

Stock Code : 4306



炎洲集團
YC GROUP

YEM CHIO CO., LTD.

2024 Annual Report

Taiwan Stock Exchange Market Observation Post System:

<http://mops.twse.com.tw/>

**Information declaration website designated by the Securities and
Futures Bureau**

2023 Annual Report is available at: <http://www.ycgroup.tw/>

Printed on April 22, 2025

1. Spokesperson
Name: Fang, Shu-Fen
Title: General Manager
Tel: 886-2-8170-6199
E-mail: gina@ycgroup.tw

Acting Spokesperson
Name: Lee, Shu-Wei
Title: CEO
Tel: 886-2-8170-6199
E-mail: peterlee@woc.ycgroup.tw

Acting Spokesperson
Name: Chang, Yung-Chieh
Title: Director of Finance Department
Tel: 886-2-8170-6199
E-mail: eddie@ycgroup.tw
2. Headquarters, Branches and Plant
Headquarters
Address: 7F., No. 397, Xingshan Rd., Neihu Dist., Taipei City 114521 Taiwan (R.O.C.)
Tel: 886-2-8170-6199
Fax: 886-2-8792-1311
(For Subsidiary and factory information, please refer to the back cover for details)
3. Stock Transfer Agent
Taishin International Commercial Bank Co., Ltd. Stock Agency Department
Address: No. 96, Sec. 1, Jianguo N. Rd., Zhongshan Dist., Taipei City 104496, Taiwan (R.O.C.)
Tel: 886-2-2504-8125
Website: <https://www.tssco.com.tw/stocktransfer/>
4. Auditors
CPAs: Liu Rong-Jin and Hsieh Sheng-An
Firm: Ernst & Young Global Limited, Taiwan
Address: 9F, No. 333, Section 1, Keelung Road, Xinyi District, Taipei City
Tel.: (02)2757-8888
Website: https://www.ey.com/zh_tw
5. Overseas Securities Exchange
None
6. Corporate Website
<http://www.ycgroup.tw>

Content

One. Letter to Shareholders	1 -
Two. Corporate Governance Report.....	7 -
I. Directors, Supervisors, General Manager, Deputy General Manager, Associates, Departments and Branch Officers Information	- 8 -
II. Implementation of Corporate Governance.....	24
III. Information Regarding the Company's Audit Fee and Independence	70
IV. Information on change of CPAs:.....	71
V. The Employment of the Company's Chairman, General Manager, Financial or Accounting Manager with the Firm of the Auditing CPA or Its Affiliated Businesses in the Past Year:.....	71
VI. Changes in shareholding of Directors, supervisors, managers, and shareholders whose shareholding ratio exceeds 10%	72
VII. Relationship among the Top Ten Shareholders.....	73
VIII. Comprehensive shareholding ratio.....	74
Three. Capital Overview.....	75
I. Capital and Shares.....	76
II. Bonds.....	84
III. Preferred Shares	87
IV. Status of global Depository Receipts	87
V. Status of employee Stock Options	87
VI. Status of new shares that restrict employees' rights	87
VII. Status of New Shares Issuance in Connection with Mergers and Acquisitions.....	87
VIII. Financing Plans and Implementation.....	87
Four. Operations Profile	88
I. Business Activities	89
II. Market and Sales Overview	97
III. Information on the employees of the company and its subsidiaries in the last two years and as of the publication date of the annual report:	102
IV. Environmental Protection Expenditure.....	116
V. Labor Relations	117
VI. Information security management	118
Five. Review of Financial Conditions, Financial Performance, and Risk Management	123
I. Analysis of Financial Status.....	124
II. Analysis of Financial Performance	126
III. Analysis of Cash Flow	127
IV. Major Capital Expenditure Items.....	128
V. Investment Policy Last Year, Main Causes of Profits or Losses,	

Improvement Plans and Investment Plans for the Coming Year	129
VI. Risk Management & Analysis.....	130
VII. Other important matters	136
Six. Special Disclosure.....	137
I. Overview of affiliated companies	138
II. Private Placement of Securities in Most Recent Years: None	138
III. Other necessary supplementary explanations	138
IV. In the most recent year and as of the date of publication of the annual report, matters that had a significant impact on shareholders' rights and interests or securities prices as stipulated in Article 36, Paragraph 2, Subparagraph 2, of the Securities and Exchange Act are as follows.....	138

One. Letter to Shareholders

Dear shareholders,

In 2024, Yanzhou moved forward steadily, showing resilience and growth. As the downstream customers' inventories were getting low, adhesive tapes performed steadily. In addition, as the construction project "Wangchiao Yipin" in Linkou was delivered in May, the consolidated revenue reached NTD 15.891 billion for the year, reflecting a 20% growth from 2023. Although non-operating impairment losses on property and equipment recognized affected the final profit, the overall operations kept improving steadily, with the net profit after tax reaching NTD 817 million, up 2% from 2023. These results could not have been achieved without the efforts of all employees. I would also like to thank our shareholders for their patience and confidence, which, despite market changes, have helped us keep moving steadily and plan for long-term development. Looking ahead, we will continue to deepen and expand our corporate moat and drive long-term competitiveness through operational transformation.

●**The uncertainties in global trade tariffs are accelerating the slowdown in economic growth.**

The global trade environment is full of uncertainties this year. Tariffs, trade barriers and technology export restrictions between the US and China may impact supply chains and lead to economic recession. Amid challenges, YEM CHIO will continue to strengthen its operational resilience by flexibly adjusting the procurement of raw materials, the allocation of supply chains and capacity, and reducing potential risks. The Company will keep abreast of market and policy changes, improve financial stability, and ensure steady operations in an unfavorable environment to create long-term value for shareholders.

●**Cultivate strength and grow steadily, driven by adhesive tapes and real estate**

In terms of adhesive tapes, YEM CHIO will continue to optimize the product mix and production capacity allocation in the production base to ensure stable gross margin. At the same time, we may expand our market presence through strategic M&A to enhance competitiveness. As for real estate, YEM CHIO is actively expanding its market beyond Taipei and New Taipei. On the other hand, we have been actively purchasing land in the New Taipei City Xin-Tai Wenzizun Redevelopment Zone in recent years. The zone has full transportation and urban planning potential. After land division in 2026, we will gradually launch projects based on the market and the surrounding environment to inject strong growth momentum for real estate.

●**Orderly intergenerational transition and steady deepening of cultivation**

The sustainability of a company depends on steady inheritance and deep-rooted talent cultivation. In the face of environmental changes and organizational transformation needs, Yem Chio has been actively planning the succession of its leadership in recent years. In June 2025, the Chairperson and the General Manager will be replaced by newly-elected candidates, marking the official start of a new generation of leadership. We also promote the toughening of mid-career executives and the rotation of key positions in the same time to enhance the depth and stability of the management team. Through education and training, performance orientation and organizational culture inheritance, the Company has built a stable and resilient talent pipeline. Placing an equal emphasis on succession and talent cultivation is an important cornerstone for driving Yem Chio's long-term competitiveness.

Amid market changes, YEM CHIO has always adhered to the principles of steady operations and precise layout, in order to create long-term value for shareholders. We will rise to all challenges and opportunities with greater determination and greater prudence. Thanks to all shareholders for your trust and support, so that we can create a more amazing future together!

Chairman



Business report

I. Operating Performance in 2024

(I) Business plan implementation results

- (1) Sales: The net consolidated sales revenue in 2024 was NT\$15,891,082 thousand, a 20.2% increase from 2023. The contribution of the tape manufacturing department was NT\$10,610,128 thousand at a rate of 66.8%.
- (2) Production: In 2024, about 1.30311 billion m2 of glue was used for tapes and the production volume of the films was 78,455 tons.

(II) Consolidated business results summary

(Unit: NT\$ thousand)

Item	2024	2023	Percent Change
Operating Revenue	15,891,082	13,223,736	20.2%
Operating Costs	13,265,074	11,045,427	20.1%
Operating Margin	2,626,008	2,178,309	20.6%
Operating Expenses	1,597,710	1,505,783	6.1%
Operating Profit	1,028,298	672,526	52.9%
Net Non-operating Income	115,784	322,859	-64.1%
Income before Tax	1,144,082	995,385	14.9%
Income tax expense	254,711	139,847	82.1%
Net income	889,371	855,538	4.0%

(III) Financial Revenue and Expenditure and Profitability analysis

The Consolidated income and expenditure overview comparison is illustrated as follows:

Income:

(Unit: NT\$ thousand)

Item	2024	2023	Percent Change
Operating Income	15,891,082	13,223,736	20.2%
Non-Operating Income	645,601	574,282	12.4%
Total	16,536,683	13,798,018	19.8%

Expenditure :

(Unit: NT\$ thousand)

Item	2024	2023	Percent Change
Operating Cost	13,265,074	11,045,427	20.1%
Operating Expense	1,597,710	1,505,783	6.1%
Non-Operating Expense	529,817	251,423	110.7%
Total	15,392,601	12,802,633	20.2%

(IV) Revenue structure analysis: The company's consolidated net revenue in 2024 was NT\$15.89 billion. The total net revenue of each department of the company is illustrated as follows:

(Unit: NT\$ thousand)

Item	Amount	Percentage
Tape Manufacturing Department	10,610,128	66.8%
Distribution Business Group	1,436,198	9.1%
Real Estate Business Group	2,961,595	18.6%
Special Chemistry Department	465,066	2.9%
New Energy Department	418,095	2.6%
Total	15,891,082	100.0%

(V) Research development status:

The company's short-term R&D direction is to meet the needs of the market and customers, develop or adjust adhesive formulation and add different coating technologies to produce products that can be commodified and in line with future trends.

In the mid-term, it will be vertically integrated upwards by organizational adjustments, recruitment of R&D personnel, and increasing our own development abilities for various films year by year to make products that are differentiated from the market.

