6. Approved matters related to the convening of the 2026 general shareholders' meeting.</li> <li>7. Approved the period and location for accepting shareholder proposals.</li> <li>8. Approved the authorization of the Chairman to sign and deliver short-term credit loan contracts and related documents to financial institutions.</li> <li>9. Approve the amendment to certain articles in the Director and Managerial Officer Remuneration Policy and Measures.</li> <li>10. Approved the review of the Company's definition of "grassroots employees."</li> <li>11. Approved the 2026 evaluation of the independence and qualification of appointed CPAs.</li> <li>12. Approved the appointment of CPAs for 2026.</li> </ol>

Session (Year) of Meeting	Date of Meeting	Key Resolutions
		13. Approved the issuance of the internal control system statement in 2025. 14. Approved donations to the USI Education Foundation.

- (X) For the most recent year and up to the date of publication of the annual report, if a director or supervisor has different opinions on important resolutions passed by the Board of Directors and there are records or written statements, the main content is: none.

#### IV. CPA Fee Information

##### CPA Fee Information

Unit: NT\$ 1,000

Name of CPA Firm	CPAs	Audit Period	Audit Fees	Non-Audit Fees	Total
Deloitte & Touche	Chen, Chun-Hung and Liu, I-Ching	2025/01/01-2025/12/31	2,600	480	3,080

Please specify the non-audit services: tax certification 410 / others 70

Note: If the Company has replaced the CPAs or accounting firm in the current fiscal year, the audit period should be listed separately, and the reason for replacement should be stated in the “remark” column. Information regarding the audit and non-audit fees paid should also be disclosed in order. Non-audit fees should be listed in the “Remarks” column.

- (I) Where the CPA firm was replaced, and the audit fees in the fiscal year when the replacement was made was less than that in the previous fiscal year before replacement, the amount of audit fees paid before replacement and reasons for paying this amount  
The Company has not changed the CPA firm in 2025, and thus it is not applicable.
- (II) Where the audit fees were reduced by more than 10 percent compared to the previous fiscal year, the amount and percentage of decrease in audit fees, as well as the reason  
The Company’s audit fee has not been reduced by more than 10% of that paid in the previous year. This is therefore not applicable.



## V. Information on Replacement of CPA

### (I) Previous CPAs: Not applicable

Date of Replacement			
Replacement reasons and explanations			
Statement on whether the authorizing party or the accountant terminate or reject the authorization	Contracting Party		CPAs
	Scenario		Appointer
	Termination of appointment		N/A
No longer accepted (continued) appointment			
Other issues (except for unqualified issues) in the audit reports within the last two years	2025 and 2024 audit reports had no qualified opinions		
Is there any disagreement with the issuer?	Yes		Accounting principles or practices
			Disclosure of financial statements
			Audit scope or procedures
			Others
	None	V	
Descriptions: None			
Other Revealed Matters (Matters that should be disclosed in accordance with Item 1-4 to 1-7, Subparagraph 6, Article 10 of the Regulations)	None		

### (II) Successor CPAs: Not applicable

Name of CPA Firm	
Name of CPAs	
Date of Appointment	
Subjects and outcomes of consultation on the accounting treatment of or application of accounting principles to specific transactions, or opinions that might be included on financial statements before the appointment of new CPAs	
Succeeding CPA's written opinion of disagreement toward the former CPA	

### (III) Former CPA's response to Article 10, Subparagraph 5, Item 1 and Item 2-3 of the accounting standards: Not applicable.

**VI. The Company’s Directors, General Manager, Managerial Officer in Charge of Finance or Accounting Who Has Served in a CPA’s Accounting Firm or Its Affiliated Companies in the Most Recent Fiscal Year Shall Disclose Their Names, Positions and the Period of Employment in CPA’s Accounting Firm or Its Affiliated Companies: None.**

**VII. Equity Transfer or Changes in Equity Pledged by the Company’s Directors, Managerial Officers or Shareholders with Shareholding Percentage Exceeding Ten (10) Percent in the Most Recent Fiscal Year up to the Publication Date of this Annual Report**

(I) Changes in shareholdings of Directors, Supervisors, managerial officers and substantial shareholders

Share Equity Change Status for Directors, Supervisors, Managers and Major Shareholders [Position (Note 1)]	Name	2025		For the year ended March 31, 2026	
		Increase (decrease) in number of shares held	Increase (decrease) in number of shares pledged	Increase (decrease) in number of shares held	Increase (decrease) in number of shares pledged
Major Shareholder	Union Polymer International Investment Corporation	0	0	0	0
Director	Quintin Wu (Representative of Union Polymer Int’l Investment Corp.)	0	0	0	0
	Wu, Pei-Chi (Representative of Union Polymer Int’l Investment Corp.)	0	0	0	0
Shareholder	USIFE Investment Co., Ltd.	0	0	0	0
Director	Ma, I-Kung (representative of USIFE Investment Co., Ltd.)	0	0	0	0
	Ying, Bao-Luo (representative of USIFE Investment Co., Ltd.)	0	0	0	0



Share Equity Change Status for Directors, Supervisors, Managers and Major Shareholders [Position (Note 1)]	Name	2025		For the year ended March 31, 2026	
		Increase (decrease) in number of shares held	Increase (decrease) in number of shares pledged	Increase (decrease) in number of shares held	Increase (decrease) in number of shares pledged
Shareholder	Taiwan Union International Investment Corporation	0	0	0	0
Director	Bi, Shu-Chien (representative of Tai Lien International Investment Co., Ltd.)	0	0	0	0
Independent Director	Chen, Tien-Wen	0	0	0	0
	Wei, Yung-Tu	0	0	0	0
	Li, Kuo-Hsiang	0	0	0	0
	Chen, Piao-Chun	0	0	0	0
Chief Executive Officer	Quintin Wu	0	0	0	0
General Manager	Wu, Pei-Chi	0	0	0	0
Senior Manager	Huang, Chun-Hao	0	0	0	0
Corporate Governance Officer	Chen, Yung-Chih	0	0	0	0
Head of Accounting Department	Li, Chun-Yao	0	0	0	0
Head of Finance Department	Luo, Fei-Yun	0	0	0	0

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

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

- (II) Share transfer information: Information on the counterpart of equity pledge not being a related party of the Company's directors, supervisors, managers and shareholders holding over 10% of total shares

Name (Note 1)	Reason for Equity Transfer (Note 2)	Date of Transaction	Transferee	Relationship between the counterparty and the Company, its Directors, Supervisors, managerial officers, and shareholders with shareholding percentage exceeding ten (10) percent	Number of Shares	Transaction Price
N/A						

Note 1: Fill the name of the Company’s directors, supervisors, managerial officers and shareholders with shareholding percentage exceeding ten (10) percent.

Note 2: Fill either “Acquisition” or “Disposal”.

(III) Information on pledging of shares: No counterparty involved in pledging of shares is a related party of the Company’s Directors, Supervisors, managerial officers and shareholders with shareholding percentage exceeding ten (10) percent.

Name (Note 1)	Reason for Pledging of Shares (Note 2)	Date of Change	Transferee	Relationship between the counterparty and the Company, its Directors, Supervisors, managerial officers, and shareholders with shareholding percentage exceeding ten (10) percent	Number of Shares	Percentage of Shares Held	Percentage of Shares Pledged	Pledge (Redemption) Amount
N/A								

Note 1: Fill the name of the Company’s directors, supervisors, managerial officers and shareholders with shareholding percentage exceeding ten (10) percent.

Note 2: Fill in either “Pledged” or “Redeemed.”



### VIII. Relationship Information, if among the Company's Top 10 Shareholders any one is a Related Party, Spouse or a Relative within the Second Degree of Kinship

March 30, 2026

Name (Note 1)	Shares Held in Person		Shares Held by Spouse and Minor Children		Shareholding by Nominee Arrangement		Title or name and relationship of top 10 shareholders who are related parties or each other's spouses and relatives within the second degree of kinship		Notes
	Number of Shares	Shareholding Percentage (Note 2)	Number of Shares	Shareholding Percentage (Note 2)	Number of Shares	Shareholding Percentage (Note 2)	Name	Relationship (Note 3)	
Union Polymer International Investment Corporation Representative: Quintin Wu	146,263,260	36.79%	-	-	0	0%	China General Terminal and Distribution Corporation USIFE Investment Co., Ltd.	Same ultimate parent company	
	0	0%	-	-	0	0%	None	None	
Taiwan Union International Investment Corporation Representative: Pi, Shu-Chien	8,854,995	2.23%	-	-	0	0%	None	None	
	0	0%	0	0%	0	0%	China General Terminal and Distribution Corporation	Director	
Investment Account under Custody of JPMorgan Securities Ltd. at the Taipei Branch of JPMorgan Chase & Co.	2,351,820	0.59%	-	-	0	0%	None	None	
China General Terminal & Distribution Corporation Representative: Chang, Hung-Chiang	2,278,217	0.57%	-	-	0	0%	Union Polymer International USIFE Investment Co., Ltd.	Same ultimate parent company	
							Pi, Shu-Chien	Director, CGTD	
	0	0%	0	0%	0	0%	None	None	
Citibank acting as custodian for Berkeley Capital SBL/PB Investment Account	1,913,000	0.48%	-	-	0	0%	None	None	
Lin Chun-Jung	1,770,000	0.45%	0	0%	0	0%	None	None	

Name (Note 1)	Shares Held in Person		Shares Held by Spouse and Minor Children		Shareholding by Nominee Arrangement		Title or name and relationship of top 10 shareholders who are related parties or each other's spouses and relatives within the second degree of kinship		Notes
	Number of Shares	Shareholding Percentage (Note 2)	Number of Shares	Shareholding Percentage (Note 2)	Number of Shares	Shareholding Percentage (Note 2)	Name	Relationship (Note 3)	
USIFE Investment Co., Ltd. Representative: Quintin Wu	1,415,368	0.36%	-	-	0	0%	Union Polymer International China General Terminal and Distribution Corporation	Same ultimate parent company	
	0	0%	-	-	0	0%	None	None	
Custody Investment Account of UBS Europe SE held in trust with Citibank (Taiwan) Limited	1,285,948	0.32%	-	-	0	0%	None	None	
Hsiao Hsiao-Yun	1,160,000	0.29%	0	0%	0	0%	None	None	
Custody Account of Morgan Stanley International Limited held with HSBC	1,056,913	0.27%	-	-	0	0%	None	None	

Note 1: All the top ten shareholders shall be listed (names of corporate shareholders and their representatives shall be presented separately).

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

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



**IX. Number of Shares Held by the Company, Its Directors, Supervisors, Managerial Officers and Directly or Indirectly Controlled Investment Companies in the Same Investment Companies, and the Combined Calculation of Shareholding Percentages**

December 31, 2025

Unit: Share

Reinvestment Entities	Ownership by the Company		Investments by Directors Supervisors, managerial officers and directly or indirectly controlled enterprises		Combined Investment	
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio
TAITA(BVI) Holding Co., Ltd.	89,738,000	100.00%	0	0.00%	89,738,000	100.00%
China General Plastics Corporation	11,516,174	1.98%	0	0.00%	11,516,174	1.98%
China General Terminal & Distribution Corporation	25,053,468	33.33%	0	0.00%	25,053,468	33.33%
Acme Electronics Corporation	4,991,556	2.34%	1,510,750	0.71%	6,502,306	3.05%

Note: Invested by the Company using the equity method

## Chapter 3 Funding Status

### I Capital and Shares

#### (I) Source of share capital

Year and Month	Par Value	Authorized Capital		Paid-in Stock Capital		Notes		
		Number of Shares	Amount (NTD)	Number of Shares	Amount (NTD)	Source of share capital (NTD)	Capital Increase by Assets Other than Cash	Others
2022.8	10	400,000,000 shares	NT\$4,000,000,000	397,586,848 shares	NT\$3,975,868,480	Capitalization of earnings of NT\$189,327,070 (Note)	None	None

(Note) Approved with document No. J.S.S.Z. 11101161590 dated August 26, 2022.

- Note 1: Fill information for the current fiscal year as of the publication date of this annual report.
- Note 2: The effective (approval) date together with the doc. No. should be added for any capital increase.
- Note 3: Shares traded below par value shall be indicated in a clear manner.
- Note 4: Capital increase by currency debts or technology should be stated, and the type and amount of assets involved in such capital increase should be noted.
- Note 5: Shares traded via private placement shall be indicated in a clear manner.

Share type	Authorized Capital			Notes
	Outstanding Shares (Note)	Unissued Shares	Total	
Registered Common Stock	397,586,848 shares issued	2,413,152 shares	400,000,000 shares	-

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

Information on shelf registration: N/A.

#### (II) List of Major Shareholders

March 30, 2026

Names of Substantial Shareholders	Shares	Shares Held	Shareholding Ratio
Union Polymer International Investment Corporation		146,263,260	36.79%
Taiwan Union International Investment Corporation		8,854,995	2.23%
Investment Account under Custody of JPMorgan Securities Ltd. at the Taipei Branch of JPMorgan Chase & Co.		2,351,820	0.59%
China General Terminal & Distribution Corporation		2,278,217	0.57%
Citibank acting as custodian for Berkeley Capital SBL/PB Investment Account		1,913,000	0.48%



Names of Substantial Shareholders	Shares	Shares Held	Shareholding Ratio
Lin Chun-Jung		1,770,000	0.45%
USIFE Investment Co., Ltd.		1,415,368	0.36%
Custody Investment Account of UBS Europe SE held in trust with Citibank (Taiwan) Limited		1,285,948	0.32%
Hsiao Hsiao-Yun		1,160,000	0.29%
Custody Account of Morgan Stanley International Limited held with HSBC		1,056,913	0.27%

(III) Dividend Policy and Its Implementation

1. Dividend policy set forth in the Company's Articles of Incorporation:  
 If the Company records net income after tax (NIAT) as indicated in its final annual accounts for the year, it can use it to cover any accumulated losses in previous years. If there is a balance remaining, ten percent of it shall be set aside as legal reserve, while the rest shall be considered as distributable profit. This distributable profit shall then be combined with the undistributed earnings accumulated over the previous years. Part of this combined amount shall be considered as or transferred to special reserve as required by the law or the authority in charge, and the balance shall be treated as accumulated distributable profit. The Board of Directors shall propose a profit distribution plan which is then submitted to the shareholders' meetings for approval. The meeting may retain all or part of it based on the business performance of the Company.  
 According to the Company's Articles of Incorporation, R&D requirements and business diversification are considered when allocating dividends as the Company's industry is at a maturity stage. Dividends paid to shareholders shall not be less than ten (10) percent of distributable profit in the current fiscal year and cash dividends shall not be less than ten (10) percent of the total dividends. However, dividends may be stopped if the distributable profit per share in the current fiscal year is less than NT\$ 0.1.
2. Distribution of dividends proposed at the most recent Shareholders' Meeting  
 The cash dividend per share was NT\$0.15.
3. Any expected material changes to the dividend policy should further be explained:  
 N/A.

- (IV) The impacts of issuing stock grants in this Shareholder’s Meeting on the Company’s operational performance and dividend per share:

The Company did not formulate a financial forecast for 2026 and is therefore not required to disclose forecast information.

Item	Year	2025 (forecast)	
Beginning paid-in capital		NT\$3,975,868,480	
Distribution of stock and cash dividends in the current fiscal year	Cash dividends per share	NT\$0.15	
	Number of shares distributed per share held due to capital increase from surplus earnings		
	Number of shares distributed per share held due to capital increase by capital reserves		
Changes in Business Performance	Operating Income		
	Percentage of increase (decrease) in operating profit over the same period in the previous fiscal year		
	Net income after taxes (NIAT)		
	Percentage of increase (decrease) in NIAT over the same period in the previous fiscal year		
	Earnings per share:		
	Percentage of increase (decrease) in EPS over the same period in the previous fiscal year		
	Annual average return on investment (reciprocal of average annual price/earnings ratio)		
Pro forma earnings per share and price/earnings ratio	If capital increase from surplus earnings is entirely replaced by distribution of cash dividends	Pro forma earnings per share	
		Pro forma average annual return on investment	
	If capital reserves are not used for capital increase	Pro forma earnings per share	
		Pro forma average annual return on investment	
	If capital reserves are not used for capital increase and capital increase by retained earnings is replaced by cash dividend distribution	Pro forma earnings per share	
		Pro forma average annual return on investment	

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



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

Interest expenses arising from cash dividends\* = Amount of capital increase from surplus earnings x one-year general loan interest rate.

Number of shares in earnings appropriation \*\*: The number of increased shares from the earnings appropriation in the previous year

3. Annual average price-to-earnings ratio = Annual average market price per share/Earnings Per Share reported in the annual financial statements

(V) Remuneration for Employees, Directors, and Supervisors:

1. Quantity or scope of compensation for employees, directors, and supervisors as prescribed by the Articles of Incorporation
  - (1) Employee remuneration percentage or range: Employee remuneration shall not be less than 1% of the profit of the current year.
  - (2) Percentage or scope of rewards for directors: the rewards of directors shall not be more than 1% of the profit for the year.
2. Basis for estimating the amount of compensation to be distributed to employees, Directors and Supervisors, basis for calculating the number of shares to be distributed as employee rewards and accounting treatment for discrepancies between the actual and estimated amount of rewards to be distributed for this period:
  - (1) Basis of estimation: The Company's rewards for employees shall be not lower than 1% of profit of the current year and the rewards of directors shall be not higher than 1% of the profit of the current year. However, if there are still accumulated losses, the amount to be compensated should be retained in advance.
  - (2) Changes in account processing: If changes are made to the estimated amount after the issuance of the annual consolidated financial statements, the changes shall be accounted for as changes in accounting estimates and considered in the financial statements of the following year.
3. The Board of Directors approved the distribution of rewards
  - (1) Number, reason and disposition of the difference between the rewards of employees and the rewards of directors and supervisors distributed in cash or stock and the annual estimated amount of the recognized expenses:

- A. Employees' compensation and remuneration of directors
  - B. Discrepancy between the amount and the estimate for the year:  
None
  - C. Reason for the difference with the estimate: N/A.
  - D. Disposition: Not applicable.
- (2) The amount of rewards of employees distributed in stocks and the amount as a percentage of net income stated in the consolidated and parent company only financial statements for the current period and total employee rewards: N/A.
4. Where there is any discrepancy between the actual amount of rewards distributed to employees, directors and supervisors (including number and amount of shares distributed, as well as share price) and the recognized amount of rewards for employees, directors and supervisors in the previous fiscal year, the amount, causes and treatment of such discrepancies shall be stated:
- (1) Employees' compensation and remuneration of directors: None.
  - (2) for the year: None.
  - (3) Reason for the differences: Not applicable.
  - (4) Disposition: Not applicable.
- (VI) Stock repurchases: Not applicable.

## **II Issuance of Corporate Bonds**

- (I) Corporate Bonds: None.
- (II) Information regarding the Conversion of Corporate Bonds: None.
- (III) Information regarding Corporate Bond Swap: None.
- (IV) Information regarding Shelf Registration for Corporate Bonds: None.
- (V) Information regarding Equity Warrant Bonds: None.

## **III Issuance of Preferred Shares: None.**

## **IV Issuance of Global Depository Receipts: None.**

## **V Issuance of employees' stock option certificate and new restricted employee shares: None**

## **VI Status of New Share Issuance in Connection with Mergers and Acquisitions: None.**

## **VII Implementation of Capital Utilization Plan**

(I) Content:

As of the quarter prior to the publication date of this annual report, the Company has no securities issuance that was incomplete or completed over the past three years but not fully yielded the planned benefits.

(II) Implementation status: Not applicable.

## Chapter 4 Operational Overview

### I Business Activities

(I) Business scope:

1. Principal business activities and revenue distribution

- (1) Production and sales of polystyrene (GPS) resins and foaming polystyrene (EPS) resins
- (2) Production and sales of acrylonitrile-butadiene-styrene copolymer resin (ABS)
- (3) Production and sale of styrene-acrylonitrile (SAN) resin.
- (4) Manufacture and sales of plastic raw materials and processed products.
- (5) Manufacture and sell glass wool and related products.
- (6) Production and sales of cubic printing and related products.
- (7) E303020 noise and vibration control engineering
- (8) E801010 interior decoration

Main Products	Percentage
1. Expandable polystyrene (EPS)	44.97%
2. Acrylonitrile-butadiene-styrene copolymer resin (ABS)	28.20%
3. General purpose polystyrene (GPS)	22.94%
4. Glasswool products	3.85%
5. Impact-resistant polystyrene (IPS)	0.04%

2. New products planned for development

- (1) TAIECOR PIR ABS ESG Environmental material development and promotion
- (2) Development of high-value-added applications for SAN water-based materials
- (3) Enhancement of ABS product gloss through the development of PBDL emulsion polymerization formulations
- (4) Development of PS product drinking water material applications



## (II) Industry Overview

### 1. Current State and Development of the Industry

There are four manufacturers of ABS/GPS/EPS in Taiwan. The domestic demand of ABS/GPS/EPS only accounts for 10% of the annual output of each product. The rest needs to be maintained by export sales. In response to the trade competition between the United States and China, downstream processing plants have gradually transferred from mainland China to Southeast Asia and other countries, while India, the Middle East, Africa, Central and South America become emerging markets with more potential for growth in demand.

There are many EPS producers in mainland China, and the total production capacity is far greater than the demand. According to the statistical data of 2025, the annual production capacity of EPS in mainland China is about 9.5 million tons, and the operating rate is only about 50%. Demand for EPS in mainland China is generally from four major areas based on application - packaging for electrical appliances, boxes for vegetables and fruits, ceramic packaging and building slabs. Among them, packaging for electrical appliances and building slabs are the main products. Based on the market distribution, demand for EPS is mainly concentrated in South China (Guangdong), East China (Jiangsu and Zhejiang), North China (Shanxi, Hebei and Shandong), and Northeast China (Heilongjiang, Jilin and Liaoning). Demand in South China, Hunan and Hubei, and East China regions is mainly for packaging of electrical appliances, while that in the North and Northeast China regions is concentrated on building slabs, while the application of vegetable and fruit boxes and ceramic packaging is mainly used in Yunnan and Guangdong. With advancements in the Chinese government's policy for expanding the domestic market, the electrical appliance production sites in the South China and Eastern China regions have gradually relocated inland along the Yangtze river basin. The transfer is exemplified in the emerging appliance manufacturing bases in Hefei, Wuhan, Chongqing, and Chengdu. Demand in the North China and Northeast China regions, which has been affected by the severe overcapacity, has led to fierce competition in the regional market. Moreover, the increasingly stringent environmental protection policies in China have led to early closure or relocation of some EPS molding plants.

2. Upstream, midstream and downstream correlation

Among main styrene products, the primary raw material GPS/EPS styrene monomer (SM), while that for ABS includes SM, acrylonitrile (AN) and butadiene (BD).

SM: SM producers in Taiwan include Taiwan Styrene Monomer Corporation, Formosa Chemicals & Fibre Corporation, and Grand Pacific Petrochemical Corporation. They have a combined output of approximately 2 million metric tons, which is sufficient for total domestic demand (Taiwan needs approximately 1.85 million metric tons per year). SM is traded in large quantities in international trade, and the transportation conditions are more convenient. Therefore, it is relatively easy to obtain. In addition to making purchases from domestic sources, some of the SM required in Taiwan is purchased from foreign sources on a spot basis. The total annual production capacity of SM producers in Mainland China is currently about 22 million metric tons. There have been expansions and new plants since 2020, resulting in an oversupply, and therefore SM producers in Mainland China seek to export SM. The main raw material of EPS, SM, for the Company's Zhongshan plant is obtained mainly from domestic SM plants in mainland China.

AN: AN producers in Taiwan include China Petrochemical Development Corporation and Formosa Chemicals & Fibre Corporation. They have a combined output of approximately 500,000 metric tons, which is sufficient for all domestic demand (Taiwan needs approximately 380,000 metric tons per year). AN is toxic and its transportation is governed by numerous regulations and restrictions. It is therefore less favorable for long-distance transportation. The Company mainly obtained AN from domestic sources.

BD: BD producers in Taiwan include CPC Corporation and Formosa Petrochemical Corporation. They have a combined output of approximately 600,000 metric tons, which equals the overall domestic demand of 600,000 metric tons. However, companies sometimes import the product during annual maintenance shutdowns. The main users of this product are the rubber industry and ABS production plants. The Company obtained most of BD from domestic sources.



The upstream materials for ABS/GPS/EPS are crude oil derivatives and prices usually fluctuate along with fluctuations in oil prices. Reference prices of raw materials for SM/AN/BD are available globally for buyers and sellers.

Downstream customers are mainly small and medium enterprises with a generally low processing scale. The design of molds and craftsmanship also differ based on product design provided by final customers. ABS/GPS/EPS manufacturers shall provide technical services and material recommendations to meet the needs and product requirements of downstream customers.

### 3. Various product trends

ABS products are mainly supplied to downstream processed products, such as household appliances, household necessities, automobiles, toys, tool machines, safety hats, battery cases and other industries. Among these products, most of which have been distributed overseas to Mainland China or Southeast Asia. Affected by the rise in global inflation, rising interest rates, and uncertainties surrounding U.S. tariffs, ABS showed a significant reduction in market demand after 2022; along with the continuous increase of new production capacity post-2023, the market is facing a greater threat.

The GPS market grew steadily due to the demand for downstream food packaging and disposable tableware. However, the continuous increase of production capacity in China will have an impact on the export sales of GPS.

EPS is mainly used for packaging, fishing containers and construction purposes. It is also affected by rising global interest rates and the continued increase of EPS capacity in mainland China. The market competition becomes more fierce.

### 4. Competition

ABS resin are widely used in automotive engineering, electrical appliances, equipment and building materials, due to the product's synthesized feature of resistance to impact, heat, low temperature, and chemical erosion, in addition to its easy processing and molding and good surface gloss. It is a type of polymer material between general-purpose plastic and engineering plastic. In mainland China, the downstream consumption of ABS is mainly concentrated in the household appliance industry, accounting for 60% of the total market share. Among all the

applications, air conditioners, vacuum cleaner, refrigerator and laundry machines incur the most demand for ABS.

In 2025, the overall ABS market continued to be affected by multiple uncertainties, including persistent global inflation, geopolitical tensions, and U.S. tariff policies, resulting in subdued demand trends. In addition, the oversupply and outward expansion of China's ABS production capacity intensified market competition. Nevertheless, demand in South Asian markets, such as India and Pakistan, remained relatively stable, partially offsetting the market shortfall. The operating rate remained above 80% in 2025. However, the revocation of India's BIS certification in November adversely impacted ABS sales volume, resulting in an approximate 5% decrease compared to 2024. The market will become more competitive in the future as new production capacity in mainland China continues to increase.

GPS is widely used plastic whose market value mainly fluctuates with the price of its raw material, SM. Due to the advantage of vertical integration, Taiwan's largest GPS manufacturer, Formosa Chemicals & Fibre Corporation, has a lower GPS production cost than other manufacturers, and thus it can easily dominate the market. Other manufacturers in Taiwan (including TTC) purchase SM to produce GPS, SM prices have a greater impact on their competitive ability. The Company is the only manufacturer in Asia who adopts NOVA manufacturing technology in the production of GPS. Featuring the character of low free monomer, the quality of the Company's product is competitive in the market, and our sales areas are widely distributed in Southeast Asia, Africa, South America, and the Middle East. The main markets for GPS are disposable tableware and food packaging materials, which are markets with steady growth in demand. Despite ongoing efforts to expand into markets across Southeast Asia, the Middle East, Africa, and Central America, thereby broadening the geographic footprint of sales, demand remained subdued amid the global economic slowdown. As a result, sales volume in 2025 recorded a slight decline of approximately 2% compared to 2024. Taita Chemical Co., Ltd. continues to develop markets other than mainland China and Hong Kong to maintain comprehensive production and sales, ensuring an increase in profitability. The future market competition will continue to focus on the impact of new GPS production capacity in mainland China.



Due to the successive relocation of large EPS processing plants from Taiwan, the demand for EPS as packaging material has shrunk significantly in Taiwan. In addition, because Taiwan is located in the subtropical zone and rarely uses EPS as a thermal insulation material in building, so about 90% of the current 4 EPS manufacturers' capacity in Taiwan rely on export. Despite the continued expansion and demonstrated effectiveness of the EPS sales footprint at the Chienchen Plant of Taita Chemical, overall sales volume declined by approximately 6% compared to 2024. This decrease was primarily attributable to increased EPS exports from China and aggressive price competition.

(III) Technology and R&D Overview

1. Research and development (R&D) expenses in the most recent fiscal year up to the publication date of this annual report  
The Company's R&D expenses in 2025 were NT\$17,710 thousand and the R&D expenses from January to March 2026 were NT\$4,687 thousand.
2. Technology or product developed
  - (1) Acrylonitrile-butadiene-styrene (ABS)
    - A. Application development and product innovation for TAIECO® recycled materials certified under ISO 14021.
    - B. Development of lightweight composite materials based on Acrylonitrile-Butadiene-Styrene (ABS) polymers.
  - (2) Expandable polystyrene (EPS) polymer
    - A. Development of alternative formulations for raw materials in EPS polymers subject to REACH regulations on restricted substances:  
Development of low-peroxide (DCP) formulations for flame-retardant EPS.
  - (3) General Purpose Polystyrene (GPS)
    - A. Development of high-value-added water-contact material applications, with certification obtained from NSF International in the United States.

(4) Improvement of ABS/GPS/EPS manufacturing processes

Year	2025	2024	2023	2022	Total
Electricity savings (kWh)	1,289,778	1,333,817	2,827,257	1,427,215	6,878,067
Electricity consumption (kWh)	73,910,093	76,594,800	72,101,600	70,313,600	292,920,093
Electricity saving ratio (%)	1.93	1.71	3.77	1.99	2.35

Remarks: In accordance with central government policy, a cumulative electricity reduction of 10% was required over the period 2015–2024. An additional 1.5% reduction target for 2025 has been achieved.

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

1. Short-term business development plan

- (1) The production and sales of ABS are maximized, continuing to increase the proportion of direct customers and develop markets outside of mainland China and Hong Kong.
- (2) After the introduction of the Toyo SAN manufacturing process in the production of ABS, the background color and quality of ABS have been improved. In the future, we will actively take such advantage to expand our market applications.
- (3) In terms of GPS product, TTC also needs to continue to develop the market outside of mainland China and Hong Kong, and at the same time to take advantage of the quality of the NOVA process to seek continued growth opportunities in the food packaging market.
- (4) In terms of EPS product, Chienchen Plant still needs to increase its global sales layout to ensure full sale of production.
- (5) The Company will realize the integrated supply chain management to maximize production and sales and maintain the inventory of raw materials and finished products at a low level.
- (6) It will strengthen business development ability, develop market with low market share and product market application, expand sales base customer group and stabilize market sales.
- (7) The Company will enhance functionality and flexible organization. Besides, the Company will actively expand overseas sales and develop markets in emerging and developing countries in particular.



- (8) Through upgrading AI-driven solutions, developing ESG-oriented low-carbon and high-value-added products, and continuously advancing energy saving and carbon reduction initiatives, the Company aims to strengthen its existing market presence.
  - (9) The main development targets for EPS in mainland China is in South China:
    - A. a. The Company will continue to improve and stabilize the quality of rapid materials and ultra-light materials volume and expand market sales.
    - B. b. The Company will continue to strengthen core markets (in Yunnan and Guangdong Provinces) and develop markets in Guangxi, Fujian, Hubei, Sichuan and Chongqing and other regions.
    - C. c. The Company will leverage the complementarity of market demands to balance sales volume, continue to increase and expand technical service capabilities and scope for customers to increase customer loyalty.
    - D. d. The Company will improve the pellet concentration to meet the market sales needs.
2. Long-term business development plans
- (1) The Company will collect information on trends in the selection of materials and develop suitable products and materials.
  - (2) With the improvement of physical properties of its products, the Company will increase market share in the “high-quality, high-priced” market segment.
  - (3) The Company will keep increasing its market share in overseas emerging markets.
  - (4) Promote the development of markets for green products and environmentally friendly materials, thereby enhancing sustainable investments and aligning with international trends in energy saving and carbon reduction.
  - (5) Optimize manufacturing processes and implement AI-driven smart manufacturing solutions to improve operational efficiency and reduce costs.

## II Overview of Market, Production and Sales:

### (I) Market Analysis

#### 1. Sales regions and market share of main products

Products manufactured in Taiwan are predominantly sold overseas, accounting for over 85% of total sales. Exports primarily target regions such as Southeast Asia, South Asia, Central and South America, North America, and Africa. The expansion of and the increase of sales proportion in overseas market will help to achieve the purpose of diversifying the market and risk.