Person in Charge: Lee, Chih-Hsieh

Manager: Fang, Shu-Fen

Accountant in charge: Chou, Yun-Ting

II. Implementation status of budgets:

According to the applicable laws, the Company did not disclose financial forecasting data in 2024. The overall actual operating status and performance were considerably the same as the internal operating budgets.

III. Overview of the 2025 business plan:

(I) Business policies

On adhesive tapes, YEM CHIO will continue to optimize the product mix and production capacity utilization rate in each production base to improve the overall operating efficiency and ensure the stable gross margin. At the same time, we may expand our market presence through strategic M&A to enhance the competitive advantages.

In addition, the special chemistry business focuses on chemicals used in the production process of semiconductor and panel products, such as developing agents, cleaning agents, PR strippers, silane-based electronic-grade materials, and customized formula products, with wafer fabs and assembly houses in the semiconductor industry as well as panel manufacturers as the end customers. These materials are currently being steadily shipped from the Yangmei Plant. We also actively develop recovery and purification technologies to achieve the goal of sustainable high-value products. The application of the Company for the investment in the Huawei Science Park, a branch under the Central Taiwan Science Park, has been approved, and the Company has invested about NT\$1.13 billion to set up a factory. In addition to increasing existing capacity to meet customers' needs, we enhance R&D momentum, improve product development and customer service capabilities, expand capacity in line with customer demands, and increase our gross margin. The product line includes items in relatively high demand, as well as small-volume, high-margin products that can stabilize factory operations and improve operating profit. The Company has established partnerships in China and Southeast Asia to enter local markets there. The operating risks are controllable and the business grows steadily.

(II) Expected sales volume and basis of estimate

We produce more than 220 million m² of BOPP, double-sided and PVC tapes every year. The annual production volume of the BOPP film reaches up to about 60,000 tons. Tapes and films are the major business items of the Company and the growth of the Group's business is expected in the future in consideration of the reduced inventories of customers and the reopening of China in the post-pandemic era.

(III) Important production and sales policies:

The Group produces and sells a variety of products for different industries, including BOPP films, different adhesive tapes, finished glue, specialty chemicals and raw materials, packaging materials of different kinds, construction/development, and hotels. We also make investments in the fields of IT, optoelectronics and electronics. We will continue to maximize the production of various adhesive tapes by transforming them toward solvent-free production, along with BOPP and PVC films, special chemicals for the semiconductor industry, and finished glues based on the core techniques of the Group.

IV. Future development strategies of the Company (ESG):

In addition to focusing on the existing products and techniques, we will enhance the development of customized products to meet different market demands based on our core products and techniques. Increasing the competitiveness of the products is another goal to be

achieved with the support of the digital optimization and training of the talents in the aspects of energy-saving and carbon-reduction, in order to develop the Company as a benchmark enterprise that has the completest vertical integration in the production and sale of packaging materials. The Company will be dedicated to the implementation of the business transformation policy to eliminate non-operating investments and assets, including idle factory buildings or equipment that is not favorable to the benefit, create the best ROE and ROA for the Company, become a benchmark and a happy enterprise with humans as the core based on our commitment to ethics, innovation, stability, and sustainable operations, and fulfill our social responsibilities in the achievement of the mission to create a multi-win situation for our employees, customers, shareholders, suppliers, and the Company.

V. Impacts of external competition environment, regulatory environment and overall business environment:

As for the external competition environment, the Company still faces the threat of oversupply from Mainland China and the developing countries in Southeast Asia. Nevertheless, since films and tapes are upgraded continuously and applied to more industries, the demands remain growing every year. With the support of the experiences and techniques that have been accumulated for more than 45 years, we continue taking the leading position in the tape industry in Taiwan and investing in specialty chemicals to increase the gross margin, enhance the competitive strength, and maintain our competitive advantages. As for the regulatory environment, the Company has started the carbon management project team in response to energy saving and carbon reduction and acquired the ISO 50001 Energy Management Systems certificate. We will continue performing greenhouse gas inventory as required by ISO 14064. As for the overall business environment, the geopolitical effect that is affecting the supply chain, the high inventory, and other factors worsen the uncertainty of the overall economic activities. Even though the Company has developed different countermeasures and these adverse elements will expectedly bring about an insubstantial impact on the business of the Company. The Group will create higher value for the customers and shareholders. The trade war between the US and China has brought about strong semiconductor demand in China market, and there is also a focus of deployment for special chemical products.

Two. Corporate Governance Report

I. Directors, Supervisors, General Manager, Deputy General Manager, Associates, Departments and Branch Officers Information

(I) Directors

1. Information about Directors

3 31, 2025

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	ROC	Ings Chyung International Co., Ltd.	-	06.17, 2022	3	06.28, 2016	42,748,839	6.43%	42,748,839	6.29%	-	-	-	-	-	-	-	-	-	
		Representative: Lee, Chih-Hsieh	M 61-70	-	-	-	-	-	5,000,000	0.74%	4,479,704	0.67%	-	-	23rd ROC Youth Entrepreneurship, Chairman and General Manager of YEMCHIO Company, Master of Business Administration from Bellington University, USA	The company: President Other companie: Chairman of ENCHUAN International Director of YING CHUNG CO., LTD.	Director Manufacturing Business CEO	Lee, Shu-Wei Lee, Chi-Cheng	Father and Son Father and Son	
Director	ROC	Ings Chyung International Co., Ltd.	-	06.16, 2023	3	06.28, 2016	42,748,839	6.43%	42,748,839	6.29%	-	-	-	-	-	-	-	-	-	
		Representative: Lee, Su-Wei	M 41-50	-	-	-	-	-	2,760,436	0.41%	-	-	-	-	President, Ningbo Asia Plastics Technology Co., Ltd.; President, Wong Chio Development, Ltd.; President, Yem Chio Co., Ltd.; Chairman, Wong Chio Development, Ltd.; CEO, Real Estate Business Group, Yem Chio Co., Ltd.	The company: CEO Other companie: Director of Wangzhou Development Co., Ltd., UINN Hotel limited company and Achem Technology Corporation	Chairman Manufacturing Business CEO	Lee, Chih-Hsieh Lee, Chi-Cheng	Father and Son Brothers	
Director	ROC	Asia Plastics Co., Ltd.	-	06.17, 2022	3	06.28, 2013	44,466,552	6.69%	52,974,405	7.80%	-	-	-	-	-	-	-	-	-	
		Representative: Sishan Lin	M 61-70	-	-	-	-	-	2,955,946	0.44%	2,113,693	0.31%	-	-	General Manager of Haojun Construction Co., Ltd., Chairman and General Manager of Hausen Construction Company, Mingdao Middle School	The company: None Other companies: Chairman and General Manager of Hausen Construction Company	-	-	-	
Director	ROC	Asia Plastics Co., Ltd.	-	06.16, 2023	3	06.28, 2013	44,466,552	6.69%	52,974,405	7.80%	-	-	-	-	-	-	-	-	-	
		Representative: Fang, Shu-Fen	F 51-60	-	-	-	-	-	319,000	0.05%	-	-	-	-	Accounting manager, ACHEM Opto-Electronic Corporation; Deputy Director, Administration Division of ACHEM Opto-Electronic Corporation Director of Administration Division and Special Assistant of President, Yem Chio Co., Ltd.	The company: General Manager Other companies: Director of Chuangfu Investment Company and ACHEM OPTO-ELECTRONIC CORPORATION.	-	-	-	
Independent Director	ROC	Chen, Yan-jun	M 61-70	06.17, 2022	3	06.20, 2019	-	-	-	-	-	-	-	-	1. Chairman, General Manager, Chief Investment Strategy Officer of Can Star Netcom (Stock) Company 2. Chairman, Chief Executive Officer, Chief Risk Control Officer, General Manager of Group Finance of TSANN KUEN ENTERPRISE CO., LTD. 3. Chairman of Can Star International Travel Service (Stock) Company 4. Vice Chairman and Chief Strategy Officer of HOLA Hele (Stock) Company 5. Chief Financial Officer of HOLA (Stock) Company Group, Deputy General Manager of Business and Marketing Development Center. National Taiwan University Institute of International Enterprise	The Company: None Other Companies: Chairman of Junlin Co., Ltd., Independent Director of TECO Electro Devices Co., Ltd.	-	-	-	
Independent Director	ROC	Chen, Shun-Fa	M 61-70	06.17, 2022	3	06.20, 2019	-	-	-	-	-	-	-	-	Partner Accountant of PwC Taiwan Department of Accounting, National Chung Hsing University	The Company: None Head of Lucheng Management Other Companies: Consulting Co., Ltd., Independent Director of Xinchio Global Co., Ltd.,	-	-	-	

																Independent Director of Solidwizd Technology Co., Ltd.,					
Independent Director	ROC	Wang, Jian-Chuan	M 61-70	06.17, 2022	3	06.20, 2019	—	—	—	—	10,593	0.00%	—	—	Advisor of the Ministry of Economic Affairs, member of the Industry Advisory Committee of the Ministry of Economic Affairs PhD in Economics, Purdue University	The Company: None Other Companies: Vice President of Chung-Hua Institution for Economic Research and Vice CEO of the WTO and RTA Center , Supervisor of ECSY Network Co., Ltd. the Corporate Director of the Asia Pacific Emerging Industry Management Co., Ltd. and FAR EASTONE TELECOMMUNICATIONS CO., LTD. Director of Taiwan Nano & Micro-Photonics Co., Ltd.	—	—	—		

Note 1: If the Chairman of the company and the General Manager or the person with equivalent position (the top manager) are the same person, each other's spouse or relatives, the reason, rationality, necessity and corresponding measures (such as increasing the number of independent directors) should be explained. Moreover, there should be more than half of the directors not serving as employees or managers, etc. Related information: None