The Company's product sales destinations in 2025 were:

#### (1) ABS/PS products

Southeast Asia/South Asia	44 %
Africa	17 %
Central and South America	16 %
Domestic market	9 %
Mainland China and Hong Kong	6 %
Others	8 %

#### (2) Glass wool products

Domestic market	60%
Australia	29%
New Zealand	8%
Other regions (including Southeast Asia)	3%

The sales ratio of the mainland subsidiary Zhongshan Plant in 2025 by region was as follows:

Sales Region	Province	Sales ratio
Greater China	Guangdong	54 %
	Yunnan-Guizhou	22 %
	Hunan & Hubei	10 %
	Fujian	6 %
	Sichuan and Chongqing	6 %
	Others	2 %



## 2. Market supply and demand and market growth in the future

### (1) ABS/PS products

ABS: In 2025, ABS sales volume declined due to multiple factors, including uncertainties surrounding U.S. tariffs, the revocation of BIS certification requirements in India, capacity spillover from China, and a significant decrease in demand for consumer electronics in Europe and the United States amid inflationary pressures. In 2026, continued attention will be required regarding the extent of market impacts arising from geopolitical developments and the U.S. Federal Reserve's interest rate policy decisions. In addition, the expansion and spillover of new ABS production capacity from China are expected to intensify market competition. Strategically, the Company will continue to increase the proportion of higher-margin direct customers and expand into markets outside of China and Hong Kong, with the aim of maximizing production and sales performance and ensuring stable operational results.

GPS: The global plastic ban issue is still a topic of discussion, especially with an estimated of 1.3 million tons of new PS production capacity in mainland China in 2026. We will closely monitor the impact on the market. Hence, TTC's strategy will continue to develop markets outside of mainland China and Hong Kong to achieve the strategic goal of full sales of production, in order to ensure operating performance.

EPS: EPS in mainland China is still in oversupply, and it is estimated that about 200,000 tons of new production capacity will be put into operation in China in 2026. Looking ahead to 2026, the Company has achieved tangible progress in developing new markets and acquiring new customers, with continued growth observed in regions such as Africa, Central and South America, and the Middle East, etc. TTC's strategy is to achieve full sales of production of EPS to improve operational performance.

(2) EPS in mainland China

In South China, there are four major EPS manufacturers. In the fourth quarter of 2026, Loyal Chemical will commence operations of an additional 200,000 tons of new production capacity in Guangxi, which is expected to impact market share in both the Guangxi and Yunnan regions. TTC Zhongshan Plant takes advantage of the quality of fast materials (391) and extra-light materials (381) and continues to improve the quality to strengthen our competition in the main market of electric appliance and vegetable and fruit packaging and plate market; in addition, it improves the production granularity concentration, increases the output ratio of products with effective specifications, reduces the production of slack materials, strengthens the production efficiency.

(3) Glass wool products

The domestic market of glass wool contracted by 7% in 2025, and the import volume accounted for about 8% of the overall market. Kuwait was the main import country, and it is estimated that the domestic demand market in 2026 will decline by 1% compared with 2025.

In addition, exports to the Southeast Asian market have long been affected by price competition from China. Glass wool exports are primarily focused on higher-priced markets such as New Zealand and Australia. In 2025, export volumes increased by 11% compared to 2024, driven by a recovery in Australia's housing market following mortgage rate cuts, along with stable ocean freight rates. In response to a slowdown in the construction sector, as well as anticipated increases in electricity and natural gas prices, the Company will prioritize improving sales margins in both domestic and export markets in 2026. The domestic-to-export sales mix is projected to be 59% and 41%, respectively.



3. Competitive niches  
TTC focuses its operations on providing customers with satisfying service quality and creating value for shareholders. Our competitive advantages are:
  - (1) Continue to maintain the business strategy of total production and sales and continue to optimize the customer mix to ensure operational performance. In addition, under the premise of full-capacity production and full sales, the Company will implement integrated supply chain management to effectively control optimal inventory levels of raw materials and finished goods, thereby mitigating the impact of significant market price fluctuations on operational performance.
  - (2) Continuously strengthen development capabilities and effectively developing markets outside of mainland China and Hong Kong.
  - (3) Continuous development of customized products.
  - (4) Fast and timely customer service and regular customer visit plan, strengthen after-sales service, enhance product added value.
  - (5) Deeply embed ESG principles into operations and actively fulfill corporate social responsibility. At the same time, strengthen corporate governance performance to SDGs.
4. Favorable and unfavorable factors affecting the Company's development prospects and corresponding countermeasures
  - (1) Favorable factors
    - A. ABS/PS products
      - (A) Stable product quality, integrated R&D capability, strengthened customer service, management system in place, etc., helpful for customers to have confidence in our products.
      - (B) The NOVA manufacturing process technology for GPS provides the quality advantage of heat-resistance and low-residual monomers.
      - (C) The development of new EPS product has catapulted the Company to a leading position in the domestic market. The Company is the first to develop fire-rate anti-static products, which has gained it considerable reputation in the international market.

- (D) The mainland government's continued policy of stimulating domestic demand is favorable to the growth of the domestic demand market (fruits and vegetables, cold chain transportation services, etc.) in South China. Since the demand for EPS is still growing, this will bring benefit to the operation of the Company's Zhongshan plant.
  - (E) Production capacity of SM, the main raw material, continues to increase in the Mainland China, which will promote TTC's bargaining power over raw material SM.
- B. Glass wool products
- (A) Leading brand with accepted quality.
  - (B) High service quality effectively precludes competition from foreign products.
  - (C) Solid marketing channels strengthen market development and competitiveness.
  - (D) Glass wool is used as a filler in calcium silicate board partition systems. This application has been gradually accepted in the market.
  - (E) The sales volume of gypsum board partition systems increases each year and the use of glass wool is expected to increase as well.
  - (F) The conversion of CNS6532, the standard for non-combustibility testing, to CNS14705 has helped fiberglass ceilings pass the non-combustibility test.
  - (G) In addition to the successful renewal of BRANZ certification in New Zealand Australia, the Company has also helped its New Zealand customers to successfully obtain the Environmental Choice New Zealand (ECNZ), an eco-friendly label, and became qualified to bid for New Zealand government projects.
  - (H) Sales in the roof and exterior wall fire-resistant glass wool market declined by approximately 16% in 2025 compared to 2024, primarily due to adverse factors affecting the construction industry, including labor shortages and a decrease in new factory project launches.



- (I) Regulations related to floor impact sound has been implemented in January, 2021. The new product Porter panel and glass wool sound insulation system for flooring has passed tests, thus facilitating new market development, continuing to visit and promote contractors, engineering and construction companies.
- (J) Value-added six-sided covered products have been newly developed, and the application market grew steadily, with the sales volume in 2025 increased by 22% compared to 2024, reaching 366 tons.

## (2) Unfavorable Factors

### A. BS/PS Products

- (A) The continuous investment in new production capacity in mainland China has led to a trend of overcapacity, resulting in intense market competition, the revocation of BIS requirements in India and the instability of U.S. tariff policies.

Response measures:

- Enhance product quality and product added value, segment markets, and avoid market price competition.
- Maximize capacity, reduce cost, as well as select and sell products with relatively good profit margin.
- Analyze and keep abreast of the market development pulse, develop emerging markets with potential outside of mainland China and Hong Kong, and avoid markets affected by U.S. tariffs.

- (B) The market of main raw material SM is volatile and unstable:

Response measures:

- Effectively realize integrated supply chain management.
- Effectively reduce the inventory of raw materials and finished products, thereby lowering risks.

B. Glass wool products

(A) Kuwait's import cost is low and its products have passed the one-hour calcium silicate board fire test causing a major impact on the domestic market.

Response measures:

- Carry out special sales for imported specifications and consolidate distribution network.
- Strengthen project tracking and conduct direct sales.

(B) Alternative products flood the market.

Response measures:

- Enhance project visits and control to prevent changes in glass wool materials.

(C) Products from Mainland China have entered the Taiwanese market through imports via ad hoc application.

Response measures:

- Actively participate in related trade associations, maintain contact with the Industrial Development Bureau, and keep an eye on product trends in Mainland China at all times.

(II) Important use of the main products and production process

1. Important use of major products

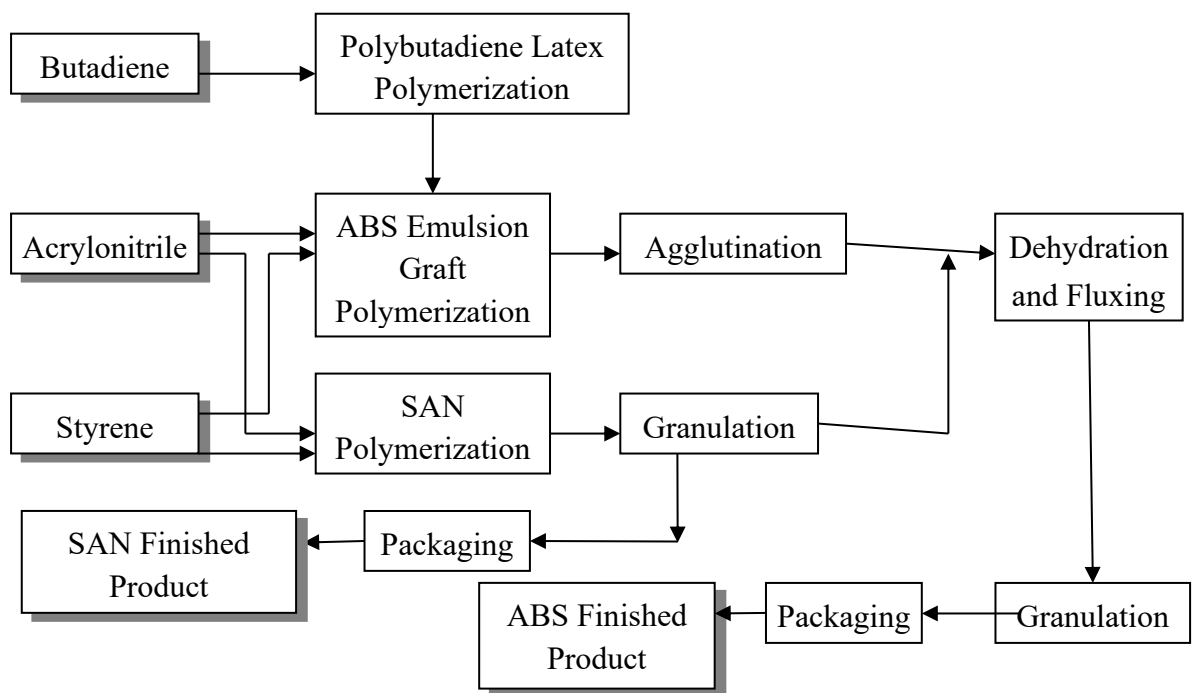
- (1) ABS resin: IT equipment, OA equipment, home appliances and electronic parts, consumer electronics, bathroom equipment, toys, automotive and machine components, heels, suitcases, everyday items, telephones, stationery, sports equipment, battery cases, safety helmets, and machine tools.
- (2) SAN resin: External casing of blenders, powder boxes, coffee machine water tanks, transparent decorations, air conditioning axial fans, electric fan blades, stationery, and utensils, etc.
- (3) GPS: Lighting equipment, stationery, home appliance parts, everyday items, diffusion plates, insulation boards, disposable tableware, food and pharmaceutical packaging materials, etc.
- (4) EPS: Insulation boards for buildings, packaging materials, antistatic packaging materials, vegetable and fruit boxes, fishing boxes, insulation materials, slabs, and building insulation walls, and safety helmet cushion lining, etc.



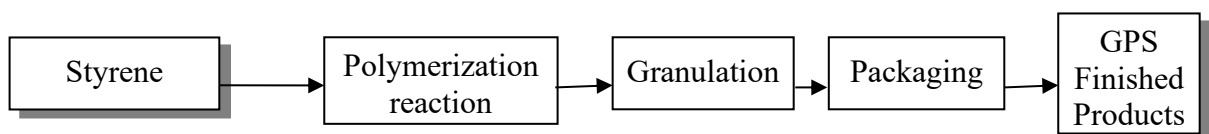
- (5) Glass wool: Cooling materials for air-conditioning ducts, metal roofs, insulation materials for walls, floor insulation materials, dry partitions filled with sound-absorbing insulation materials, ceilings for interior decoration, wall panels, insulation materials for the petrochemical industry, machinery and equipment, insulation and sound-absorbing materials for home appliances, vehicles, heat- and sound-insulating materials for ships and insulation materials for curtain walls.
- (6) Impact-resistant polystyrene: IT equipment, home appliances, toys, everyday items, stationery, electronic components and menstrual cups.

## 2. Production process of primary products

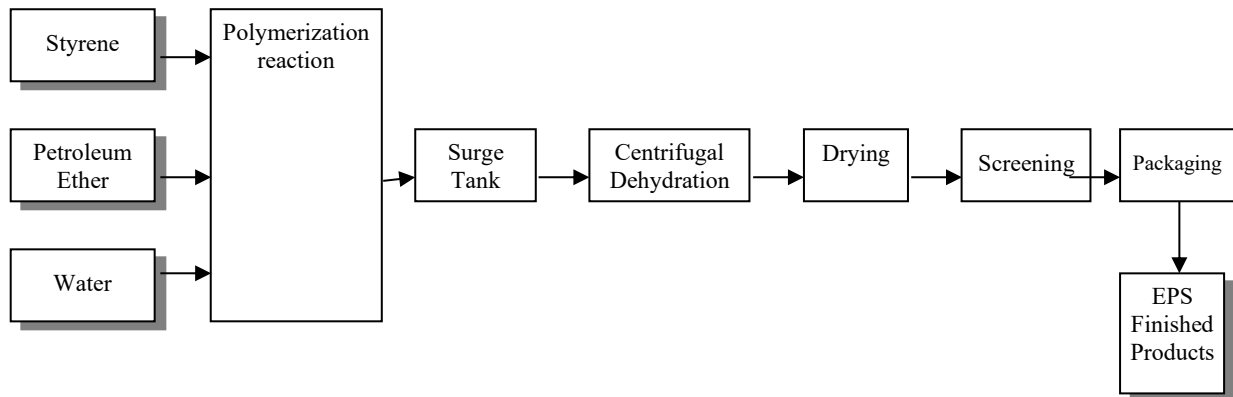
- (1) Production process for styrene acrylonitrile-butadiene-styrene (ABS) and acrylonitrile-styrene copolymer resin (SAN)



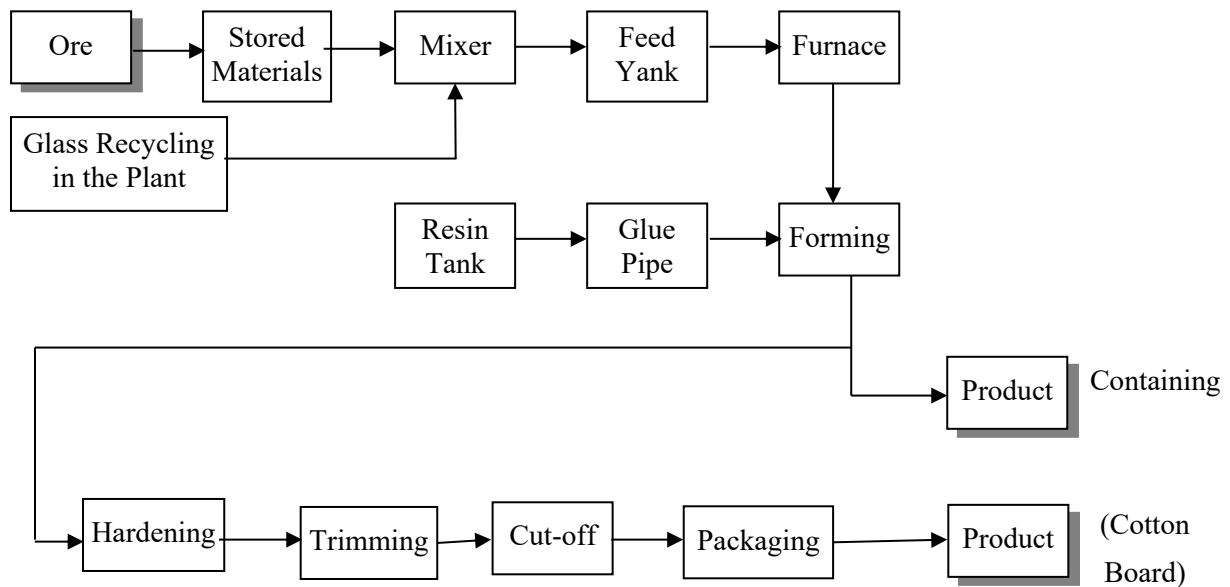
- (2) Production process of GPS



### (3) Production process of EPS



### (4) Production process for glass wool products



## (III) Supply of major raw materials

### 1. Styrene monomer (SM)

The supply and demand for styrene monomer (SM) is balanced. The Company continuously purchases SM from Taiwan Styrene Monomer Corporation, Formosa Chemicals & Fibre Corporation, China Petrochemical Development Corporation and Shell Petrochemicals Company Limited, to balance the price risk. Thus, there is no risk of shortages.



2. Acrylonitrile (AN)

The Company has signed a contract with SinoPec Chemical Commercial (Huanan) Holding Co., Ltd. with regard to the supply of this product. Besides, the Company also regularly purchases AN from Formosa Plastics Corporation, and imports AN from time to time according to supply and demand to increase dispatch flexibility. Hence, there is no concern regarding the shortage of supply for this material.

3. Butadiene (BD)

The Company has signed a material supply agreement with CPC Corporation and Formosa Petrochemical Corporation. The Company imports BD from time to time according to market supply and demand to meet its own demand.

4. Pentane

Pentane is mainly available in ready stock abroad. The usage of pentane is stable, and there is no issue regarding the shortage of supply for this material.

5. Glass quality sand

Glass-quality sand is the main raw material for glass-wool products. As the unit price is low, it is procured from domestic sources. There are little changes in quantity and price, and thus we have full control over the material.

(IV) Name of customers who account for more than ten (10) percent of the total purchases (or sales) of goods and their amount and proportion of purchases (or sales) of goods in any one of the most recent two fiscal years, and reasons for the increase or decrease in purchases or sales of goods

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

## Information on Major Suppliers in the Most Recent Two Years

Unit: NT\$ 1,000

Item	2025				2024				As of Q1 2026			
	Title	Amount	Proportion to Annual Net Purchases (%)	Relationship with the Issuer	Title	Amount	Proportion to Annual Net Purchases (%)	Relationship with the Issuer	Title	Amount	Percentage to net purchase in the year up to the previous quarter (%)	Relationship with the Issuer
1	Formosa Chemicals & Fibre Corporation	3,989,333	33.39	None	Formosa Chemicals & Fibre Corporation	4,607,643	28.66	None	Formosa Chemicals & Fibre Corporation	1,087,639	35.60	None
2	CNOOC and Shell	2,153,150	18.02	None	Taiwan Styrene Monomer Corporation	1,989,249	12.37	None	CNOOC and Shell	599,377	19.62	None
3	Taiwan Styrene Monomer Corporation	1,951,601	16.34	None	CNOOC and Shell	1,785,479	11.10	None	Taiwan Styrene Monomer Corporation	568,743	18.62	None
4	Others	3,852,937	32.25	Note 3	Others	7,696,274	47.87	Note 3	Others	799,384	26.17	Note 3
	Net purchase	11,947,021	100.00	-	Net purchase	16,078,645	100.00	-	Net purchase	3,055,143	100.00	-

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

Note 2: As of the date of publication of the Annual Report, if financial information of the Company that are publicly listed or whose shares are traded over the counter has recently been audited or reviewed by CPAs, such information shall be disclosed.

Note 3: The purchases of goods from other suppliers did not reach 10% of the total purchases of goods. In 2025, the amount of purchases of goods from related parties was NT\$2,376 thousand, accounting for 0.02% of the total purchases of goods. In 2024, the amount of purchases of goods from related parties was NT\$3,271 thousand, accounting for 0.02% of the total purchases of goods. In Q1 2026, the amount of purchases of goods from related parties was NT\$851 thousand, accounting for 0.03% of the total purchases of goods.



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

Information of major customers for the last 2 years

Unit: NT\$ 1,000

Item	2025				2024				As of Q1 2026			
	Title	Amount	Proportion to Annual Net Sales (%)	Relationship with the Issuer	Title	Amount	Proportion to Annual Net Sales (%)	Relationship with the Issuer	Title	Amount	Percentage to net sales in the year up to the previous quarter (%)	Relationship with the Issuer
	Others	14,485,681	100.00	Note 3	Others	18,622,910	100.00	Note 3	Others	3,333,032	100.00	Note 3
	Net sales	14,485,681	100.00	-	Net sales	18,622,910	100.00	-	Net sales	3,333,032	100.00	-

Note 1: List the names of suppliers with more than 10% of the total sales amount in the most recent 2 fiscal years, as well as the purchase amount and proportion. However, if it is not allowed to disclose the names of suppliers or trading partners as individuals and non related parties due to contractual agreements, it can be coded as such.

Note 2: As of the date of publication of the Annual Report, if financial information of the Company that are publicly listed or whose shares are traded over the counter has recently been audited or reviewed by CPAs, such information shall be disclosed.

Note 3: The individual sales amount of other manufacturers was less than 10%, among which the sales amount of related parties as a percentage of the net sales of the whole year was NT\$2,598 thousand 0.02% in 2025, NT\$19,344 thousand 0.10% in 2024, and totaled NT\$2,596 thousand 0.08% in Q1 of 2026.

### III Information on Employees

Year		2025	2024	Current year up to March 31, 2026
Number of employees	Staff	175	182	174
	Operator	296	300	296
	Total	471	482	470
Average age		45.2	45.3	45.5
Average year of services		14.9	14.6	14.6
Distribution of academic qualifications	PhD/Master's degree	12%	12%	12%
	Bachelor (University)	37%	35%	36%
	Junior college	20%	20%	21%
	Senior high/vocational school	24%	28%	24%
	High school or lower	7%	5%	7%

## IV Expenditure Related to Environmental Protection

- (I) In the most recent years as of the publication date of this annual report, the losses incurred due to the environment pollution (including compensation and environmental protection audit results that violated environmental protection laws and regulations, the date of disciplinary action, disciplinary official letter number, the provision of laws violated, the content of laws violated, and the content of disciplinary action), current and future estimated amounts that may occur, and responding measures:

Penalty date/number	Regulations violated	Amount of compensation or penalty (thousand)	Cause	Improvement measures
2025/3/11 / 20-114-060013	Paragraph 1, Article 20 of the Air Pollution Control Act	162.8	On March 11, the Department of Environmental Protection of Kaohsiung City conducted an on-site inspection and testing of equipment components. The results identified one component with a leakage concentration exceeding 2,000 ppm, in violation of the “Kaohsiung City Standards for the Control and Emission of Volatile Organic Compounds from Equipment Components,” and Article 20, Paragraph 1 of the Air Pollution Control Act.	Corrective actions have been completed for the identified leaking component at the R1 reactor (AC-201) in Area 200, as detailed below: The VOC concentration at the lower opening of the R1 reactor (AC-201) exceeded the regulatory standard. Immediate corrective measures were completed on March 12. A third-party inspection agency was engaged to conduct a follow-up verification, which confirmed compliance with applicable standards. The verification results have been submitted to the Department of Environmental Protection to confirm completion of the corrective action. In addition, maintenance procedures have been revised and strengthened. For any maintenance, pipe dismantling, or servicing activities, all openings must be immediately sealed (blind-flanged) after disassembly, and on-site testing must be conducted to ensure compliance with VOC control standards.



## (II) Current and future potential estimated amount and response measures:

1. Environmental protection policy
  - (1) Comply with regulations relevant to environmental protection and occupational health and safety, and relevant requirements derived from such regulations.
  - (2) Sustainable energy saving regeneration and industrial waste reduction.
  - (3) Prevent pollution, reduce potential risks in operations.
  - (4) Continuously provide education and training for employees to implement environmental safety work
  - (5) Actively communicate with customers and residents, manage suppliers and contractors, and encourage all employees to participate in matters related to environmental protection and occupational safety and health.
  - (6) Thoroughly implement the environmental management system to enhance environmental performance and reduce environmental risks in the community.
  - (7) Promote the process safety management system (PSM) to achieve the purpose of safe process operation and personnel safety through “prior prevention, impact mitigation and abnormality improvement” of accidents.
  - (8) Implement ISO 14064-1 management system for all possible GHG sources within the organization, and conducting emission source inventory and data collection.
2. The Company’s major environmental protection expenditures in the most recent year and as of the publication date of this annual report are as follows:

Unit: NT\$ 1,000

Expenditure Item	Project Name	Amount
Linyuan Plant		
1	Replacement of B2644A-1 Lu style blower in Area 26 (ABS process area)	300
2	Modification of the discharge pipeline at the bottom of the flotation tank in Area 82 (wastewater treatment area) and partial modification of the wastewater flow in Area 82, Line B	230
3	Replacement of ice water machine in common area (M6301-4)	6,280

Expenditure Item	Project Name	Amount
4	Replacement of the wastewater pressurization pump (P8242-3) in Area 82A (wastewater treatment area) and the aeration blower (B8266B-2) in Area 82B (wastewater treatment area)	470
5	Addition of pressure transmitters to the settling tanks in Area 13 (D1307-1/2) and RBD storage tanks (D1308-1/2), along with monitoring of the opening degree of the control valve (PV-2101-1/A) for the RBD return pipeline in Area 21 from the control room	1,340
6	Set up additional FIT connection for monitoring the DCS panel in the AN feed pipeline to enhance reliability, enabling comparison with FQIC-2205/A/C in Area 21 (PBDL process area)	840
7	Set up additional FIT connection monitoring to enhance reliability for the three-line RBD feed pipeline, enabling comparison with FQIC-2103/A/C in Area 21 (PBDL process area)	1,240
8	Connection of the 20NOH discharge from the settling tank (D1307-1/2) in Area 13 (BD Refining and Storage Area) to the C Line NOH wastewater barrel (D1314C)	170
9	Modification of the heating system and troubleshooting of the sludge dryer in Area 82B (wastewater treatment area)	2,690
10	Installation of a diaphragm-type level gauge and alarm system connected to the Distributed Control System (DCS) for Tank D2521-2 in Area 25 (SUKA SAN process area)	200
11	Updating of control valves for natural gas (TV2) and WBD (TV3) in Areas 25/27 to a leak-resistant type	450
12	VOCs detection instruments (ppb level)	270
13	Incinerator inspections and repairs	1,100
14	Replacement of the outdated TAP-I PBDL feed pump (P2134-2) in Area 22 (ABSL process area)	280
15	Replacement of control valves in Areas 24 and 25 (SUKA SAN process area)	1,530
16	Procurement of spare parts for the oxygen analyzer sensor in the secondary flue of the incinerator	120
17	Addition of an online backup unit for the new RTO auxiliary blower B8172-3	590
18	Preparation of an induced draft fan for the incinerator.	600
19	Installation of gas detectors and natural gas emergency shut-off valves for new and existing RTOs	430
20	Replacement of the corroded old RTO combustion unit, installation of a high-pressure alarm and interlock system at the outlet of the NG main fire pipeline HV8173B valve, and addition of a differential pressure gauge to the explosion-proof box	930
21	Update of the WBD Flow Meter for the Boiler in Area 27 (TOYO SAN process area)	200



Expenditure Item	Project Name	Amount
22	Replaced single feed pumps P2515-3 in Area 25 (SUKA SAN process area) with non-seal centrifugal pumps	470
23	Addition of pressure transmitter signals routed to the Distributed Control System (DCS) for the main body inlet pipelines of the water seal tanks (D8102) and (D8102C) in Area 81 combustion tower	290
24	Change of materials for the indoor WWR source pipeline for Line C to stainless steel in Area 26 (ABS process area)	300
	Total	21,320
Chienchen Plant		
1	Partial replacement of corroded sections of the main process condensate recovery pipeline. (Completed)	831
2	Project for the installation of additional air dryers. (Completed)	353
3	Procurement of spare mechanical shaft seals for the NOVA chiller (Model EK660AB). (Completed)	565
4	Replacement of ion exchange resin in the boiler soft water resin tower. (Completed)	200
5	Replacement of the chain for the chain-type fine powder collection system. (Completed)	716
6	Procurement of spare multifunctional flame detectors for the thermal oil boiler (FB-650). (Completed)	250
7	Procurement of spare parts for maintenance of the thermal oil pump. (Completed)	2,266
8	Replacement project for the rotary screen in Area 25. (Completed)	273
9	Procurement of spare filter screens for the combined centrifugal dryer. (Completed)	1,188
10	Procurement of spare motor reducers for the agitator in the batching tank. (in progress)	142
11	Replacement project for the reducer of the EPS reactor. (in progress)	1,067
12	Partial replacement of fire protection water pipelines in the EPS process area. (Completed)	192
13	Replacement of the air receiver tank with a zero-loss automatic drain. (Completed)	305
14	Replacement of the unloading pump for white oil tank trucks. (in progress)	304
15	Modification of SM unloading connections to dry-type couplings. (Completed)	651
16	Maintenance and overhaul of the SM feed pump in the NOVA process. (Completed)	149
17	Overhaul of the compressor for the K603 chiller unit. (Completed)	102
	Total	9,554

Expenditure Item	Project Name	Amount
Toufen Plant		
1	Covering of the GW domestic sewage pit	300
2	Conversion of packaging machine PE film edge sealing from conventional heating to infrared electric heating.	345
3	Replacement of resin pipelines.	561
4	Cooling fan located behind the furnace (update/backup)	440
5	Improvement of emissions from the chimneys of production lines P006 and P007 in the WL production area (equipment under fabrication).	8,800
6	Replacement of the #2 drying fan (100 HP) (equipment under fabrication).	3,000
7	Replacement of #3 rubber mixing tank)	325
8	Replacement of main furnace transformer	17,926
9	Rectification of the energy supply method for the ceiling line drying furnace (project in progress).	3,000
10	Installation of a soft water system for process cooling water (project in progress).	1,000
11	Inspection of emission pipelines.	890
12	Replacement of dust collector filter bags.	152
13	Cleaning of the electrostatic precipitator.	120
	Total	36,859
Zhongshan Plant		
1	Pure water preheating system	1,182
2	Expenses for monitoring environmental emissions and wastewater	1,793
3	Costs associated with operating and maintaining air and water pollution monitoring instruments	733
4	National Ranking of Taiwan Account Commission Service Fees	205
	Total	3,913
	Total of the Company	71,646

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

Unit: NT\$ 1,000

Expenditure Item	Project Name	Amount
Linyuan Plant		
1	In Area 24 (TORAY SAN process), replace circulating water pumps P2427-1/P2427-2 with high-efficiency pumps.	686
2	In Area 26 (ABS process), replace pump P2622A-1 with a high-efficiency pump.	455
3	In Area 26 (ABS process), replace pump P2611A-1 with a high-efficiency pump.	290
4	Replacement of the MEK unloading pump (P1230) in Area 11.	280



Expenditure Item	Project Name	Amount
5	Update of the WBD Flow Meter for the Boiler in Area 25 (SUKA SAN process area)	190
6	Replacement of flushing unit pumps P2520-1/3/5 in Area 25 (SUKA SAN process).	404
7	Replacement of gear pumps P2426/P2436 in Area 24 (TORAY SAN process).	3,600
8	Replacement of vacuum pumps in Area 24.	652
9	Replacement of one ABSL pump in Area 22.	231
10	Replacement and specification upgrade of two feed flow meters (FT-2210A, FT-2204A) in Area 22 (ABSL process).	680
11	Replacement of SW pipeline control valves (LV2607A, LV2612A3) for Lines A/B in Area 26.	250
12	Procurement of spare parts for the oxygen analyzer sensor in the secondary flue of the incinerator	140
13	Installation of feed pipeline flow transmitters (FIT) in Areas 21/22, integrated with the DCS for real-time monitoring.	3,830
14	Installation of an online VOC continuous monitoring system on the oil side of the sump pit in Area 82.	400
15	Installation of additional fire hydrants, fire hose cabinets, and fire monitors on the southeast side of the waste storage area.	425
16	In Area 26 (ABS process), replacement of blower B2684A and installation of an independent VG pipeline.	1,970
17	Upgrade of the CEMS-linked computer system for the flare stack in Area 81.	2,000
18	Maintenance and overhaul works for incinerator operating equipment, including refractory brick (and mortar) repairs for heating equipment and heat exchangers.	1,500
19	Maintenance works for the waste storage facility.	300
20	Replacement of the severely corroded feed pressure tank (D8283) for the filter press sludge dewatering system in the wastewater treatment plant (Area 82A).	320
	Total	18,603
Chienchen Plant		
1	Project to integrate the CGTD cooling water system into the Taita Chemical Company system.	1,600
2	Replacement of the thermal oil circulation pipeline for the R1 reactor.	700
3	Replacement of activated alumina balls for Dryer C7211 in the GPS utilities area.	450
4	Replacement of the mixed-bed resin tower (MB1) in the pure water system.	1,700
5	Repair of pipe supports and insulation for auxiliary pipelines in the SM tank farm area.	180

Expenditure Item	Project Name	Amount
6	Replacement of SM receiving pump P-605(B).	520
7	Replacement of the NOVA white oil pump.	280
8	Procurement of spare mechanical shaft seals for reactors.	330
9	Partial replacement of the stack for the FB-650 thermal oil boiler.	950
10	Maintenance and overhaul of the die head in the NOVA 500 area.	350
	Total	7,060
Toufen Plant		
1	Installation of a soft water system for the air compressor.	1,780
2	Replacement of corroded ducting upstream of the static separator.	500
3	Procurement and installation of a variable frequency drive (VFD) for Forming Wind Turbine #2.	500
4	Replacement of the auxiliary gas combustion blower on the west side.	1,200
5	Procurement of standby vibrating screens for the east and west sides of the wash water filtration system.	600
6	Replacement of the spinning machine's O2 monitoring and gas automatic regulation system	4,500
7	Replacement of dust collector filter bags.	152
8	Cleaning of the electrostatic precipitator.	120
	Total	9,352
Zhongshan Plant		
1	Expenses for monitoring environmental emissions and wastewater	1,773
2	Costs associated with operating and maintaining air and water pollution monitoring instruments	714
3	National Ranking of Taiwan Account Commission Service Fees	205
4	Quarterly outsourced LDAR inspection expenses.	314
	Total	3006
	Total of the Company	38,021

4. The impact of improvement: improving production efficiency, saving energy and reducing waste.

(III) The EU Restriction of Hazardous Substances Directive (RoHS) has no impact on the Company.