2. Corporate Shareholders

Major shareholders of corporate shareholders

04 22, 2025

Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding ratio%
Ings Chyung International Co., Ltd.	Lee, Shu-Wei (14.75%), Chi-Cheng, Lee (13.8%), Yujuan Wang (0%), Asia Plastics Co., Ltd. (4.75%) Trust property account in custody of Hua Nan Commercial Bank, Ltd. - Lee, Chih-Hsieh (62.35%); Trust property account in custody of Hua Nan Commercial Bank, Ltd. - Wang, Yu-Chuan (4.35%)	100%
Asia Plastics Co., Ltd.	Ings Chyung International Co., Ltd. (6.41%), Yujuan Wang (0%), Ying Chung Co., Ltd. (6.41%), Lee, Shu-Wei (10.24%), Chi-Cheng, Lee (10.23%), Trust property account in custody of Hua Nan Commercial Bank, Ltd. - Lee, Chih-Hsieh (66.7%)	100%

Major shareholders of the Company's major institutional shareholders

04/22/2025

Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding ratio%
Asia Plastics Co., Ltd.	Ings Chyung International Co., Ltd. (6.41%), Yujuan Wang (0%), Ying Chung Co., Ltd. (6.41%), Lee, Shu-Wei (10.24%), Chi-Cheng, Lee (10.23%), Trust property account in custody of Hua Nan Commercial Bank, Ltd. - Lee, Chih-Hsieh (66.7%)	100%
Ings Chyung International Co., Ltd.	Lee, Shu-Wei (14.75%), Chi-Cheng, Lee (13.8%), Yujuan Wang (0%), Asia Plastics Co., Ltd. (4.75%) Trust property account in custody of Hua Nan Commercial Bank, Ltd. - Lee, Chih-Hsieh (62.35%); Trust property account in custody of Hua Nan Commercial Bank, Ltd. - Wang, Yu-Chuan (4.35%)	100%
YING CHUNG CO., LTD.	Lee, Shu-Wei (16.22%), Chi-Cheng, Lee (17.08%), Yujuan Wang (0%), Trust property account in custody of Hua Nan Commercial Bank, Ltd. - Lee, Chih-Hsieh (43.4%); Trust property account in custody of Hua Nan Commercial Bank, Ltd. - Wang, Yu-Chuan (23.3%)	100%

3. Director's Information II

(1) The Disclosure of Directors' Professional Qualifications and Independent Directors' Independence Status:

Criteria Name	Qualifications and Experience	Independence of independent directors	Number of other listed companies where he/she serves as an independent director
Director Ings Chyung International Co., Ltd. Representative: Lee, Chih-Hsieh	Master of Business Administration from Bellington University, USA The Founder of the Company, Chairman of YEMCHIO Company, 13th Chairman of TAAT, 23rd ROC Youth Entrepreneurship, has work experience in the areas of commerce, or otherwise necessary for the business of the company.	N/A	None
Director Asia Plastics Co., Ltd. Representative: Lin, Si-Shan	Mingdao Middle School, Chairman and General Manager of Hausen Construction Company, General Manager of Hausen Construction Company, has work experience in the areas of commerce, or otherwise necessary for the business of the company.		None
Director Representative of INGS Chyung International Co., Ltd., Lee, Shu-Wei	Graduated with a Master's degree from Department of International Business, Ming Chuan University He is currently the CEO of the Company's real estate business and the Chairman of Yem Chio Hotel. Before that, he served as the general manager of Asia Plastics in Ningbo, the general manager of Wangzhou Construction, the general manager of the Company, the Chairman of Wangzhou Construction, and the Director of the Finance Division, Director of the Human Resources Division and special assistant of the President of the YC Group. He has more than 5 years of work experience in business, finance, accounting and other areas required for the operation of the Company.		None
Director Representative of Asia Plastics Co., Ltd., Fang, Shu-Fen	Graduated with a master's degree in accounting from Northern Illinois University, USA. She is a qualified CPA and currently the general manager of the Company. Before that, she has served as the accounting manager and deputy director of the Administration Division of ACHEM Opto-Electronic Corporation, the director of the Company's Administration Division, and the special assistant of the president. She is specialized in accounting and finance and has more than 5 years of work experience in business, finance, accounting and other areas required for the operation of the Company.		None
Independent Director Chen, Yan-Jun	Graduated with a Master's degree from Department of International Business, National Taiwan University, the independent director is the convener of our Remuneration Committee and a member of the Audit Committee. He is a qualified CPA and currently the Chairman of the Jun Lin Co., Ltd., Independent Director (Audit Committee Member, Sustainable Development Committee Member), TECO Image Systems Co., Ltd.; Remuneration Committee Member and Nomination Committee Member, University Vision Biotechnology Co., Ltd.. Before that, he served as the Chairman, General Manager, and Chief Investment Officer of Star Comgistic Capital Co., Ltd., the Chairman, CEO, Chief Risk Officer, Finance General Manager, CFO of Tsannkuen Co., Ltd., the Chairman of Star Travel Co., Ltd., the Vice Chairman and Chief Strategy Officer of HOLA Furnishing Co., Ltd., the CFO, Deputy General Manager of Sales and Marketing Development Center of Test Rite International Co., Ltd. He is specialized in accounting and finance and has more than 5 years of work experience in business, finance, accounting and	During the two years before being elected or during the term of office, each of the following independence assessment criteria were met: (1) Not an employee of the Company or any of its affiliates. (2) Not a director or supervisor of the Company or any of its affiliates (Does not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country and concurrently serving as such at a public company and its parent or subsidiary or a subsidiary of the same parent company). (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or ranking in the top 10 in	2

	other areas required for the operation of the Company.		
Independent Director Chen, Shun-Fa	Department of Accounting, National Chung Hsing University, member of the Remuneration Committee and Audit and Risk Committee of the Company, qualified as CPA, Partner Accountant of PwC Taiwan, Head of Lucheng Management Consulting Co., Ltd., Independent Director of Solidwizard Technology Co., Ltd., and Yem Chio Distribution CO., LTD. has work experience in the areas of commerce, finance, accounting or otherwise necessary for the business of the company.	(4) Does not have a spouse, relative within the second degree of consanguinity in the position of third level managers listed in (1) or personnel listed in (2), (3). (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. (Does not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country and concurrently serving as such at a public company and its parent or subsidiary or a subsidiary of the same parent company).	2
Independent Director Wang, Jian-Chuan	Graduated with a PhD's degree in Economics from Purdue University, USA, the independent director is the convener of our Remuneration Committee and a member of the Audit Committee. He currently serves as the Vice President, Chung-Hua Institution for Economic Research and the Deputy CEO of Taiwan WTO Center and Taiwan RTA Center, the Supervisor of ECSY Network Co., Ltd., the Director of Asia Pacific Emerging Industry Venture Investment Co., Ltd., the Director of Far EasTone Telecommunications Co., Ltd., Director of Taiwan Nano & Micro-Photonics Co., Ltd. Before that, he served as the consultant of the Ministry of Economic Affairs, the member of Industrial Consulting Commission, Ministry of Economic Affairs, the Advisor and scriptwriter for the Economic Development Advisory Conference, Office of the President, the 9th President and academican of Asia Pacific Industrial Analysis Association, President of Smart Mobility Association Taiwan, member of Taxation Reform Commission of Executive Yuan, Director and research fellow of The Third Research Division, Chung-Hua Institution for Economic Research. He has more than 5 years of work experiences in business and other areas required for the operation of the Company.	(6) Not a director, supervisor, or employer of another company where more than half of the company's director seats or voting shares are controlled by the same person. (Does not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country and concurrently serving as such at a public company and its parent or subsidiary or a subsidiary of the same parent company). (7) Not a chairperson, general manager, or person holding an equivalent position in the company and a person in any of those positions at another company or institution or a spouse thereof. (Does not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country and concurrently serving as such at a public company and its parent or subsidiary or a subsidiary of the same parent company). (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company. (Does not apply to the specified company or institution which holds 20% or more and no more than 50% of the total number of issued shares of the public company, and the independent directors appointed in accordance with the Act or the laws and regulations of the local country and concurrently serving as such at a public company and its parent or subsidiary or a subsidiary of the same parent company). (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the	None

		<p>company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</p> <p>(10) Does not have a spouse, or a relative within the second degree of kinship as any other director of the Company.</p> <p>(11) Does not fall under any of the conditions defined in Article 30 of the Company Act.</p> <p>(12) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.</p>	
--	--	---	--

(2) Diversification and Independence of the Board of Directors:

Diversification of the Board of Directors:

There are total seven directors. Among the board members, six are male and one is female. The directors are aged between 40 and 60 years old and have extensive industry expertise and business background, which greatly enhances the independence and diversification of the Board of Directors allowing them to fully implement strategies and guidance. The board meetings are held at least once a quarter, and a total of 5 board meetings were held in 2024 with 100% attendance. Under the leadership of the Chairman of the Board, Mr. Li makes management decisions with his extensive expertise to enhance operational performance and lead the Board of Directors.

Although the proportion of directors of either gender is currently less than one-third of the Company's board seats, all directors possess the professional capabilities required for the operation of the Company. We will look for suitable candidates for the re-election of the Board of Directors to gradually achieve the aforementioned goal.

In accordance with the company's regulations and the "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies", the appointments of directors should take into consideration the entire configuration of the Board of Directors, including abilities in terms of operational judgment, operations management, accounting and financial analysis, crisis handling, knowledge of the industry, international market perspective, leadership, and decision-making. At the same time, the Board of Directors also complies with the "Directions for the Implementation of Continuing Education for Directors of TWSE Listed and TPEx Listed Companies", arranging for the directors to attend external trainings, such as the operation of the Board of Directors and supervisors and healthy corporate governance course, in order to strengthen their governance capabilities.