## V Labor Relations

- (I) Employee Welfare Measures, Continuing Education and Training, Retirement System and Implementation Status, as well as Agreements between the Company and Employees and Measures for Protecting Employees' Rights and Interests
1. Benefit Measures
    - (1) Formulate and implement reasonable employee welfare measures (including salary, leave and other benefits, etc.), and appropriately reflect business performance or results in employee remuneration in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
    - (2) All the employees in the Company participate in labor insurance, health insurance and group insurance, and are given medical benefits for their spouses and children and medical care for cancer. In addition, the Company also purchases travel insurance for traveling employees, thereby fully protecting employees' various insurance needs. Employees in mainland China are provided with social security that mainly includes basic pension insurance, basic medical insurance, unemployment insurance, occupational injury insurance, and maternity insurance.
    - (3) The Company organizes regular health checkups for its employees and pays great attention to their health.
    - (4) According to the Company's Articles of Incorporation, if the Company posts a net profit in the current year, employee compensation shall not be less than 1% of the Company's net profit for the current year, while the performance bonus and year-end bonus shall also be distributed based on the Company's business performance and individual performance.
  2. Implementing education and training
    - (1) The Company has always valued employees' continuing education and training and formulated the employee training standards to provide pre-employment training, on-the-job training, work instructions, and online learning to improve the skills and quality of employees.

- (2) The Company has designed tiered courses to encourage employees to actively learn and study. Employees must complete the prescribed courses before they can be officially promoted.
- (3) The Company has set up an employee training database to record the progress of employees, and requires them to attend at least 8 hours of training every year.
- (4) In addition to conducting a survey among trainees for each course, the Company has also designed a comprehensive survey at the end of a year as a reference for improving training operations.
- (5) Continuing education and training at each plant: In addition to assigning employees to participate in external professional training, the Group also organizes various internal training programs. The Plants continuously send employees to participate in labor safety, technology training, and various external operations and safety training. Each plant also organizes various internal training programs and they also organize periodic General Manager management seminars and various management skills training programs to strengthen cohesion and improve management skills. The contents are summarized below:

In 2025, the total training hours for employees reached 14,825 hours, with an average of 31.5 hours per person, achieving the original target of 18.5 hours per person. We provide subsidies for employees with high willingness to learn and development potential to pursue further education in domestic universities, supplemented by job adjustment experience, in order to cultivate excellent corporate talents.



Statistics on the number of hours of further education and training in each operating station in 2025

Education and training participation		Male	Female	Total
Supervisors	Average (hour/number of people)	31.7	22.0	31.5
Direct staff (employees)	Average (hour/number of people)	35.7	10.9	28.8
Indirect staff	Average (hour/number of people)	28.4	28.3	40.5
The whole company	Number of participants	4654	651	5305
	Hours	13488	1337	14825
	Number of employees	406	65	471
	Average (hour/number of people)	33.2	20.6	31.5

Remarks: Direct staff are workers, and indirect staff are employees who are not supervisors.

Classification of Education and Training Hours by Curriculum in 2025

Course Type	Total Hours	Proportion
Integrity Management and Regulatory Compliance	995	6.7%
Occupational Safety and Health	11998	80.9%
Environmental Management and Emergency Response	1409	9.5%
Human Rights and Inclusive Workplace	423	2.8%
Total	14825	100.0%

- (6) The talent training expenditure in 2025 totaled NT\$1,136 thousand.
3. Retirement system and implementation status
- (1) For employees eligible for the pension pursuant to the Labor Standards Act, the Company has contributed a pension preparatory fund equal to 12% of their monthly salary to a dedicated account and established the Labor Pension Reserve Fund Supervision Committee to manage and supervise its operations.
- (2) In accordance with the Labor Pension Act, the Company allocates 6% of an employee's total monthly salary as a retirement reserve fund to the dedicated personal account managed by the Bureau of Labor Insurance and notifies the employees in writing each month.

- (3) Employees of companies in Mainland China are given social security payment according to their average monthly income based on average monthly salaries in the previous year in accordance with the requirements set forth by the Ministry of Labor and the Regulations on the Composition of Gross Wages set forth by the National Bureau of Statistic in Mainland China.
4. Agreements between the Company and employees and measures for protecting employees' rights and interests  
For good labor and management relations, the Company maintains communication with officers of the labor union and has also set up a mailbox for employees to freely express their views.
5. Licenses held by the personnel involved in the transparency of financial information

Department	Name	Certification
Auditing Division	Tu, Ying-Chun	1. International certified internal auditor (CIA) 2. Certification of Qualification for Enterprise Internal Control Basic Abilities Test offered by the Securities and Futures Institute
Accounting Division	Li, Chun-Yao	Certification of Qualification in Continuous Studies for Accounting Supervisor, Accounting Research and Development Foundation

6. Employee Code of Conduct or Ethics
- (1) The Company has formulated Employee Work Rules which are given to employees while starting their job and are provided access to the Company's website (<https://www.ttc.com.tw>) too for their reference. There are written regulations for employees and the ethics to be followed. Both employees and the management shall abide by them for an orderly workplace.
- (2) To protect the Company's reputation for ethical and decent management, the Company has established the Code of Work Ethics and Professional Ethics, and includes this code as part of the new employee training program. If any employee violates this code, the violation will be included in the employee's performance evaluation. Employees who violate this code in a serious manner will be punished according to the Employee Work Rules.



- (3) The Company signs a letter of undertaking with each new employee to specify his or her obligations.
- (4) To enhance ethical corporate management at the Company, the Human Resources Division has established ethical management policies and prevention plan, and regularly report the implementation of such policies and plan to the Board of Directors. Besides, the Human Resources Division has also established the “Sustainable Development Best Practice Principles” which stipulates sustainable development policies, systems and management guidelines
- (5) In order to ensure that the conduct of the Company’s Directors and managerial officers is in line with the ethical standards, the Company has formulated a Code of Ethical Conduct for Directors and Managerial Officers with reference to the Guidelines for the Adoption of Codes of Ethical Conduct for TWSE or TPEX Listed Companies, and has made it as part of the compulsory study materials for relevant personnel every year. The targets for these guidelines include the Company’s Directors and managerial officers, and other personnel with signing authority over management affairs at the Company. The contents of these guidelines include avoiding conflict of interests with the Company due to improper benefits provided by individuals holding the specific positions in the Company for their relatives.  
These guidelines serve to prevent: ① competition with the Company, and ② opportunities for personal gains or direct private gains through the use of the Company’s properties and information or by virtue of the specific positions held in the Company.  
Targets for the aforementioned guidelines shall assume confidentiality obligations to protect the Company’s confidential information, including all undisclosed information that can damage the Company after leakage. In addition, the Company shall offer equal treatment to its suppliers, customers, competitors and employees, and shall not make false statements about important matters or engage in other unfair trading methods to obtain improper benefits. For related content, please visit the Company’s website (<https://www.ttc.com.tw>).

7. Work Environment and Personal Safety Protection Measures

- (1) To maintain workplace safety for employees, the Company has installed pollution prevention and fire safety equipment and introduced an environmental management system (ISO 14001) and occupational safety and health management system (ISO 45001) and Process Safety Management (PSM) to build a sound management system and provide a safe and healthy working environment.
- (2) The Company provides personal protection equipment such as earmuffs, ear plugs, visors, and toxicity filtering masks. It also organizes training from time to time or send employees to participate in related training to improve their knowledge and ideas/skills in occupational safety.
- (3) To reduce the risk of hazards in processes and related operations, and the impact of products, services and activities on the environment through process and operational improvements, good management and optimal use of limited resources.
- (4) The Company participates in and supports activities relating to responsible care, and incorporates them into the operations of its management system. Besides, the Company also makes timely response to the demand of the public and other stakeholders, so as to gradually realize the concept of responsible care.
- (5) The Company selects and uses the best and most feasible technologies and management techniques, and is committed to housekeeping, industrial waste reduction, cherishing resources, pollution prevention and safeguarding the health and safety of employees, contractors and nearby residents.
- (6) The Company continues to provide employees training and participate in communication and consultation with employees, encourages participation of all employees, and strengthens communication and consultation with contractors and customers, so that they fully understand the Company's occupational safety and health environment and energy policies.
- (7) The Company implements inspections audits and management reviews to continuously improve and enhance its overall occupational safety and health and environmental management performance.



- (8) The Company has established an occupational safety and health organization and set up a labor union at Linyuan Plant, Chienchen Plant and Toufen Plant, respectively, in addition, each plant has also established the Occupational Safety and Health Committee in accordance with the Regulations Governing Occupational Safety and Health. In the committee, labor representatives are elected by the labor union. The committee holds a meeting every quarter, where labor representatives speak for all employees and discuss issues relating to environmental protection, safety and healthy with the management of the Company.
  - (9) The Company implements occupational safety and health operations, participates in Taiwan Responsible Care Association (TRCA), the safety and health promotion associations and pollution control coordination groups in industrial parks. With regard to work safety, health and environmental protection, the Company engages in mutual observation and learning to enhance the protection of employees' safety and health, and regularly conducts emergency drills, fire drills and occupational safety and health training, so as to train employees to respond to emergencies and manage their safety.
- (II) In the most recent years as of the publication date of the annual report, the losses suffered due to the labor disputes (including matters with labor inspection results that violate the Labor Standards Act, the punishment date, the punishment font size, the provisions of the statute violated, the content of the statute violated, and the punishment content are listed), and the current and future estimated amounts and responding measures shall be estimated. If it cannot be estimated reasonably, state the fact that it cannot be estimated reasonably:

The Company enjoys harmonious relationship between labor and management and there are no major labor disputes or losses as of date of the publication of the annual report.

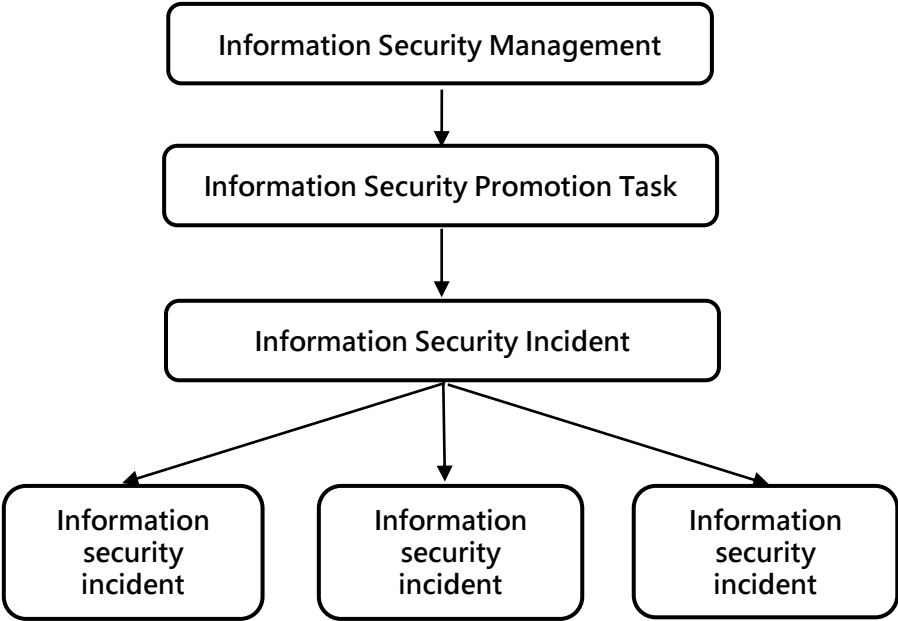
## VI Information Security Management

(I) Describe the information security risk management framework, the information security policy, the specific management plan and the resources invested in the information security management, etc.:

1. Information security risk management framework:

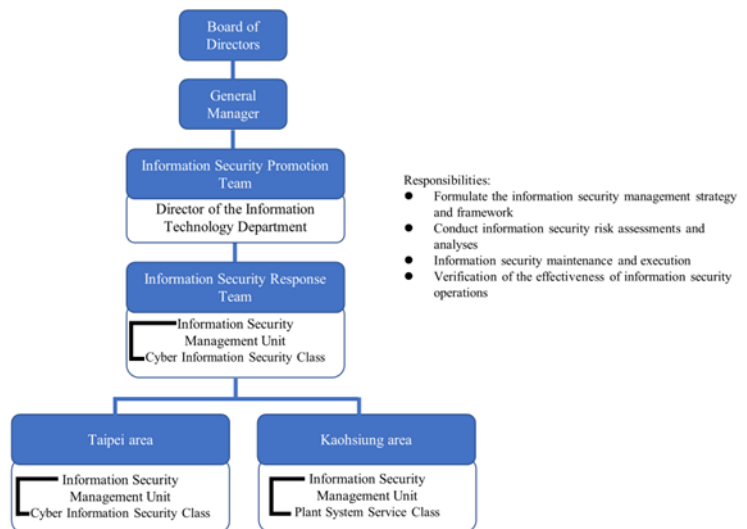
(1) Information security governance organization:

The Company holds an annual “Information Security Management Review Meeting “ at fixed date, make a judgment on the six input projects (resolution status of past management reviews, changes to internal and external issues related to the information security management system, feedback on information security performance, feedback from related parties, status of risk assessment results and risk management plans, opportunities for continuous improvement) of the information security system management, and make a conclusion on the two output projects of the information security management system (including decisions related to continuous improvement opportunities and any need for changes to the information security management system), to achieve the objectives of the information security management system. Organization Chart of Information and Communication Security Management Review Committee:





- (2) Enterprise information security organization framework:  
According to the provisions in the standard operating procedure (SOP) of the Company “Setting Standards of Information Security Promotion Organization,” an “information security promotion team” has been set up to supervise the operation of internal information security management and define the roles and responsibilities of each promotion organization. Regular meeting is held once a year, and may be held immediately in the event of a major information security incident within the Company. The Director of the Group’s Information Technology Department serves as the convener of the Team and takes charge of the meetings of the Information Security Implementation Team as well as decisions and arbitration of opinions in the meetings. The executives of units under the jurisdiction of the Information Technology Department are members of the Team. In the event of a material information security incident, the Director of the Information Technology Department shall report to the General Manager or heads of related departments.
- Organization Chart of Information Security Promotion Team



#### Responsibilities of Information Security Promotion Team:

- Formulate the structure of the Information Security Management Strategy
- Conduct information security risk assessments and analyses
- Information security maintenance and execution
- Verification of the effectiveness of information security operations

2. Information Security Policy:
  - (1) Information security management strategy and framework
    - A. ISO 27001 information security system:

Since 2014, the Company has established and continuously operated an information security management system in accordance with ISO/IEC 27001:2013. External accredited information security certification bodies are engaged annually to conduct independent audits and certification reviews. In 2025, the Company successfully completed the transition and obtained certification under the updated ISO/IEC 27001:2022 standard. To date, the Company has successfully maintained certification for 11 consecutive years. The current certificate is valid from July 4, 2023 to July 3, 2026.
    - B. NIST CSF Information Security Management Framework:

Incorporated into the Cybersecurity Framework (CSF) developed by the National Institute of Standards and Technology (NIST).
  - (2) Enterprise information security risk management and continuous improvement framework

Based on the ISO 27001 information security management system, supplemented by the NIST CSF information security management framework, it strengthens risk management and control, improves information security resilience, and has the ability to withstand, contain and quickly recover from information security incidents, so as to continue to provide key operational services.
3. Specific management plan
  - (1) Vulnerability scanning detection: Regularly perform server operating system vulnerability scanning detection to identify potential risks, make system corrections or propose compensatory measures, and improve information security. It has been continuously running for 10 years so far.
  - (2) Information asset control: establish an information asset management platform to log information assets, note asset items, usage status, and maintain records, and conduct regular inspection and maintenance.