The Specific Management Objectives of The Board of Directors' Diversity Policy and their Status of Achievement are as Follows:

Objective	Status
Independent Directors exceeded one-third of the board seats	3 independent directors
Independent directors have not served more than 3 terms	No more than 3 terms
The number of directors serving as managers of the Company shall not exceed one-third of the total number of directors	3 directors who also serve as managers
At least one director qualified as a CPA	Three directors qualified as CPAs
Directors in either gender are no less than one-third of all directors	1 female director
Half of all directors have practical experience in operating a company	Achieved 100%
Half of all directors have practical experience in adhesive tapes	Achieved 100%

At least one of the members has practical experience in real estate construction	Achieved 100%
--	---------------

The implementation status of the diversity policy on the formation of the Board of Directors are described below:

Core of diversity Name		Basic formation					Professional background			Professional knowledge and skills							
		Nationality	Gender	Serving as employee	Age		Seniority of independent director (less than 6 years)	Accounting	Industry	Finance	Operational judgment ability	Operational management ability	Leadership	Crisis management ability	Knowledge of industry	Understanding of international markets	
					51-60 years old	61-70 years old											
Director	Lee, Chih-Hsieh	R.O.C.	Male	√			√			√	√	√	√	√	√	√	
	Lee, Su-Wei		Male				√			√	√	√	√	√	√	√	
	Lin, Ssu-Shan		Male	√	√				√	√	√	√	√	√	√	√	
	Fang, Shu-Fen		Female	√		√			√	√	√	√	√	√	√	√	
Independent Director	Chen, Yen-Chun		Male				√	√	√	√	√	√	√	√	√	√	√
	Chen, Shun-Fa		Male				√	√	√	√	√	√	√	√	√	√	√
	Wang, Chien-Chuan		Male				√	√		√		√	√	√	√	√	√

The Independence Status of the Board of Directors:

Independence of the Board of Directors: The Board of Directors of the company consists of seven directors, three of which are independent directors, accounting for 43% of all, four of the general directors, one is an external director, except for two directors who are relatives within the second degree of kinship, there is no relationship of spouse or a relative within the second degree of kinship among the other directors, so the Board of Directors is independent in the administration of its responsibilities.

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

03 31, 2025

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shares Held in the Names of Others		Experience (Education)	Other Position (Note 3)	Managers who are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	ROC	Lee, Chih-Hsieh	Male	05 01,2023	5,000,000	0.74%	4,479,704	0.66%	-	-	23rd ROC Youth Entrepreneurship, Chairman of Yanzhou Company, Master of Business Administration from Bellington University, USA	Other companies: Chairman of Ings Chyung International Co., Ltd and Director of Behavior Tech Computer Corp.	Real estate business group CEO Special Manufacturing Business CEO	Lee, Shu-Wei Lee, Chi-Cheng	Father and Son	
General Manager ¹	ROC	Fang, Shu-Fen	Female	03 25,2022	319,000	0.05%	-	-	-	-	Master of Accounting, Northern Illinois University Pass the CPA Exam Passed the Taiwan Accountant Exam	Director of Chuangfu Investment Company and ACHEM OPTO-ELECTRONIC CORPORATION.				
Manufacturing Business CEO	ROC	Lee, Chi-Cheng	Male	07 01,2024	2,529,236	0.37%	-	-	-	-	Chairman of ACHEM Technology Corporation and Yem Chio Distribution CO., LTD., CEO of ACHEM Technology Corporation Chief Operating Officer and Deputy Chief Executive Officer of Achem Technology Corporation in China, Master of Business Administration, National Taiwan University Master of Mechanical Engineering, National Taiwan University	Vice Chairman of Achem Technology Corporation and Yem Chio Distribution CO., LTD.,	President Real estate business group CEO	Lee, Chih-Hsieh Lee, Shu-Wei	Father and Son Brothers	Note 1
Manufacturing Business Co-Chief Operating Officer	R.O.C.	Chao, Po-Yang	Male	03.01.2024	5	0.00%	-	-	-	-	Co-CEO of Mfg. Business, ACHEM Technology Corporation Deputy CEO of ACHEM Technology Corporation Chairman of Foshan Plant, ACHEM Technology Corporation	None	-	-	-	Note 2
Manufacturing Business Co-Chief Operating Officer	China	Sun, Ni-Ying	Female	03.01.2024	-	-	-	-	-	-	Co-CEO of Mfg. Business, ACHEM Technology Corporation Deputy CEO of ACHEM Technology Corporation General Manager of Ningbo Plant, ACHEM Technology Corporation	None	-	-	-	Note 2
Distribution Business Group CEO	ROC	Jiang, Wen-Rong	Male	07 01,2018	417,347	0.06%	7,767	0.00%	-	-	General Manager of Packaging Materials Division and Director of YemChio Company, National Chengchi University Business Management-Master of Global Taiwanese Business Class	Director of Yem Chio Distribution CO., LTD., Director of Master Bao (Shanghai) Company and Achem (Wuhan) Company	-	-	-	
Real estate business group CEO	ROC	Lee, Shu-Wei	Male	04.01,2020	2,760,436	0.41%	-	-	-	-	General Manager of Ningbo YemChio; Master of International Business, Ming Chuan University	Director of Wangzhou Development Co., Ltd., Vice Chairman of Yem Chio Hotel CO., LTD., Director of Achem Technology Corporation	President Manufacturing Business CEO	Lee, Chih-Hsieh Lee, Chi-Cheng	Father and Son Brothers	
Corporate Governance Officer ⁶	ROC	Zheng, Yan-zhong,	Female	05 13,2021	334,451	0.05%	39,111	0.01%	-	-	Fu Jen Catholic University, Department of Accounting, National Taiwan University of Science and Technology, Graduate School of Management, EMBA Head of Audit Department of Zicheng United Certified Public Accountants	Supervisor of WH Group (Vietnam) Company, Director of Chuangfu Investment Company	-	-	-	
Financial	ROC	Chang, Yung-Chieh	Male	05.13,2021	8,474	0.00%	-	-	-	-	Deputy Audit Manager of Anhou	Director of Foshan Yida	-	-	-	

Officer ⁴											Jianye United Certified Public Accountants, Manager of Finance Department of China Vehicle Division of Liuhe Enterprise Group Department of Accounting, Tamkang University	Adhesive Products Co., Ltd., Wangzhou Development Co., Ltd. and ACHEM OPTO-ELECTRONIC CORPORATION. Supervisor of ASIACHEM Shanghai Company. Master Bao (Shanghai) Material Technology Co., Ltd., ASIACHEM (Wuhan) Co., Ltd., Wangzhou Technology (Supervisor of Chengdu) Company, Wangzhou Adhesive Products (Jiangsu) Company. Financial Officer of Yem Chio Distribution CO., LTD.,				
Accounting Officer ⁵	ROC	Chou, Yun-Tin,	Female	03 25,2022	6,000	0.00%	-	-	-	-	Deputy Audit Manager of Qinye Zhongxin United Certified Public Accountants Department of Accounting, Soochow University	Director of Wangzhou Development Company and ACHEM OPTO-ELECTRONIC CORPORATION	-	-	-	

Note 1: The special assistant to the President, Li, Chi-Cheng, was transferred to the CEO of the Manufacturing Business on July 1, 2024, to assist the President in the management of the manufacturing business, special chemistry business, and distribution business. He was removed from his concurrent position as the Director of the Human Resources Division on January 1, 2025.

Note 2: Deputy CEO of the Manufacturing Business Chao, Po-Yang and Deputy CEO Sun, Ni-Ying were promoted to Co-CEO of the Manufacturing Business on May 1, 2023. Both were transferred to the position of Co-COOs of the Manufacturing Business on March 1, 2024.

Note 3: If the Chairman of the company and the General Manager or the person with equivalent position (the top manager) are the same person, each other's spouse or relatives, the reason, rationality, necessity and corresponding measures (such as increasing the number of independent directors) should be explained. Moreover, there should be more than half of the directors not serving as employees or managers, etc. Related information: None

(III) Remuneration of Directors (Including Independent Directors), Supervisors, President, and Vice Presidents

Remuneration of Directors (Including Independent Directors)

Unit: NT\$ thousands

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) and to Net Income (%) ⁸		Relevant Remuneration Received by Directors who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) And to Net Income (%) ⁸		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary ⁹
		Base Compensation (A) ²		Severance Pay (B)		Directors Compensation(C) ³		Allowances (D) ⁴				Salary, Bonuses, and Allowances (E) ⁵		Severance Pay (F)		Employee Compensation (G) ⁶						
		The company	All companies in the consolidated financial statements ⁷	The company	Companies in the consolidated financial statements ⁷	The company	Companies in the consolidated financial statements ⁷	The company	Companies in the consolidated financial statements ⁷	The company	Companies in the consolidated financial statements ⁷	The company	Companies in the consolidated financial statements ⁷	The company	Companies in the consolidated financial statements ⁷	The company		Companies in the consolidated financial statements ⁷		The company	Companies in the consolidated financial statements ⁷	
																Cash	Stock	Cash	Stock			
Chairman	Ings Chyung International Co., Ltd Representative: Lee, Chih-Hsien	60	60	-	-	-	-	-	--	60/ 0.0073%	60/ 0.0073%	2,300	2,300	-	-	82	-	82	-	2442/ 0.2989%	2442/ 0.2989%	None
Director	Ings Chyung International Co., Ltd Representative: Lee, Shu-Wei	60	60	-	-	-	-	-	--	60/ 0.0073%	60/ 0.0073%	2,290	2,290	108	108	110	-	110	-	2568/ 0.3144%	2568/ 0.3144%	None
Director	Asia Plastics Co., Ltd. Representative: Lin, Ssu-Shan	60	60	-	-	-	-	36	36	96/ 0.0118%	96/ 0.0118%	-	-	-	-	-	-	-	-	96/ 0.0118%	96/ 0.0118%	None
Director	Asia Plastics Co., Ltd. Representative: Fang, Shu-Fen	60	60	-	-	-	-	-	-	60/ 0.0073%	60/ 0.0073%	2,913	2,913	108	108	124	-	124	-	3205/ 0.3923%	3205/ 0.3923%	None
Independent Director	Chen, Yen-Chun	60	60	-	-	-	-	36	36	96/ 0.0118%	96/ 0.0118%	-	-	-	-	-	-	-	-	96/ 0.0118%	96/ 0.0118%	None
Independent Director	Wang, Chien-Chuan	60	60	-	-	-	-	30	30	90/ 0.011%	90/ 0.011%	-	-	-	-	-	-	-	-	90/ 0.011%	90/ 0.011%	None
Independent Director	Chen, Shun-Fa	60	120	-	-	-	-	30	60	90/ 0.011%	180/ 0.022%	-	-	-	-	-	-	-	-	90/ 0.011%	180/ 0.022%	None

1. Please state the policy, system, standard and structure of the remuneration payment for independent directors, and state the relevance to the amount of remuneration based on the responsibilities, risks, investment time and other factors: the company's directors' remuneration currently adopts a fixed amount.

2. Except as disclosed in the above table, the remuneration received by the directors of the company for providing services to all companies in the financial report (such as serving as a consultant for parent company/ all company in financial statements/ non-employees of the reinvestment business, etc.) in the most recent year: 90 thousands NTD dollars.

Note 1: The names of directors should be listed separately (corporate shareholders should list the names of corporate shareholders and their representatives separately), and general directors and independent directors should be listed separately, and the payment amounts should be disclosed in a summary. If the director is also the general manager or deputy general manager, please fill in this form and the following table (3-1), or the following table (3-2-1) and (3-2-2).

Note 2: Refers to the remuneration of directors in the most recent year (including directors' salary, post bonus, severance payment, various bonuses, incentives, etc.).

Note 3: It is to fill in the amount of directors' remuneration approved by the Board of Directors in the most recent year.

Note 4: Refers to the director's relevant business execution expenses in the most recent year (including transportation allowance, special expenses, various allowances, dormitories, car allocation, etc.). When providing housing, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided as well as the actual or fair market price, rent, fuel and other payments should be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver, but it will not be included in the remuneration list.

Note 5: Refers to the recent year for concurrent directors and employees, (including general manager, deputy general manager, other managers and employees) received including salary, job bonus, severance payment, various bonuses, incentives, transportation allowance, special expenses, various allowances, dormitories, car distribution and other physical provisions and so on. When providing housing, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, the actual or fair market price, rent, fuel and other payments should be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver, but it will not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 "Share Based Payment", including obtaining employee stock options, restricting employee rights, new shares, and participating in cash capital increase subscription for shares, should also be included in the remuneration list.

Note 6: Refers to those who have received employee remuneration (including stocks and cash) for concurrent directors and employees (including concurrently serving as general manager, deputy general manager, other managers and employees) in the most recent year, the amount of employee remuneration distributed by the Board of Directors in the most recent year shall be disclosed. If it can't be estimated, the proposed distribution amount for this year shall be calculated based on the actual distribution amount last year and filled in Appendix Table 1-3.

Note 7: The total amount of remuneration paid to the directors of the company by all companies (including the company) in the consolidated report shall be disclosed.

Note 8: The amount of remuneration paid by the Company to each director is disclosed along with the names of the directors within the corresponding range.

Note 9: The total amount of remuneration paid by all companies (including the Company) covered in the consolidated financial statements to each director of the Company is disclosed along with the names of the directors and the ranges in which they fall.

Note 10: Net profit after tax refers to the net profit after tax of the individual or individual financial report in the most recent year.

Note 11: a. This column should clearly state the amount of relevant remuneration received by the directors of the company from the non-subsidiary transfer investment business or the parent company (if none, please fill in "none").

b. If the directors of the company receive relevant remuneration from non-subsidiary investment business or the parent company, the remuneration received by the company's directors from the non-subsidiary investment business or the parent company shall be included in column I of the remuneration scale table. And change the field name to "Parent company and all reinvested businesses."

c. Remuneration refers to the remuneration of employees, directors and supervisors and business execution expenses received by the directors of the company as directors, supervisors or managers of non-subsidiary investment enterprises or parent companies' remuneration.

* The content of the remuneration disclosed in this table is different from the income concept of the income tax law, so the purpose of this table is for information disclosure and not for taxation.

Remuneration of the President and Vice Presidents

Unit: NT\$ thousands; 12.31.2024

Title	Name	Salary (A) ²		Severance Pay (B)		Bonuses and Allowances (C) ³		Employee Compensation (D) ⁴				Ratio of total compensation (A+B+C+D) and to net income (%) ⁸		Compensation Paid to the President and Vice Presidents from an Invested Company Other than the Company's Subsidiary ⁹
		The company	Companies in the consolidated financial statements ⁵	The company	Companies in the consolidated financial statements ⁵	The company	Companies in the consolidated financial statements ⁵	The company		Companies in the consolidated financial statements ⁵		The company	Companies in the consolidated financial statements ⁵	
								Cash	Stock	Cash	Stock			
President	Lee, Chih-Hsieh	2,100	2,100	-	-	200	200	82	-	82	-	2,382/0.29%	2,382/0.29%	NONE
General Manager	Fang, Shu-Fen	2,640	2,640	108	108	273	273	124	-	124	-	3,145/0.38%	3,145/0.38%	
Manufacturing Business CEO	Lee, Chi-Cheng	-	2,916	-	108	-	440	-	-	-	-	-	3,464/0.42%	
Manufacturing Business Co-Chief Operating Officer	Chao, Po-Yang	-	2,130	-	108	-	253	-	-	-	-	-	2,491/0.30%	
Manufacturing Business Co-Chief Operating Officer	Sun, Ni-Ying	-	1,826	-	-	-	538	-	-	-	-	-	2,364/0.29%	
Distribution Business Group CEO	Jiang, Wen-Rong	-	1,334	-	100	-	6,936	-	-	-	-	-	8,370/1.02%	
Real estate business group CEO	Lee, Shu-Wei	1,986	1,986	108	108	304	304	110	-	110	-	2,508/0.31%	2,508/0.31%	

* Regardless of job title, anyone whose position is equivalent to general manager or deputy general manager (for example: president, chief executive officer, director... etc.) should be disclosed.

* Table of Range of Remuneration

Range of Remuneration	Name of President and Vice Presidents	
	Companies in the consolidated financial statements ⁶	Companies in the consolidated financial statements ⁷ , E
Under NT\$ 2,000,000		
NT\$2,000,000～NT\$4,999,999	Lee, Chih-Hsieh, Fang, Shu-Fen, Lee, Shu-Wei	Lee, Chih-Hsieh, Lee, Shu-Wei, Fang, Shu-Fen, Lee, Chi-Cheng, Chao, Po-Yang, Sun, Ni-Ying
NT\$5,000,000～NT\$9,999,999		Jiang, Wen-Rong
NT\$10,000,000～NT\$14,999,999		
NT\$15,000,000～NT\$29,999,999		
NT\$30,000,000～NT\$49,999,999		
NT\$50,000,000～NT\$99,999,999		
Over NT\$100,000,000		
Total	3	7

Note 1: The names of the general manager and deputy general managers shall be listed separately, and the payment amounts shall be disclosed in a summary. If the director is also the general manager or deputy general manager, please fill out this form and the above form (1-1), or (1-2-1) and (1-2-2).

Note 2: It is to fill in the salary of the most recent annual general manager and deputy general managers, position additions, and severance pay.

Note 3: It is to fill in the amount of various bonuses, incentives, transportation allowance, special expenses, various allowances, dormitories, car distribution and other remunerations provided by the general manager and deputy general managers in the recent year. When providing housing, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, the actual or fair market price, rent, fuel and other payments should be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver, but it will not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 "Share Based Payment", including obtaining employee stock options, restricting employee rights, new shares, and participating in cash capital increase subscription for shares, should also be included in the remuneration list.

Note 4: It is to fill in the amount of employee compensation (including stocks and cash) approved by the Board of Directors to distribute to the general manager and deputy general managers in the most recent year. If it can't be estimated, the proposed distribution amount for this year shall be calculated based on the actual distribution amount last year and filled in Appendix Table 1-3.

Note 5: The total amount of remuneration paid by all companies (including the company) to the general manager and deputy general managers of the company in the consolidated report shall be disclosed.

Note 6: The name of the general manager and deputy general managers should be revealed in the attribution level in the total amount of remuneration paid by company to each general manager and deputy general manager.

Note 7: The total amount of remuneration paid to every general manager and deputy general managers of the company by all companies (including the company) in the consolidated report shall be disclosed.

Note 8: Net profit after tax refers to the net profit after tax of the individual or individual financial report in the most recent year.

Note 9: a. This column should clearly state the amount of relevant remuneration received by the general manager and deputy general managers of the company from the non-subsidiary transfer investment business or the parent company (if none, please fill in "none").

b. If the general manager and deputy general managers of the company receive relevant remuneration from non-subsidiary investment business or the parent company, the remuneration received by the company's general manager and deputy general managers from the non-subsidiary investment business or the parent company shall be included in column I of the remuneration scale table. And change the field name to "Parent company and all reinvested businesses".

c. Remuneration refers to the remuneration of employees, directors and supervisors and business execution expenses received by the directors of the company as directors, supervisors or managers of non-subsidiary investment enterprises or parent companies remuneration.

* The content of the remuneration disclosed in this table is different from the income concept of the income tax law, so the purpose of this table is for information disclosure and not for taxation.

4. Name of managers who distribute employee compensation and the distribution status

Unit: NT\$ thousands

	Title ¹	Name ¹	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income (%)
Executive Officers	President	Lee, Chih-Hsieh	0	503	503	0.062%
	General Manager	Fang, Shu-Fen				
	Manufacturing Business CEO	Lee, Chi-Cheng				
	Manufacturing Business Co-Chief Operating Officer	Chao, Po-Yang				
	Manufacturing Business Co-Chief Operating Officer	Sun, Ni-Ying				
	Distribution Business Group CEO	Jiang, Wen-rong				
	Real estate business group CEO	Lee, Shu-Wei				
	Financial Officer	Chang, Yung-Chieh				
	Accounting manager	Chou, Yun-Tin				
	Corporate Governance Officer	Zheng, Yan-Zhong				

Note 1: Individual names and titles should be disclosed, but the profit distribution can be disclosed in a summary.