- (3) Firewall and industrial control equipment (OT): Palo Alto networks 3220 is adopted to improve the execution efficiency of filtering incoming and outgoing packets and effectively reduce the risk of system vulnerability exposure with the next-generation 7-layer firewall system.
- (4) Critical Server (SEVER): deploy CrowdStrike/XDR terminal endpoint detection software, use artificial intelligence (AI) and machine learning (ML) modes of non-feature comparison, to analyze potential attack behaviors in real time, and block known and unknown potential threats.
- (5) Email: Adopt the Microsoft Office 365 solution, plus Advanced Threat Protection (ATP) service mechanism, enhancing defense against unknown malicious linkage and phishing emails. Through migrating email hosting to the cloud, we gradually reduce the number of AD and DC (Domain Controller) hosts, thereby reducing the potential attack scope.
- (6) Office equipment (IT): Utilizing Trend Micro antivirus software to detect abnormal network usage behaviors, such as monitoring user login to AD (Active Directory) hosts and blocking attacks in time.
- (7) VPN: To mitigate the risk of unauthorized remote access and prevent potential cyberattacks targeting the VPN that could compromise the internal network, the IT Department has implemented a Security Assertion Markup Language (SAML) authentication mechanism. Multi-factor authentication (MFA) is required for VPN connections, thereby strengthening the overall level of information security.
- (8) Annual cybersecurity inspections of the Group's external network laptops are conducted regularly to ensure compliance with the latest information security policies. This process promptly identifies and addresses potential security vulnerabilities, reducing the risk of external malicious threats or attacks.
- (9) Personnel information security management: Prevent hacking or data leakage, and organize at least four hours of information security education and training for the information personnel conduct every year.

(10) Social engineering exercises: External consultants are engaged to conduct social engineering exercises every year to enhance employees' awareness of information security for the purpose of maintaining information security and protecting information from foreign intrusion and theft.

4. Resources invested in the security management of Zitong:

Information security has become a critical issue for the Company's operations. The following outlines the corresponding plans for information security management and resource allocation:

(1) Dedicated Personnel: Establish a dedicated corporate unit called the "Cyber Information Security Class," comprising a dedicated officer and personnel responsible for information security planning, technology implementation, and related audit matters. This department will be responsible for maintaining and continuously enhancing information security.

(2) Certification: Achieved ISO/IEC 27001 Information Security certification for 11 consecutive years, with no material deficiencies identified in related information security audits.

(3) Customer Satisfaction: There have been no major cybersecurity incidents and no complaints regarding customer data loss.

(4) Education and Training: All IT personnel have successfully completed two annual sessions of information and communication security education and training, including assessments. In 2025, a total of one social engineering phishing simulation exercise was conducted for all Group employees, with 201 participations recorded.

(5) Information security investment: a total of about NT\$981 thousand.

(6) Information Security Announcement: A total of eight notices have been issued.

(II) List the losses suffered due to major information security incidents in the most recent fiscal year up to the publication date of the annual report, and the possible impact and countermeasures. If the amount cannot be reasonably estimated, facts of which estimation cannot be made shall be explained:

As of the publication date of the annual report, the Company has no losses suffered due to major information security incidents and the possible impacts.



## VII Important Contracts

### (I) Supply and Sales Contracts

Nature of Contract	Contracting Party	Contract Start/End Date	Main Content	Restrictive Clause
Purchase of material	Taiwan Styrene Monomer Corporation	2025/1/1~2026/12/31 (Renewed every two years)	The Company purchases styrene from Taiwan Styrene Monomer Corporation and the price is determined through negotiations.	None
Purchase of material	Formosa Chemicals & Fibre Corporation	2025/1/1~2025/12/31 (Renewed every year)	The Company purchases styrene from Formosa Chemicals & Fibre Corporation and the price is determined through negotiations.	None
Purchase of material	CPC Corporation	2025/1/1~2025/12/31 (Renewed every year)	CPC Corporation has agreed to supply butadiene to the Company every year at a price set by it. Payment for the material must be made on the 15th of the following month after delivery.	None
Purchase of material	Formosa Petrochemical Corporation	2025/1/1~2025/12/31 (Renewed every year)	Formosa Petrochemical Corporation has agreed to supply butadiene to the Company every year at a price set by it. Payment for the material shall be made on the 14th of the following month after delivery.	None
Purchase of material	China Petrochemical Development Corporation	2025/1/1~2025/12/31 (Renewed every year)	China Petrochemical Development Corporation has agreed to supply acrylonitrile to the Company every year at a negotiated price. Payment for the material shall be made on the 15th of the following month after delivery.	None
Purchase of material	CNOOC and Shell Petrochemical Co., Ltd (CSPC)	2025/1/1~2025/12/31 (Renewed every year)	The Company purchases polystyrene from CHOOC and Shell Petrochemicals every year at a negotiated price. The Company is required to provide domestic letters of credit before loading.	None

Nature of Contract	Contracting Party	Contract Start/End Date	Main Content	Restrictive Clause
Purchase of material	SinoPec Chemical Sales (Huanan) Co., Ltd.	2025/1/1~2025/12/31 (Renewed every year)	SinoPec Chemical Commercial (Huanan) Holding Co., Ltd. agreed to supply styrene to the Zhongshan Company every year at a price based on the original price agreed to by both parties. Payment for the material must be made before delivery.	None
Purchase of material	China National Petroleum Corporation South China Chemical Sales Branch	2025/1/1~2025/12/31 (Renewed every year)	China National Petroleum Corporation South China Chemical Sales Branch agreed to supply styrene to the Zhongshan Company every year at a price based on the original price agreed to by both parties. Payment for the material must be made before delivery.	None

(II) Technical Cooperation Contracts

Nature of Contract	Contracting Party	Contract Start/End Date	Main Content	Restrictive Clause
Provision of Technology	Owens Corning Company (American Company)	2024/4/1-2034/3/31	Provision of expertise on the manufacture of glass wool insulation products for the Company.	None

(III) Construction contracts: None.

(IV) Long-term Loan Contracts

Nature of Contract	Contracting Party	Contract Start/End Date	Main Content	Restrictive Clause
Long-term Loan Contracts	Yuanta Commercial Bank	2023/05/05 ~ 2026/05/05	To improve Taita Chemical Co., Ltd.'s financial structure and strengthen its working capital.	Maintenance of a certain financial ratio.
Long-term Loan Contracts	Export-Import Bank of the Republic of China	2025/11/18 ~ 2028/11/18	To improve Taita Chemical Co., Ltd.'s financial structure and strengthen its working capital.	None
Long-term Loan Contracts	Bank of China, Taipei Branch	2024/07/26 ~ 2027/07/25	To improve Taita Chemical Co., Ltd.'s financial structure and strengthen its working capital.	Maintenance of a certain financial ratio.



## Chapter 5 Review and Analysis of Financial Position and Financial Performance and Risk Matters

### I. Financial Position

#### Comparison Analysis of Financial Position

Unit: NT\$ 1,000

Item	Year	2025	2024	Difference	
				Amount	%
<b>CURRENT ASSETS</b>		5,302,070	6,505,163	(1,203,093)	(18)
Real property, plant and equipment		1,878,149	1,929,504	(51,355)	(3)
Intangible assets		0	0	0	0
Other assets		1,388,714	1,404,910	(16,196)	(1)
<b>Total assets</b>		8,568,933	9,839,577	(1,270,644)	(13)
<b>CURRENT LIABILITIES</b>		2,362,679	3,195,806	(833,127)	(26)
Non-current liabilities		452,455	345,884	106,571	31
<b>Total liabilities</b>		2,815,134	3,541,690	(726,556)	(21)
Share capital		3,975,868	3,975,868	0	0
Capital surplus		3,954	3,242	712	22
Retained earnings		1,744,682	2,241,016	(496,334)	(22)
Other equity		29,295	77,761	(48,466)	(62)
<b>Total equity</b>		5,753,799	6,297,887	(544,088)	(9)
<p>(I) Main reasons for material changes in assets, liabilities and equity in the most recent two years</p> <ol style="list-style-type: none"> <li>1. The decreases in current liabilities and total liabilities were primarily attributable to reduced revenue, which led to lower inventory levels and, consequently, decreases in accounts payable, other payables, and borrowings.</li> <li>2. The decrease in retained earnings was mainly due to the net loss incurred in 2025 and the distribution of cash dividends.</li> <li>3. The decrease in other equity interest was primarily attributable to exchange differences arising from the translation of financial statements of foreign operations.</li> </ol> <p>(II) Effects: No material effect.</p> <p>(III) Future response plan: Not applicable.</p>					

## II. Financial Performance

### (I) Comparative analysis of financial performance

Unit: NT\$ 1,000

Item	Year		Amount of increase (decrease)	Percentage of increase (decrease) (%)
	2025	2024		
Sales revenue	14,485,681	18,622,910	(4,137,229)	(22)
Cost of goods sold	13,893,628	17,744,822	(3,851,194)	(22)
Gross profit	592,053	878,088	(286,035)	(33)
Operating expenses	1,015,728	1,239,056	(223,328)	(18)
Net operating loss	(423,675)	(360,968)	(62,707)	17
Non-operating income and expenses	(90,061)	119,226	(209,287)	(176)
Loss before income tax	(513,736)	(241,742)	(271,994)	113
Income tax benefit	(86,365)	(18,730)	(67,635)	361
Net loss for the year	(427,371)	(223,012)	(204,359)	92
<p>(I) Main reasons for material changes (by more than 20%) in operating revenue, operating income and income before tax in the most recent two years</p> <ol style="list-style-type: none"> <li>Reasons for the decrease in gross profit, the increase in net operating loss, pre-tax net loss, and net loss for the current year can be found in Section (2), "Analysis of Changes in Gross Profit (Loss)."</li> <li>The decrease in non-operating income and expenses was mainly due to exchange rate effects, with exchange losses in 2025 compared with exchange gains in 2024.</li> <li>The increase in income tax benefit was mainly due to the increase in loss before tax.</li> </ol> <p>(II) Sales volume forecast and basis According to the market supply and demand, the estimated sales volume in 2026 is: the estimated sales volume of petrochemical products is about 427,000 tons, and the estimated sales volume of glass wool products is about 13,000 tons.</p> <p>(III) Possible effects on the Company's financial operations in the future: None.</p> <p>(IV) Response plan: Not applicable.</p>				

# Review and Analysis of Financial Position and Financial Performance, and Risks



## (II) Analysis of Changes in Gross Profit (Loss):

Unit: NT\$ 1,000

	Change amount	Reasons for difference			
		Price difference	Cost difference	Difference in product sales combination	Volume difference
Gross profit from sales (loss)	(286,035)	(2,681,901)	2,421,000	35,030	(60,164)
Description	<p>Although sales volume of ABS products declined, spread margins increased; however, gross profit increased by NT\$28,652 thousand compared to the previous year. Sales volume of GPS/IPS declined, and spread margins decreased, resulting in an overall decrease in gross profit of NT\$50,027 thousand compared to the previous year. For EPS products, the Chienchen plant was affected by increased export volumes from China and aggressive low-price competition, leading to reduced sales volume. Meanwhile, the Zhongshan plant faced declining demand in the home appliance packaging materials market due to uncertainties surrounding U.S. tariffs. In addition, intensified market competition and extreme climate conditions in the second half of the year in Yunnan, including heavy rainfall and hailstorms, led to reduced demand for fruit and vegetable boxes. Consequently, spread margins for EPS products at both Zhongshan and Chienchen decreased, and overall gross profit for EPS products declined by NT\$244,005 thousand compared to the previous year. The sales of glass wool experienced a slight growth; however, the reduction in price differentials resulted in a decrease in gross profit of NT\$20,655.</p>				

## III. Cash Flows

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

Unit: NT\$ 1,000

Year	Beginning cash balance	Net cash inflow (outflow) from operating activities for the year	Other net cash inflow (outflow) for the year	Cash surplus (shortfall)	Cash inadequacy improvement plan
2025	886,216	734,485	(951,505)	669,196	N/A

1. The net cash inflow from operating activities was mainly due to the collection of accounts receivable and reductions in inventory.
  2. Other net cash outflows primarily pertain to the acquisition of property, plant and equipment and the reduction in borrowings.
- (II) Improvement plan for cash shortage: Not applicable.
- (III) Cash liquidity analysis for the coming year

Unit: NT\$ 1,000

Year	Beginning cash balance	Expected net cash inflow (outflow) from operating activities for the year	Expected other net cash inflow (outflow) for the year	Cash surplus (shortfall)	Cash inadequacy improvement plan
2026	669,196	(68,756)	(115,332)	485,108	N/A

#### IV. Impact of Major Capital Expenditures on Financial Business in the Most Recent Year

Use of significant capital expenditures and sources of funds: None.

#### V. Company Reinvestment Policy for the Most Recent Fiscal Year, Main Reasons for Profits/Losses Generated Thereby, Plan for Improving Re-investment Profitability, and Investment Plans for Coming Year

- (I) Investment Policies in the Most Recent Year  
In the most recent year, there were no reinvestments exceeding 5% of the paid-in capital.
- (II) Main reasons for profit or loss: Not applicable.
- (III) Improvement plan: Not applicable.
- (IV) Investment plan for the upcoming year: None.



## VI. Risk Analysis and Assessment

### Risk Management Organization Structure

Key risk assessment items	Execution and responsible units	Supervision unit
1. Impact of interest rate, fluctuation in exchange, and inflation on the Company's gain and loss and future response measures	Finance Division	Auditing Division
2. Policies on engaging in high-risk and high-leverage investments, provision of loans to others, making of guarantees and endorsements, and derivatives trading, major reasons for profit or loss, and future response measures		
3. Future Research and Development (R&D) Plans and the R&D expenses expected to be invested	Research and Development Division	
4. The impact of changes in important domestic and foreign policies and laws on the Company's finance and business, and the corresponding measures	Legal Division Accounting Division	
5. Impact of technological and industrial changes (including information and communication security risks) on the Company's finance and business and corresponding measures	Information Systems Division ABS/PS Operations Department Toufen Plant	
6. The impact of changes in corporate image on the enterprise crisis management and the responding measures	Human Resources Division	
7. Expected benefits and possible risks of merger & acquisition and the countermeasures	Finance Division	
8. Expected benefits and possible risks of expansion of plants and the countermeasures	ABS/PS Production Department Toufen Plant	
9. Risks faced with centralized purchases or sales and the countermeasures	Procurement and Logistics Division ABS/PS Operations Department Toufen Plant	
10. The impact and risk of a significant transfer or replacement of equity by directors, supervisors, or major shareholders holding more than 10% of the shares on the Company and the countermeasures	Finance Division	

Key risk assessment items	Execution and responsible units	Supervision unit
11. The impact, risks and response measures for changes in management rights on the Company	Board of Directors	
12. For any litigious or non-litigious matters, the Company and its directors, supervisors, general managers, person with actual responsibility in the Company, and major shareholders holding more than 10 percent of the Company's shares, shall be disclosed. If there has been any substantial impact upon shareholders' equity or prices for the Company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving the Company that has been finalized or has remained pending, the report shall disclose the facts in dispute, amount in dispute, commencement date, main parties involved, and current status of the case as of the publication date of this annual report	Legal Division	
13. Climate change affects the Company's operations, finance, supply chain, policy and investment decisions, etc.	ESG Committee	
14. Responding to risks in environmental, social, and corporate governance issues	ESG Committee	

# Review and Analysis of Financial Position and Financial Performance, and Risks



## Risk management policy

### (I) Impact of interest rate, fluctuation in exchange, and inflation on the Company's gain and loss and future response measures

Item	2025 (NT\$ thousands; %)
Net interest income (expenses)	(2,174)
Net currency exchange gain (loss)	(66,386)
Ratio of net interest income (expenses) to sales revenue	(0.02%)
Ratio of net interest income (expenses) to net loss before tax	0.42%
Ratio of net currency exchange gain (loss) to sales revenue	(0.46%)
Ratio of net currency exchange gain (loss) to net loss before taxes	12.92%

1. Interest rate: In order to reduce the risk of interest rate fluctuation, idle funds will be invested in fixed deposit of banks, beneficiary certificates of money market funds, buy back transactions of bonds (bills) and REITs.