Note 2: It is to fill in the amount of employee compensation (including stocks and cash) approved by the Board of Directors for the distribution of managers in the most recent year. If it cannot be estimated, the proposed distribution amount for this year will be calculated based on the actual distribution amount last year. Net profit after tax refers to the net profit after tax in the most recent year; if IFRS has been adopted, net profit after tax refers to the net profit after tax of the individual or individual financial report in the most recent year.

Note 3: The scope of application of managers according to Taiwan-Financial-Securities-III- No.0920001301 is as follows:

- (1) General manager and equivalent position
- (2) Deputy general manager and equivalent position
- (3) Associate and equivalent position
- (4) Financial Officer
- (5) Accounting Officer
- (6) Others who have the right to manage affairs and sign for the company

Note 4: If the director, general manager and deputy general manager receive employee compensation (including stocks and cash), in addition to filling in the Appendix Table 1-2, they should also fill out this form.

5. Comparison of Remuneration for Directors, Supervisors, General Manager and Deputy General Managers in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, General Manager and Deputy General Managers

(1) The ratio of total remuneration to the net income

Title	Ratio of total remuneration to the net income in 2023		Ratio of total remuneration to the net income in 2024	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements
Director	1.04%	3.09%	1.05%	3.11%
General Manager and Deputy General Manager				

Note 1: No analysis is made in the event that the variation is less than 20% or the change of the amount is less than NT\$10,000 thousand.

(2) The remuneration to the Chairman and the directors is subject to the “Director Remuneration Management Regulations”, and the Board of Directors is authorized to determine it by resolution with reference to their involvement in and the value of their contribution to the operations of the Company; in addition, the remuneration to the President is comprised of salary and year-end bonus, the year-end bonus is based on the reasonable combination of the Company’s operations and individual performance. Remuneration to directors and the General Manager will be paid at rates in a structure under a system subject to adjustment based on future risk factors.

(3) The Articles of Incorporation and the Administrative Measures for Directors' Remuneration, whereby:

- i. The Company may pay remuneration to all directors for their service, provided that such remuneration shall not exceed 1% of the Company's profit after tax for the year.
- ii. Each person is entitled to a fixed amount of remuneration every year up to the limits set in the Articles of Incorporation.
- iii. All directors except for those who have a part in the daily management of the Company may receive attendance fees for their presence at shareholders' meetings, meetings of the board of directors or the audit committee and the remuneration committee once a day.
- iv. Travel expenses paid for the Company will be verified and reimbursed after the trip as per the Company's rules.
- v. The Chairman's remuneration will be determined by the board of directors due to his or her part in the management of the Company's daily operations.
- vi. If an independent director is also a member of the audit committee, then in addition to the second payment, the Company will pay each person an additional job allowance every year. Directors also serving as members of the remuneration committee will not receive a job allowance.

6. Performance evaluation of managerial officers:

The performance evaluation of the Company's managers is primarily based on operational performance and the achievement of goals, with talent cultivation, innovative thinking, leadership, professionalism, execution ability, team collaboration, communication, and coordination serving as the key evaluation aspects.

7. Performance evaluation results of directors and managerial officers, the correlation of the content and amount of the remuneration with the performance evaluation, and the reasonableness thereof:

The Company has a higher operating income and profit than in 2023, so the performance of the managerial officers and their remuneration (bonus) grew correspondingly

II. Implementation of Corporate Governance

1. Board of Directors

The Board of Directors held 5 meetings in 2024. The presence and attendance of the directors are described below:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Chairman	Ings Chyung International Co., Ltd Representative: Lee, Chih-Hsieh	5	—	100%	Re-elected on 2022/6/17
Director	Asia Plastics Co., Ltd. Representative: Sishan Lin	5	—	100%	Re-elected on 2022/6/17
Director	Ings Chyung International Co., Ltd. Representative: Lee, Su-Wei	5	—	100%	Co-optation on June 16, 2023
Director	Asia Plastics Co., Ltd. Representative: Fang, Shu-Fen	5	—	100%	Co-optation on June 16, 2023
Independent Director	Yen-Chun, Chen	5	—	100%	Re-elected on 2022/6/17
Independent Director	Jian Chuan Wang	5	—	100%	Re-elected on 2022/6/17
Independent Director	Chen, Shun-Fa	5	—	100%	Re-elected on 2022/6/17

Other items worth noting:

I. (I) Matters referred to in Article 14-3 of the Securities and Exchange Act.

Meeting Date (Session)	Resolution	Opinions of the Audit Committee and the company's handling of the opinions of the Audit Committee
03.14.2024 (1 st meeting in 2024)	1. Proposal for the appointment of CPAs for 2024 and the assessment of their independence and competency 2. Proposal for loaning of funds to ACHEM Petrochemical (Jiangsu) Co., Ltd. (in short "ACHEM Petrochemical") and cancellation of debts 3. Proposal for the plan to purchase a total of 13 land lots, serial no. 114-2, 114-12, 114-33, 123, 123-4, 123-15, 123-17, 123-25, 123-26, 123-38, 123-39, 123-43 and 123-45, Zhonggangcuo Section in Xinzhuang District of New Taipei City	The proposals were approved by all the independent directors.
05.14.2024 (2 nd meeting in 2024)	Proposal for provision of endorsement and guarantee for subsidiaries to apply to financial institutions for loan facilities.	The proposals were approved by all the independent directors.
06.27.2024 (3 th meeting in 2024)	1. Proposal for the plan to purchase a total of one land lot, serial no. 88, Dafen Section, Xindian District, New Taipei City 2. Ratification of the disposal of MediaTek and Foxconn shares and acquisition of TSMC shares	The proposals were approved by all the independent directors.
08.09.2024 (4 th meeting in 2024)	1. Proposal for cancellation of the endorsement and guarantee for subsidiaries to acquire	The proposals were approved by all the independent directors.

		loan facilities from financial institutions. 2. Ratification of the disposal of ASE Technology shares		
11.12.2024 (5 th meeting in 2024)		1. Establishment of the Sustainable Information Management Procedure 2. Ratification of the disposal of Evergreen Marine Corporation shares and acquisition of Quanta Computer shares 3. Proposal for merger with “ACHEM Technology Corporation”		The proposals were approved by all the independent directors.
(II) Any resolution of the Board of Directors for which dissent or reservation is expressed by any independent director, and recorded in the minutes or a written statement: None.				
II. Regarding the situation of a director’s recusal of conflict of interest, the name of the director, proposal, reasons for the recusal, and participation in the voting shall be described:				
1. As for Proposal 6 raised to the Board of Directors on 2024.05.14 for regular assessment of the remuneration to the managerial officers, Chairman Lee, Chih-Hsieh, Director Fang, Shu-Fen and Director Lee, Shu-Wei left the meeting and did not participate in the discussion and voting for recusal as they were managerial officers of the Company and had a conflict of interest in the proposal.				
2. As for Proposal 6 raised to the Board of Directors on 2024.11.12 for review of the performance evaluation of the managerial officers and the policy, system, standard and structure of their remuneration, three Independent Directors, Chen, Yen-Chun, Chen, Shun-Fa and Wang, Chien-Chuan, left the meeting and did not participate in the discussion and voting for recusal as the “Director Remuneration Management Regulations” involving the remuneration to independent directors was amended at this meeting and they had a conflict of interest in the proposal.				
III. The implementation of the Board of Directors evaluation:				
Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Execute once a year	2023/1/1~2023/12/31	Overall performance evaluation of the Board of Directors, individual directors and functional committees	Internal self-evaluation of the Board of Directors, self-evaluation of directors, and self-evaluation of functional committees and performance evaluation of the Board of Directors outsourced at least every three years.	<p>The measurement items for the performance evaluation of the Board of Directors include the following aspects:</p> <p>The measurement items for the performance evaluation of the Board of Directors include the following aspects:</p> <p>(1) Participation in company operations,</p> <p>(2) Improvement of the quality of board decisions,</p> <p>(3) Board of Directors composition and structure,</p> <p>(4) Director selection and continuous education,</p> <p>(5) Internal control.</p> <p>The functional committee’s self-performance evaluation measures include the following aspects:</p> <p>(1) Participation in company operations,</p> <p>(2) Awareness of the responsibilities of the functional committee,</p> <p>(3) Improvement of the decision-making quality of the functional committee,</p> <p>(4) Composition of the functional</p>

				committee, and member selection, (5) Internal control.
<p>The Company has carried out the 2024 self-evaluation of the Board of Directors. The result will be reported to the Board meeting in Q1 2025 and used as a reference for the remuneration to the directors and their nomination for re-election.</p> <p>The result of the self-evaluation of the Board or Directors showed 4.91 points on average (perfect score = 5 points). The self-evaluation of individual directors showed 4.94 points on average (perfect score = 5 points). The Board of Directors conducted full communication and provided good recommendations to the management team.</p> <p>The result of the self-evaluation of the Audit and risk Committee showed 4.92 points on average (perfect score = 5 points). The recommendations state that the information on the number of meetings and the attendance rate can be provided to the committee members and directors for reference before the self-evaluation of the functional committees and Board of Directors.</p> <p>The result of the self-evaluation of the Remuneration Committee showed 4.93 points on average (perfect score = 5 points). The Committee operated effectively. Full discussion and communication were conducted with respect to the suggestions of the committee members. The remuneration to directors and managers was reviewed appropriately.</p>				
IV.	<p>Evaluation of the goals (e.g. establishment of the Audit Committee, improvement of information transparency, etc.) and implementation with respect to enhancement of the function of the Board of Directors in the current and most recent year: After the re-election of all the directors and supervisors at the annual general meeting of shareholders on June 20, 2019, the Company set up the Audit Committee in lieu of the supervisors to enhance the function of the Board of Directors. In order to promote the stable operation and sustainable development of the Company, establish a sound risk management mechanism, provide a basis for risk management, manage risk properly, and thus ensure achievement of the operational goals, the Audit Committee was renamed to Audit and Risk Committee in November 10, 2023 under the approval of the Board of Directors. The Board of Directors operates in accordance with the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” and important resolutions are announced on the MOPS in time after the Board meeting to ensure full disclosure of the information and protect the rights and interests of the shareholders.</p>			

Note: The actual attendance rate (%) is calculated based on the number of meetings of the Board of Directors and the actual number of attendance during the period of their employment.