Based on short-term and medium-to-long-term funding requirements, allocate and plan financial institution credit lines, ensuring that the utilization rate does not exceed 50% to maintain liquidity and transfer flexibility. Simultaneously, monitor interest rate trends and adjust the ratio of floating to fixed interest rate credit lines flexibly, managing the Company's funding costs while stabilizing its financial structure.

2. Exchange rates: The Company hedges its net position of foreign currency generated by operation. In addition to closely following the trend of international foreign exchange market, it also seeks to avoid the risks through spot selling in the market and undertaking forward foreign exchange contracts.
3. Inflation: The main cost of the Company is the raw material cost, and the product selling price fluctuates in the same direction as the raw material cost. Continuously assess the exposure of assets and liabilities to interest rate changes to the Company.

(II) Policy Regarding High-risk Investments, Highly Leveraged Investments, Loans to Other Parties, Endorsements/Guarantees, and Derivatives Transactions, Main Reasons for the Profit (Loss) Generated Thereby, and Response Measures to Be Taken in the Future:

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

The Company's Regulations Governing the Acquisition and Disposal of Assets stipulates that it shall not engage in high-risk and high-leverage investments. The Company has also established the Procedures for Loaning of Funds to Others, but it is yet to implement such an operation.

2. Making of guarantees and endorsements: Endorsements or guarantees are handled in accordance with the Company's Regulations Governing Endorsements and Guarantees, and evaluation before operation and follow-up are performed.
3. Derivatives trading: The Company engages in derivative commodity trading for the purpose of avoiding operational management risks. The trading commodities are mainly undertaken as forward foreign exchange and speculative operations are not involved. In addition, the counterparties should choose reputable financial institutions to avoid credit risks.

## Review and Analysis of Financial Position and Financial Performance, and Risks



### (III) Future Research and Development (R&D) Plans and the R&D expenses expected to be invested

Type	R&D item	Current progress	R&D expenditure to be invested (NT\$ thousands)	Expected year of completion	Factors affecting R&D results in the future
ABS	Gloss Improvement of Acrylonitrile-Butadiene-Styrene (ABS) (Development of PBDL Polymer Formulation)	60%	1,000	2026.Q4	Processing hardware equipment
	Development of Applications for TAIECOR PIR ABS ESG Material Products	80%	1,000	2026.Q4	Market demand layout Brand Supply Chain
SAN	High-Value Branded Water Material Applications	40%	600	2026.Q4	Market demand layout Brand Supply Chain
GPPS	Development of Applications for Drinking Water Material Products	80%	500	2026.Q3	Market demand layout Brand Supply Chain

### (IV) The impact of changes in important domestic and foreign policies and laws on the Company's finance and business, and the corresponding measures

1. Please refer to (3) The EU Restriction of Hazardous Substances Directive (RoHS) has no impact on the Company in IV. Expenditure Related to Environmental Protection in Chapter 5. Operations Overview.

2. The Company keeps monitoring the impact of the newly applicable IFRSs, various rental incentives and other statutory updates on the Company's taxation.
  3. Continuously assess the impact of the European Union's Carbon Border Adjustment Mechanism (CBAM), the implementation of carbon pricing, carbon tax, and carbon fees in Taiwan, as well as the implications of drafting the "Climate Change Adaptation Act."
  4. For the assessment of legal risks and countermeasures, the Company has a legal department to review important contract documents, legal documents and prompt risks in advance, and provide legal advice to deal with legal affairs whenever necessary, so as to protect the Company's rights and interests and reduce the risk of default and loss. In addition, the accounting department evaluates the impacts of changes in accounting and tax-related laws and regulations on the financial operations of the Company at all times and come up with action plans. It would discuss with CPAs to make prior planning for the relevant changes.
- (V) Impact of technological and industrial changes (including information and communication security risks) on the Company's finance and business and corresponding measures
1. Risk of information technology security:

Plant maintenance management is the core of the manufacturing industry, and its production processes and procedures are mainly managed and controlled by the Operational Technology (OT), such as the Distributed Control System (DCS) and the Supervisory Control and Data Acquisition (SCADA) system. Based on requirements such as production stability, the operating system or program itself is often not upgraded and updated after installation, and becomes the so-called Legacy System. Its security protection level is compared with that of



general Information Technology (IT), such as: ERP, CRM, OA and other hardware equipment, is obviously insufficient.

### 2. Management measures for information technology security:

- The Company's internal audit department and external professional security consulting company will conduct the audit regularly. In addition, external professionals have urged the British Standards Institution (BSI), an internationally renowned certification company, to carry out the ISO 27001 certification audit every year. In addition to reviewing the information and communication security risk assessment management framework, we also provide assistance and prevention measures for internal and external issues and conduct information and communication security risk assessments and analyses.
- A Multi-Factor Authentication (MFA) mechanism is fully enabled in the Group's mail system. Besides the first password authentication, other tools are used for the second authentication to enhance the level of security.
- Industrial control equipment (OT) adopts Palo Alto networks 3220 to improve the execution efficiency of filtering incoming and outgoing packets and effectively reduce the risk of system vulnerability exposure with the next-generation 7-layer firewall system.
- External device control for strengthening industrial control equipment: Restricting USB access to prevent data leakage and external information security attacks, avoiding impact on the production line.

- External storage media health check: Comprehensive examination of external storage media through regular virus scanning, inspection, and inventory to reduce the risk of data loss and hidden information security threats from external devices.
  - External consultants are engaged to conduct vulnerability scanning for operating systems, such as servers, every year to identify potential risks and modify systems or propose compensatory measures.
  - Enhance personnel information security management, prevent hacking or data leakage, and organize at least four hours of information security education and training for the information personnel conduct every year, and enhancement of employees' awareness of information security through sharing of new information on information security.
3. Promotion, Development, and Application of Generative AI (GenAI) Technology:

In response to the rapid advancement of Generative AI (GenAI) technology, the Information Department assisted the Group in identifying internal operations that could leverage GenAI, applying it to smart manufacturing and administrative process reengineering. By utilizing GenAI technology, manual work time was reduced and operational accuracy was enhanced. Several training sessions on GenAI technology were conducted, and GenAI tools were made available for internal employees' use.

## Review and Analysis of Financial Position and Financial Performance, and Risks



- (VI) The impact of changes in corporate image on the enterprise crisis management and the responding measures

The Company always upholds the principles of professionalism and integrity. The Company pays close attention to corporate governance and fulfill corporate social responsibility. Therefore, there is no foreseeable risk associated with changes in corporate image.

- (VII) Expected benefits and possible risks of merger & acquisition and the countermeasures

There has been no merger and acquisition implemented by the Company in the most recent year up to the date of publication of the Annual Report.

- (VIII) Expected benefits and possible risks of expansion of plants and the countermeasures

The Company had no plant expansion plan in the most recent fiscal year up to the publication date of this Annual Report in order to expand the product development of the Company, after careful evaluation, the subsidiary TAITA (BVI) Holding Co., Ltd will invest and set up the company Zhangzhou Taita Chemical Co., Ltd. in Gulei Port Economic Development Zone, Zhangzhou, Fujian Province to engage in EPS business.

- (IX) Risks faced with centralized purchases or sales and the countermeasures

The Group had no customer whose sales accounted for more than 10% of the total sales in 2025.

In addition, the bulk raw materials are widely dispersed and easily available in the spot market, so there is no concentration risk.

- (X) The impact and risk of a significant transfer or replacement of equity by directors, supervisors, or major shareholders holding more than 10% of the shares on the Company and the countermeasures: None.

- (XI) The impact, risks and response measures for changes in management rights on the Company

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

- (XII) For any litigious or non-litigious matters, the Company and its directors, supervisors, general managers, person with actual responsibility in the Company, and major shareholders holding more than 10 percent of the Company's shares, shall be disclosed. If there has been any substantial impact upon shareholders' equity or prices for the Company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving the Company that has been finalized or has remained pending, the report shall disclose the facts in dispute, amount in dispute, commencement date, main parties involved, and current status of the case as of the publication date of this annual report

Significant litigious, non-litigious or administrative disputes that have been decided or are still pending in the most recent fiscal year up to the publication date of this annual report:

- (1) The Company: None.
- (2) Directors, general managers, person with actual responsibility in the Company, and major shareholders holding more than 10% of the Company's shares: None.
- (3) Investee companies adopting equity method:

The Company's investee company CGTD, adopting equity method was entrusted to operate the propylene pipeline of LCY CHEMICAL CORP. (hereinafter referred to as LCY), experienced a gas explosion on the evening of July 31, 2014. The criminal part of the gas explosion case was rejected by the Supreme Court on September 15, 2021, and the 3 employees of CGTD were found innocent.



On February 12, 2015, CGTD reached an agreement with the Kaohsiung City Government to provide a bank fixed deposit of NT\$238,306 thousand (including interest) as collateral for the losses incurred from the gas explosion incident. Kaohsiung City Government has also filed civil lawsuits against LCY, CGTD and CPC Corporation. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015. CGTD had deposited cash of NT\$ 99,207 thousand to the court to avoid provisional attachment. Taiwan Water Corporation also applied for provisional attachment against CGTD's property on February 3 and March 2, 2017. As of March 31, 2026, the provisionally attached bank balance of CGTD was worth NT\$6,401 thousand.

For the victims of the gas explosion, CGTD, LCY and the Kaohsiung City Government signed a tripartite agreement for severe injuries on July 17, 2015 agreeing to negotiate the compensation first with the 32 severely injured victims, agreeing to negotiate compensation in advance for all the heirs and claimants of the 32 victims (hereinafter referred to as the families of the victims), paying the families of the victims NT\$12,000 thousand for each victim, with a total settlement of NT\$384,000 thousand. The compensation was advanced by LCY Chemical Corp., who was in charge of negotiating the compensation with the victims' families and signing the settlement agreement on behalf of the three parties involved. And as separately agreed by the parties on August 10, 2022, NT\$157,347 thousand, accounting for 30% of the negligent liability decided in the first instance, shall be paid to LCY Chemical Corp., and the rest shall be done after the ruling of the civil action.

As for the seriously injured, CGTD, LCY Chemical Corp. and the Kaohsiung City Government signed a tripartite agreement for the compensation of the 65 seriously injured victims' families on October 25, 2017. Compensation was paid by CGTD and the Kaohsiung City Government, and CGTD was in charge of negotiating the compensation with the seriously injured victims' families and signing the settlement agreement on behalf of the three parties with the 64 seriously injured victims' families.

As of March 31, 2026, victims, injured parties, or their relatives have filed civil (including criminal-related civil) lawsuits seeking compensation from Lee Chang Yung Chemical Industry CGTD, and Taiwan CPC Corporation for the Kaohsiung gas explosion incident. In order to reduce litigation costs, CGTD has reached a settlement agreement for a compensation amount of NT\$46,677 thousand in the original claim, with a settlement compensation amount of NT\$4,519 thousand. The compensation amount still in the lawsuit and the settlement amount for the victims and the seriously injured as mentioned in the previous paragraph amounted to \$3,831,211 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately NT\$1,616,883 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY and CGTD is 4 : 3 : 3 in most judgments. The total amount of compensation that CGTD, LCY and the other defendants should pay is around NT\$489,861 thousand. (In particular, CGTD was exempted from paying NT\$6,194 thousand according to the court's judgment.)



The civil cases that have been adjudicated in the first instance and not settled, CGTD has filed an appeal for the second instance. The second instance has rendered judgments since July 10, 2024. As of March 31, 2026, there have been a total of 9 cases in the Kaohsiung City Government's claims cases that have been adjudicated in the second instance (with a claim amount of approximately NT\$1,137,677 thousand). Among them, 8 cases have determined that CGTD should bear joint and several liabilities with LCY at a fault responsibility ratio of 10% (5 cases) or 20% (3 cases). The total amount of compensation that CGTD should bear jointly with LCY is NT\$79,726 thousand. In addition, 1 case has determined that CGTD should bear the fault responsibility ratio of 10% alone, and the amount of compensation that CGTD should pay alone is NT\$297 thousand. In addition, in the cases of Taiwan Power Company's claims (claim amount of NT\$265,822 thousand) and the National Health Insurance Administration's claims (claim amount of NT\$35,688 thousand) and Taiwan Water Corporation's claims (claim amount of NT\$28,643 thousand) that have been adjudicated in the second instance, it has been determined that CGTD should bear joint and several liabilities with LCY for a compensation amount of NT\$120,143 thousand. The aforementioned second-instance cases have been adjudicated, and except for those that are not eligible for appeal to the third instance, CGTD has filed appeals to the third instance for all other cases. The remaining cases are still under review in the first-instance court (with a requested compensation amount of approximately NT\$1,711,504 thousand).

Based on the negligence liability ratio determined by the relevant court rulings for this gas explosion incident, the estimated settlement amount for fatalities and severe injuries, as well as compensation for civil lawsuits (including settled cases), has been calculated. After deducting the maximum insurance coverage, the estimated amount to be borne by CGTD has been recorded at NT\$136,375 thousand. However, the actual amount

of the aforementioned relevant settlements and compensation will not be confirmed until the proportion of the liabilities that should be borne by CGTD is determined in the civil case judgment in the future.

(XIII) Climate change affects the Company's operations, finance, supply chain, policy and investment decisions, etc.

Climate change poses a global challenge that affects us all. To align with international standards and fulfill the requirements of sustainable development, our nation announced on February 15, 2023 the amendment of the Greenhouse Gas Reduction and Management Act to the Climate Change Response Act. In light of the impact of climate change, carbon reduction has become a global collaborative endeavor. At the beginning of 2022, Taita Chemical Co., Ltd. set a target for its Taiwan production facilities to achieve a 27% reduction in carbon emissions by 2030 compared to 2017 levels. Furthermore, in 2023, the Company established a long-term objective of reaching carbon neutrality by 2050.

In order to achieve its sustainable vision, Taita Chemical Co., Ltd. is actively implementing response strategies and management mechanisms through practical actions. The domestic production plants are continuing to implement ISO 14064-1 Greenhouse Gas Inventory and Verification and have plans to execute carbon reduction plans. The Company has also supported the active development of external renewable energy projects. By the end of 2025, solar energy projects had achieved a cumulative grid-connected capacity of 9.04MW, generating approximately 11.303 million kWh of green electricity annually; additionally, starting in 2025, the Company purchased 830,000 kWh of green electricity from USI Green Energy Corporation.

Taita Chemical is aligning with the group's 2030 carbon reduction target to chart its own path towards carbon reduction. Moving forward, the Company will proactively implement energy-saving and carbon reduction measures. The midterm decarbonization strategy will prioritize the transition to low-carbon energy, enhancing energy efficiency, implementing intelligent monitoring,



and promoting the installation and utilization of renewable energy. The long-term decarbonization strategy will further prioritize low-carbon fuels, carbon capture and utilization technologies, and negative carbon emission technologies to attain carbon neutrality and foster sustainable development.

Taita Chemical has established the Sustainable Development Committee under the Board of Directors as the highest authority for climate management. The committee is led by an independent director and conducts annual reviews of the company's climate change strategies and goals. It also manages climate change risks and opportunities, and evaluates the progress of implementation, reporting directly to the Board of Directors. The Company utilizes the framework provided by the Task Force on Climate-related Financial Disclosures (TCFD) to identify climate-related risks and opportunities. It assesses risks and opportunities across various departments, evaluates their financial impacts, and establishes response plans. The Company plans to conduct a comprehensive assessment every three years and review and update it annually.

## **1. Identification of Climate Change-Related Risks and Opportunities and Potential Financial Impacts**

In response to the uncertainties arising from climate change, Taita Chemical has identified major climate-related physical risks, transition risks, and climate-related opportunities associated with its operations, and has assessed their potential impacts on the Company's business, operational strategies, and financial performance across different time horizons.