2. Audit and Risk Committee (The company changed the name of the Audit Committee to the Audit and Risk Committee on 2023/11/10)

The audit and Risk committee of the company is composed of all independent directors. The operation of the audit and Risk committee is mainly for the supervision of the following matters:

- (1) Appropriate expression of the company's financial statements.
- (2) The selection (dismissal) and independence and performance of certified accountants.
- (3) Effective implementation of the company's internal control.
- (4) Company's compliance with relevant laws and regulations.
- (5) Management and control of the company's existence or potential risks; By integrating risk management into operational activities and daily management processes, the following goals are achieved:
 - (a) Achieve corporate goals.
 - (b) Improve management efficiency.
 - (c) Provide reliable information.
 - (d) Allocate resources efficiently.

The focus of the audit and Risk committee's annual auditing work:

- (1) Annual financial report.
- (2) Formulating or revising the internal control system.
- (3) Evaluation of the effectiveness of the internal control system.
- (4) Formulating or modifying the processing procedures for major financial business activities involving acquisition or disposal of assets, engaging in derivative commodity transactions, lending funds to others, endorsing or providing guarantees for others.
- (5) Matters involving the director's own interest.
- (6) Major asset or derivative commodity transactions, major capital loans, endorsements or guarantees.
- (7) Raising, issuing or private placement of equity securities.
- (8) Appointment, dismissal or remuneration of certified public accountants.

- (9) Appointment and dismissal of financial, accounting or internal audit supervisors.
- (10) Examine risk management policies, procedures, and structures, and regularly review their applicability and implementation effectiveness.
- (11) Review risk tolerance and guide resource allocation.
- (12) Make sure that risk management mechanisms can fully deal with risks faced by the Company and integrate them into daily operational processes.
- (13) Review the priority and risk level of risk control.
- (14) Examine the implementation of risk management, put forth necessary suggestions for improvement, and regularly report to the Board of Directors (at least once a year).
- (15) Implement the risk management decisions of the Board of Directors.

Information on Audit and risk Committee members:

December 31, 2024

Member Type	Criteria	Professional qualification and experience	Independence	Number of other public companies where the person also serves in an Audit Committee
	Name			
Independent director convener	Chen, Yen-Chun	Refer to the information on directors (2) on page 11	Refer to the information on directors (2) on page 11	1
Independent director	Wang, Chien-Chuan			0
Independent director	Chen, Shun-Fa			2

A total of 5 (A) meetings of the the Audit and risk Committee were held in 2023.

The attendance of the independent directors were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Independent Director	Chen, Yen-Chun	5	0	100%	Set up the first audit committee in 2019/6/20
Independent Director	Wang, Jian-Chuan	5	0	100%	
Independent Director	Chen, Shun-Fa	5	0	100%	

Other items worth noting:

I. If the operation of the Audit and Risk Committee is in one of the following circumstances, the date, period, the content of the motion, the objections, reservations or significant recommendations of the independent directors, resolution of the Audit and Risk Committee, and the company's handling of the Audit and Risk Committee's opinions shall be stated.

(I) Matters referred to in Article 14-5 of the Securities and Exchange Act.

Date of meeting (Term)	Subject Matter	The dissent, reservation or major suggestion of any independent director, the Audit and Risk Committee resolution, and how the Company manage the Committee's opinions
03.14.2025 (The 8th meeting of the 2nd term)	<ol style="list-style-type: none"> The Company's 2023 business report, financial reports and consolidated financial reports. Proposal for 2023 earnings distribution Proposal for the appointment of CPAs for 2024 and the assessment of their independence and competency Proposal for loaning of funds to ACHM Petrochemical (Jiangsu) Co., Ltd. (in short "ACHM Petrochemical") and cancellation of 	<p>The proposal was approved by all the present members unanimously.</p> <p>The proposal was approved by all the present directors unanimously.</p>

	<p>debts</p> <p>5. Proposal for the 2023 “Effectiveness Evaluation of the Internal Control System” and the “Statement on Internal Control System”</p> <p>6. Proposal for the plan to purchase a total of 13 land lots, serial no. 114-2, 114-12, 114-33, 123, 123-4, 123-15, 123-17, 123-25, 123-26, 123-38, 123-39, 123-43 and 123-45, Zhonggangcuo Section in Xinzhuang District of New Taipei City</p>	<p>The Independent Directors, Chen, Yen-Chun and Chen, Shun-Fa reminded that the purchase amount of the land is high and that more funds will be needed for future construction. The Company must plan and control the utilization of these funds moving forward.</p> <p>The proposal was approved by all the present members unanimously.</p> <p>The proposal was approved by all the present directors unanimously.</p>
05.14.2024 (The 9th meeting of the 2nd term)	<p>1. Proposal for the Company’s 2024 Q1 consolidated financial reports</p> <p>2. Proposal for provision of endorsement and guarantee for subsidiaries to apply to financial institutions for loan facilities.</p>	<p>The proposal was approved by all the present members unanimously.</p> <p>The proposal was approved by all the present directors unanimously.</p>
06.27.2024 (The 10th meeting of the 2nd term)	<p>1. Proposal for the plan to purchase a total of one land lot, serial no. 88, Dafen Section, Xindian District, New Taipei City</p> <p>2. Ratification of the disposal of MediaTek and Foxconn shares and acquisition of TSMC shares</p>	<p>Member Chen, Yen-Chun inquired about land handover, and CEO Lee explained that the land handover was originally scheduled for the second half of 2027, and the government has updated the time for land handover to 2028. The land delivery schedule referred to in the preceding Point 1 and Point 2 was changed to 2028 as instructed by the chair.</p> <p>All the present members approved the revised proposal unanimously when the chair asked for their opinions.</p> <p>The proposal was approved by all the present directors unanimously.</p> <p>As for disposal of Foxconn shares, Member Wang, Chien-Chuan reminded that the punctuation mark of the average price per share is incorrect. The comma should be corrected to a decimal point. The aforementioned punctuation mark was corrected to a decimal point as instructed by the chair.</p> <p>All the present members ratified the revised proposal unanimously when the chair asked for their opinions.</p> <p>The ratification was approved by all the present directors.</p>
08.09.2024 (The 11th meeting of the 2nd term)	<p>1. Proposal for the Company’s 2024 Q2 consolidated financial reports.</p> <p>2. Proposal for cancellation of the endorsement and guarantee for subsidiaries to acquire loan facilities from financial institutions.</p> <p>3. Ratification of the disposal of ASE Technology shares</p>	<p>The proposal was approved by all the present members unanimously.</p> <p>The proposal was approved by all the present directors unanimously.</p> <p>The ratification was approved by all the present members unanimously.</p> <p>The ratification was approved by all the present directors.</p>
11.12.2024 (The 12th meeting of the 2nd term)	<p>1. Proposal for the Company’s 2024 Q3 consolidated financial reports</p>	<p>The proposal was approved by all the present members unanimously.</p> <p>The proposal was approved by all the</p>

	<p>2. Establishment of the Sustainable Information Management Procedure</p> <p>3. Ratification of the disposal of Evergreen Marine Corporation shares and acquisition of Quanta Computer shares</p> <p>4. Proposal for merger with “ACHEM Technology Corporation”</p> <p>5. Review of the implementation of the risk management policies and procedures</p>	<p>present directors unanimously.</p> <p>Member Chen, Yen-Chun proposed to amend the effective date of the newly established procedure referred to in the Supplemental Provisions under Point 9 from taking effect upon approval as adopted originally to January 1, 2025 to facilitate its implementation.</p> <p>All the present members approved the revised proposal unanimously according to the initial version raised and the aforementioned amendment when the chair asked for their opinions. A further amendment will be made after more comprehensive proposals are raised at the first Audit and Risk Committee meeting.</p> <p>The proposal was approved by all the present directors unanimously.</p> <p>The ratification was approved by all the present members unanimously.</p> <p>The ratification was approved by all the present directors.</p> <p>The proposal was approved by all the present members unanimously.</p> <p>The proposal was approved by all the present directors unanimously.</p> <p>Member Chen, Yen-Chun suggested that the risk management implementation in the future should include other risk management aspects in addition to the financial risk.</p> <p>In addition, the Audit and Risk Committee Charter should be reviewed and revised with respect to the authority of the Committee in the future.</p> <p>The proposal was approved by all the present members unanimously and reported to the Board of Directors.</p>
--	---	--

(II) Except for the previous matters, other matters that have not been approved by the audit and Risk committee but have been agreed to by more than two-thirds of all directors: None.

II. If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.

III. The communication status between independent directors and internal audit supervisors, accountants (should include major matters, methods and results of communication on the company's financial and business conditions, etc.):

(I) Independent directors and the internal audit officer can communicate with each other at any time by e-mail, telephone or meeting as needed. If there is a major abnormal event, a meeting can also be convened at any time, and the communication channels are diverse and smooth. The internal audit officer of the company delivers the previous month's audit report or follow-up report to independent directors for inspection every month, and the independent directors will give their responses or opinions depending on the necessity of the report.