Based on its operational characteristics and industry environment, the Company defines the time horizons as follows:

- Short-term: 2025 to 2027
- Medium term: 2027 to 2030
- Long term: 2030 to 2050

The impacts of the climate-related risks identified by the Company on its operations are as follows:

Type	Item	Description	Potential Time Horizon of Impact		
			Short-term	Medium-term	Long-term
Transition risk	Carbon Fee Levy	Pursuant to the Climate Change Response Act, Taiwan will officially impose a carbon fee starting in 2025. The levy will apply to enterprises with annual carbon emissions exceeding 25,000 metric tons of CO <sub>2</sub> e. The initial standard carbon fee rate is set at NT\$300 per metric ton. Enterprises that submit specific and verifiable voluntary reduction plans, which are reviewed and approved by the competent authority, may qualify for a preferential rate of NT\$100 per metric ton. In addition, entities classified as being at high risk of carbon leakage are eligible for adjustments to chargeable emissions, with an initial adjustment coefficient of 0.2.	⊙	⊙	⊙
Physical risk	High Temperatures and Unstable Energy Supply	With the intensification of climate change, the continuous rise in average annual temperatures and the significant increase in the number of high-temperature days have become a common global trend. According to data from the Central Weather Administration, both the average annual temperature and the frequency of high-temperature events in Taiwan have shown a clear upward trend, indicating that extreme summer heat may become a persistent source of risk in the future.			⊙
	Extreme Wind, Rainfall, and Flooding	Based on observations from the Central Weather Administration and IPCC reports, the frequency of typhoons, heavy rainfall, and localized torrential rain events in Taiwan has increased significantly in recent years. These events have not only caused repeated flooding in urban and low-lying areas but have also brought immediate and severe impacts on industrial operations, representing acute physical risks.		⊙	⊙
Opportunities	Adoption of Low-Carbon Energy	Driven by increasingly stringent global climate policies and the 2050 net-zero emissions target, corporate energy consumption structures are undergoing rapid transformation. The adoption of renewable energy has become a key opportunity for companies to fulfill their carbon reduction commitments and maintain international competitiveness. For carbon emissions-intensive manufacturing industries, generating or procuring renewable energy—such as solar, wind, and geothermal power—can effectively reduce indirect emissions associated with electricity consumption.	⊙	⊙	⊙

# Review and Analysis of Financial Position and Financial Performance, and Risks



Type	Item	Description	Potential Time Horizon of Impact		
			Short-term	Medium-term	Long-term
	Enhancement of Corporate Reputation and Brand Recognition	Sustainable operation has become an integral component of corporate brand value and market competitiveness. Participation in sustainability assessments (e.g., CDP, Taiwan Corporate Sustainability Awards (TCSA)), proactive disclosure of TCFD / TNFD-related information, and the expansion of third-party assurance for consolidated greenhouse gas inventories and ESG reports will enhance the transparency and consistency of sustainability information, thereby strengthening credibility with investors, customers, and regulatory authorities.	⊙	⊙	⊙

The financial impacts of the climate-related risks identified by the Company and the corresponding response strategies are as follows:

Type	Item	Financial impact	Response strategy
Transition risk	Carbon Fee Levy	<p>The potential impact horizon of this risk spans the short-, medium-, and long-term. The associated financial impacts for the current period are as follows:</p> <ul style="list-style-type: none"> <li>In accordance with the carbon fee regulations promulgated by the Ministry of Environment, the Company has recognized an estimated carbon fee expense (operating expense) of NT\$3,000 thousand based on its emissions for the current year.</li> <li>To mitigate carbon emissions and address the financial impact of carbon fees, the Company incurred capital expenditures of NT\$33,173 thousand and operating expenses of NT\$291 thousand during the reporting period. These expenditures were primarily allocated to the replacement of aging motors, boilers, and chillers with energy-efficient equipment, resulting in an increase in non-current assets and cash outflows from investing activities.</li> <li>Although such equipment investments have led to increased depreciation expenses and cash outflows in the short term, over the long term, improvements in energy efficiency are expected to reduce electricity costs and carbon fee expenditures, thereby enhancing overall operational efficiency and sustaining profitability.</li> </ul>	<ol style="list-style-type: none"> <li>The Company has implemented an internal carbon pricing mechanism, adopting a shadow pricing approach to incorporate carbon costs into investment evaluations, thereby enhancing the likelihood of executing decarbonization initiatives.</li> <li>Continues to plan for energy saving and carbon reduction measures from 2025 to 2030 include the replacement of outdated equipment and improvements in energy efficiency. In 2025, a total of 15 energy saving and carbon reduction measures were implemented, achieving electricity savings of 2.11 million kWh and carbon emission reductions of 998.7 tons of CO<sub>2</sub>e.</li> <li>The Company has directly submitted an application for a voluntary emission reduction plan to the Ministry of Environment to obtain preferential carbon fee rates.</li> </ol>

Type	Item	Financial impact	Response strategy
Physical risk	High Temperatures and Unstable Energy Supply	<p>The potential impact horizon of this risk is long-term. The associated financial impacts for the current period are as follows:</p> <ul style="list-style-type: none"> <li>• To ensure the operational stability of production equipment under extreme climate conditions, the Company enhanced routine maintenance and calibration of critical equipment, including substations, generators, and chillers, resulting in related capital expenditures of NT\$2,079 thousand for the current period.</li> <li>• In consideration of the long-term trend of global warming and the resilience of power supply, the Company incurred capital expenditures of NT\$4,538 thousand during the reporting period for the installation of new electromechanical and HVAC systems, as well as the replacement of aging equipment. These investments have led to an increase in non-current assets and are intended to strengthen long-term operational stability.</li> <li>• Through the enhancement of energy infrastructure and equipment resilience, although capital expenditures and maintenance costs have increased in the short term, such measures are expected to effectively mitigate potential business interruption losses arising from high-temperature-related shutdowns or power rationing in the future.</li> </ul>	<ol style="list-style-type: none"> <li>1. Conducts annual routine maintenance and servicing of system equipment, including compressed air systems, chilled water systems, and power generation systems.</li> <li>2. Carries out the replacement of aging equipment within compressed air, chilled water, and power generation systems.</li> <li>3. Performs annual emergency response drills and training for generator equipment.</li> </ol>

# Review and Analysis of Financial Position and Financial Performance, and Risks



Type	Item	Financial impact	Response strategy
	Extreme Wind, Rainfall, and Flooding	<p>The potential impact horizon of this risk spans the medium- and long-term. The associated financial impacts for the current period are as follows:</p> <ul style="list-style-type: none"> <li>• In response to the potential increase in flooding risks arising from long-term climate change trends, the Company carried out routine dredging of the plant's drainage systems during the reporting period, incurring related maintenance expenses of NT\$231 thousand. In addition, to mitigate the financial risks associated with extreme weather events, insurance investments increased by NT\$3,776 thousand compared to the previous year.</li> <li>• In consideration of long-term physical risk mitigation requirements, the Company incurred capital expenditures of NT\$1,000 thousand and maintenance expenses of NT\$307 thousand during the current period for drainage system upgrades and flood prevention infrastructure improvements. These initiatives have enhanced the resilience of plant operations and resulted in an increase in non-current assets.</li> <li>• Through preventive dredging, risk transfer via insurance, and the reinforcement of physical infrastructure, the Company is committed to reducing recovery costs and the risk of business interruption associated with extreme climate events over the medium to long term, thereby maintaining long-term financial stability.</li> </ul>	<ol style="list-style-type: none"> <li>1. Improve wastewater recycling systems and enhance operational management to increase the volume of recycled water and reduce water consumption.</li> <li>2. Improvement of process equipment and operation to reduce steam volume.</li> <li>3. Continuously develop plans to reduce water consumption and promote water conservation.</li> <li>4. Conducts regular inspection of in-plant drainage ditch (trench) systems.</li> </ol>

Type	Item	Financial impact	Response strategy
Opportunities	Adoption of Low-Carbon Energy	<p>The opportunity impact horizon spans the short-, medium-, and long-term. The associated financial impacts for the current period are as follows:</p> <ul style="list-style-type: none"> <li>To achieve the annual carbon reduction targets, the Company implemented a renewable electricity procurement plan during the reporting period, with related electricity purchase expenditures amounting to NT\$4,362 thousand, recognized as operating expenses for the year.</li> <li>While renewable electricity procurement has resulted in higher electricity costs in the short term, over the long term it is expected to reduce reliance on conventional fossil fuels, effectively mitigate the potential impact of increasing carbon fee costs, and enhance the Company's green competitiveness and brand value.</li> </ul>	<ol style="list-style-type: none"> <li>Natural gas is prioritized as the primary fuel source for steam supply.</li> <li>Focus on and engage in the renewable electricity market.</li> </ol>
	Enhancement of Corporate Reputation and Brand Recognition	<p>The opportunity impact horizon spans the short-, medium-, and long-term. The associated financial impacts for the current period are as follows:</p> <ul style="list-style-type: none"> <li>In response to increasing market demand for transition-related solutions, sustainability-related products (including expandable polystyrene (EPS) raw materials for rapid prototyping packaging and encapsulated glass wool) contributed NT\$28,207 thousand to operating revenue in the current period.</li> <li>The Company invested NT\$2,050 thousand during the reporting period in research and development expenses for sustainability-related products under development, as well as in sustainability brand promotion activities.</li> </ul>	<p>The Company actively develops new products and accelerates its transformation to capture opportunities in the B2C market:</p> <ol style="list-style-type: none"> <li>Development of products certified under ISO 14021 for recycled content.</li> <li>Certification and product development for composite materials in accordance with NSF International standards.</li> <li>Continuous development of building insulation and thermal insulation materials using recycled glass as a primary raw material.</li> </ol>

## Review and Analysis of Financial Position and Financial Performance, and Risks



### (XIV) Responding to risks in environmental, social, and corporate governance issues

Material Issues	Risk evaluation item	Risk Management Policy or Strategy
Environment	Management of the environment	Establish environmental protection impact and grievance channels
	Environmental protection	Produce in accordance with the requirements of laws and regulations, improve water resource efficiency, reduce air pollutant emissions, and promote waste reduction and material circulation projects
	Climate change	Established the Group's Green Power Team to set a carbon reduction target for 2030 and a long-term carbon neutrality target for 2050. Formulate and promote various energy-saving and carbon reduction plans in the factory area
Society	Employee welfare	Provide employees with welfare measures and a safe and healthy work environment
	Social responsibility	Sponsor and participate community welfare activities
	Product responsibility	Establish MSDS for products as guidance for customers' use Require suppliers to jointly abide by environmental protection and occupational safety and health policies
Corporate Governance	Shareholder equity	The Company assigns dedicated personnel to handle its shares-related affairs to ensure quality and efficiency.
	Stakeholders	Set up stakeholder areas and respond to issues of concern to stakeholders
	Information disclosure	Appoint a spokesperson system to disclose financial and non-financial information on the Company's website

## VII. Other Material Matters

### (I) The Company's Key Performance Indicators

#### I. Disaster-free Working Hours

Cumulative disaster-free working hours at each plant as of December 31, 2025:

Chienchen Plant: 2,864,341 hours; Linyuan Plant: 2,436,034 hours; Toufen Plant: 1,840,784 hours; Zhongshan Plant: 3,196,697 hours.

#### II. Equipment Operating Rate

Equipment operating rate for products in 2025:

ABS/SAN 85.6%, GPS 95.1%, EPS 90.3%, Glasswool 95.9%, Zhongshan Plant 80.7%.

### (II) Intellectual Property Implementation Report

#### I. 2025 Annual Report on the Implementation of Intellectual Property Management

##### **Intellectual Property Management Plan**

To align with its business strategy, enhance competitiveness, and protect R&D and branding achievements, the Company submitted the Intellectual Property Management Regulations to the Board of Directors on August 12, 2020, thereby implementing its intellectual property management policy. Centered on the management of patents, trademarks, trade secrets, and R&D outcomes, the Company continues to advance its intellectual property management system. The management approach is aligned with the Company's product development, technological upgrading, brand management, and market positioning. Through institutionalized mechanisms for application, maintenance, utilization, and internal control, the Company strengthens the protection of its technological achievements and enhances its operational competitiveness.

1. Patent management: Patent applications, maintenance, and validity period management are conducted for completed R&D outcomes to ensure that the Company's key technologies and product applications are legally protected.
2. Trademark management: In accordance with the trademark application and management procedures, the Company conducts



trademark naming, searches, applications, maintenance, and usage control. These activities are aligned with product sales strategies and brand positioning to enhance market recognition and protect brand rights and interests.

3. Trade secret management: Through the Employee Work Rules and confidentiality obligations, the Company governs employees' duty to maintain the confidentiality of business and technical information during and after employment, thereby reducing the risk of information leakage and improper use.
4. R&D results protection: By integrating R&D projects with product validation outcomes, the Company continuously advances the development of high-value materials, recycled material applications, flame-retardant formulations, and drinking water-related certifications. Depending on the nature of the results, appropriate protection and utilization measures are adopted, including patents, trademarks, trade secrets, or relevant certification mechanisms.

### **Implementation Status**

The Company submitted the Intellectual Property Management Regulations to the Board of Directors on August 12, 2020, and based on this, promoted the intellectual property management policy. In 2025, the Company continued to implement its intellectual property rights management plan in alignment with its business strategy, integrating intellectual property management with technology R&D, brand development, and product certification. The implementation results for 2025 and the R&D plan for 2026 were reported to the Board of Directors on November 7, 2025.

The key implementation results in recent years are as follows:

1. Continuously processing patent applications and maintenance, the currently valid patents include utility model patents related to soundproof composite materials in Taiwan and China.
2. The Company continues to implement its trademark management mechanism to protect and maintain its brands. As of the end of 2025, it has obtained 13 trademarks in Taiwan and 8 trademarks in Mainland China.
3. In accordance with employee work regulations and confidentiality standards, the management of trade secrets is executed by establishing confidentiality requirements for employees handling

business and technical information. Violators will be subject to disciplinary action as stipulated and may be held legally accountable.

4. In alignment with the research and development plan, multiple outcomes and validations have been advanced, including glass wool health construction materials, TAIECOR PIR-ABS recycled materials, low peroxide flame-retardant EPS formulations, and GPPS drinking water materials with NSF-61 certification.

### **Acquisition of Intellectual Property Inventory and Achievements**

1. Patents: Currently, there are 2 valid patents, located in Taiwan and China, respectively. The patent name is "Sound-absorbing composite board," and the relevant validity periods are shown in the table below.

<b>Patent Region</b>	<b>Patent Category</b>	<b>Patent Name</b>	<b>Validity Period</b>
Taiwan	New model no. M563455	Sound-absorbing composite board	July 11, 2018 to April 15, 2028
Mainland China	Utility model patent certificate Certificate no. 8262404 Patent no. ZL2018.2 0554773.8	Sound-absorbing composite board	April 18, 2018 to April 17, 2028

2. Trademark: As of the end of 2025, the Company has obtained 13 trademarks in Taiwan and 8 trademarks in Mainland China. These cover brand and product identifiers such as TTC, TAILAC, TAITAREX, TAITACELL, SINOLAC, SINOREX, TAITALAC SAN RESIN, and TAIECOR PIR ABS. The details are presented in the table below.
3. Trade secrets: In accordance with the Employee Work Rules, which comprise 11 chapters and 84 articles, the Company has established a trade secret protection mechanism covering employees' confidentiality obligations during and after employment. This serves as the institutional foundation for



safeguarding the Company's technical, business, and operational information.

4. R&D achievements and technology development: In 2025, the Company continued to advance research initiatives in glass wool, PIR-ABS, flame-retardant EPS, and GPPS. At the same time, relevant validation, certification, and application deployment activities were carried out in parallel.

## Chapter 6 Special Notes

### I. Information on Affiliates

The consolidated business report, consolidated financial statements, and related party report for 2025 have been announced and filed on the Market Observation Post System (MOPS). Please refer to the Basic Information/Electronic Documents/Related Party Reports sections of the MOPS:[https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co\\_id=1309&year=&mtype=K&isnew=true](https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=1309&year=&mtype=K&isnew=true).

II. Private Placement of Securities during the Most Recent Fiscal Year and during the Current Fiscal Year Up to the Date of Publication of the Annual Report: None.

III. Other Supplementary Information: None.

IV. Occurrence of Any Events that have Significant Impact on the Shareholders' Rights or Securities Prices as Stated in Subparagraph 2 of Paragraph 3 of Article 36 of the Securities and Exchange Act during the Most Recent Years and up to the Date of Publication of the Annual Report: None.

Taita Chemical Company, Ltd.

Chairman: Quintin Wu