(II) Besides the company's certified public accountants reporting to independent directors on the audit or review of financial reports, they should also hold a law promotion conference within the company at least once a year, to update new knowledge of fiscal and taxation laws and related measures to respond to related impacts. Normally, independent directors and accountants can communicate with each other by e-mail, telephone or meeting any time as needed. Independent directors and accountants of the company should have a close communication.

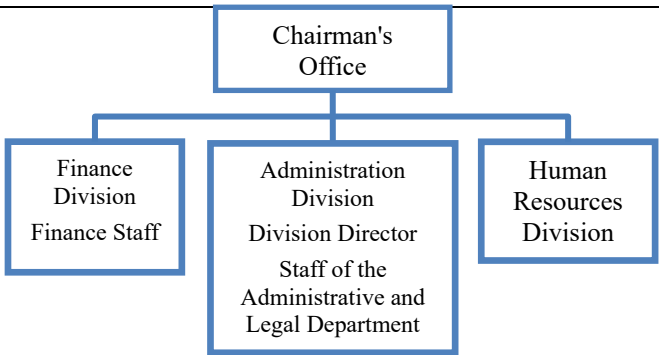
3. Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
I. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The company has formulated and disclosed the Corporate Governance Best-Practice Principles, and placed it on the company's website simultaneously.	None
II. Shareholding structure & shareholders’ rights				
(I) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		(I) The company has formulated and implemented it. There is an area in the website for interested parties to deal with shareholder suggestions, doubts, disputes and litigation matters, product and service issues and suggestions. These are addressed in accordance with relevant procedures.	(I) None
(II) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		(II) The company and the stock agency regularly keep track of the list of the company's major shareholders and their controllers.	(II) None
(III) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		(III) The assets, finances, and accounting of the affiliated companies are all independent operations. The relevant departments of the company regularly and irregularly audit the affiliated companies that hold the control, so as to avoid the risks of the company from the abuses of the affiliated companies.	(III) None
(IV) Does the company establish internal rules against insider trading with undisclosed information?	✓		(IV) In August 2016, the company has formulated the "Administrative Measures for the Prevention of Insider Trading" that prohibits company insiders from using undisclosed information on the market to buy and sell securities and expose them on the company's website.	(IV) None
III. Composition and Responsibilities of the Board of Directors				
(I) Has the Board of Directors established a diversity policy, set goals, and implemented them accordingly?		✓	(I) We have 7 directors. There are six male and one female, and the citizens of the Republic of China. (Two additional members were appointed in June 2023 and the seats of directors were increased from 5 to 7). They have extensive professional knowledge of industries and experiences in business operations. This background of the directors can substantially enhance the independence and diversity of the Board of	(I) None
	✓			

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons								
	Yes	No	Abstract Illustration									
	✓	✓	<p>Directors and enable the directors to fully play their strategic and guiding roles. The Board of Directors holds at least one meeting every season. 5 meetings were held in 2024. Chairman Lee, Chih-Hsieh is responsible for the establishment of the Company's operating strategies with his professional capabilities to improve the operating performance. He takes the chair of the Board meeting to ensure the normal operations of the Board of Directors. We follows the internal regulations and the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”. Directors are elected and appointed in consideration of the overall configuration of the Board of Directors. The overall considerations for the formation of the Board of Directors include operational judgment and management ability, accounting and financial analysis ability, crisis management ability, knowledge of industry, understanding of international markets, leadership, and decision-making ability. In addition, the Board of Directors arranges director to take part in external training appropriately in accordance with the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies”, such as the courses in the practices of the Board of Directors and sound corporate governance, to strengthen the governance capability of the Company.</p> <p>The specific management goals and achievements of the diversity policy on the formation of the Board of Directors are described below</p> <table><tr><th>Management goal</th><th>Achievement</th></tr><tr><td>The number of the independent directors exceed one-third of the total number of directors</td><td>Achieved</td></tr><tr><td>None of the independent directors is in office for more than 3 terms</td><td>Achieved</td></tr><tr><td>The number of the directors who concurrently serve as the managerial officers of the Company shall not exceed one-third of the total number of directors</td><td>Achieved</td></tr></table>	Management goal	Achievement	The number of the independent directors exceed one-third of the total number of directors	Achieved	None of the independent directors is in office for more than 3 terms	Achieved	The number of the directors who concurrently serve as the managerial officers of the Company shall not exceed one-third of the total number of directors	Achieved	
Management goal	Achievement											
The number of the independent directors exceed one-third of the total number of directors	Achieved											
None of the independent directors is in office for more than 3 terms	Achieved											
The number of the directors who concurrently serve as the managerial officers of the Company shall not exceed one-third of the total number of directors	Achieved											

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons		
	Yes	No	Abstract Illustration			
(II) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?			<table><tr><td>Sufficient and diverse professional knowledge and skill</td><td>Achieved</td></tr></table>	Sufficient and diverse professional knowledge and skill	Achieved	(II) None
Sufficient and diverse professional knowledge and skill	Achieved					
(III) Does the company establish a standard to measure the performance of the Board, and implement it annually?			(II) The company set up a salary and remuneration committee in November 2011, and an audit committee in June 2019, but has not yet set up various other functional committees. In November 2023, the Board of Directors approved the renaming of the Audit Committee to Audit and Risk Committee. In 2024, the Remuneration Committee held two meetings and the Audit and Risk Committee held five meetings. In order to promote the stable operation and sustainable development of the Company, establish a sound risk management mechanism, provide a basis for risk management, manage risk properly, and thus ensure achievement of the operational goals, the organization regulations of the Audit Committee were amended at the same time by adding the provisions related to risk management policies and procedures. Apart from this, no other functional committees have been set up.	(III) None		
(IV) Does the company regularly evaluate the independence of CPAs?			(III) The Company established the “Regulations Governing the Performance Evaluation of the Board of Directors” in November 2020 and conducts the evaluation every year. The results of the 2023 performance evaluation were submitted to the Board of Directors in March 2024. They will be used as a basis for the remuneration to and a nomination for re-election of individual directors. At the Board of Directors meeting held on August 11, 2023, it is resolved that the e “Regulations Governing the Performance Evaluation of the Board of Directors” shall be implemented once every three years. An external professional organization, Taiwan Institute of Ethical Business, was commissioned to perform the evaluation in November 2023 and the written evaluation report has been posted on the website of the Company.	(IV) None		
			(IV) The Audit and Risk Committee of the Company performs regular assessments of the CPAs’ independence and competency. In addition to requesting CPAs to provide the			

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>“Statement of Independence” and the “Audit Quality Indicators, AQIs”, the Audit Committee performs the assessment based on the five scopes (profession, independence, quality control, monitoring and creativity) and 13 indicators of the AQIs. As confirmed, except for the fees with respect to the certification, finance and taxation cases, the CPAs do not have any financial interest or business relationships with the Company. The family members of the CPAs have also not acted in violation of the independence requirements. The CPA firm will continue to introduce digital auditing tools to improve audit quality. The assessment result in the most recent year was discussed and adopted by the Audit and Risk Committee on March 14, 2025 and a report was submitted to the Board of Directors on March 14, 2025. The Board of Directors made a resolution to adopt the assessment of the CPAs’ independence and competency.</p>	
IV. Does the company set up a corporate governance unit or appoint personnel responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, handling work related to the meetings of the Board of Directors and the shareholders' meetings, filing company registration and changes to company registration, and producing minutes of the board meetings and shareholders' meetings)?	✓		<p>The Administration Office is a specific duty (concurrent) unit of corporate governance, responsible for corporate governance-related affairs. The Head of Corporate Governance was appointed on May 13, 2021 and the appointment was approved by the Board of Directors and reported to the competent authorities.</p> <p>The number of continuing education hours for the chief corporate governance officer has been reported to the competent authority</p> <p>25 hours in 2024 21 hours in 2023 16 hours in 2022 22 hours in 2021 (first term)</p> <p>1. Member composition and responsibilities:</p>	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			 <p>Director of the Administrative Division: Responsible for the overall planning of corporate governance-related affairs and regularly reports to the Board of Directors.</p> <p>Risk Management Administration Personnel: perform corporate governance-related affairs and formulate internal corporate governance-related regulations and systems.</p> <p>Commissioner of the Finance Department: Prepare written records of the Board of Directors and shareholders' meeting minutes.</p> <p>Human Resources Division Personnel: Provide records of employee welfare results, education and training, etc.</p> <p>2. Terms of reference:</p> <ol style="list-style-type: none"> (1) Provide information required by the directors and supervisors to perform their business (2) Assisting directors and supervisors to comply with laws and regulations, and handle matters related to the Board of Directors and shareholders meeting in accordance with the law (3) Business execution situation in the current year <p>3. Work plan: Implement and execute in accordance with the stipulated corporate governance-related affairs.</p> <p>4. Implementation frequency: Attend the Board of Directors meeting at least once a year to report corporate governance related matters.</p>	
V. Does the company establish a communication channel and build a designated section on its website	✓		<p>The Company has established a stakeholder section on the website.</p> <p>There is dedicated personnel to respond to the issues that</p>	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?			<p>stakeholders are concerned about.</p> <p>The type of the channels and designated personnel:</p> <p>(1) Shareholder contact and spokesman: Fang, Shu-Fen</p> <p>(2) Contact for stakeholder complaints: Zheng, Yan-Zhong</p> <p>(3) Contact for sales and customer affairs: Lin, Chun-Hui</p> <p>(4) Contact for suppliers: Pan, Lin</p> <p>Communication with different stakeholders and reporting in 2024</p> <p><u>1. Competent authority:</u></p> <ul style="list-style-type: none"> - Reply to TWSE’s questionnaire on the greenhouse gas inventory and verification plan on a quarterly basis. - Reply to the questions of the tax bureau on tax declaration and verification. <p><u>2. Employees:</u></p> <ul style="list-style-type: none"> - Arrange corresponding courses for new employees, regular employees, mid-level and high-level managerial officers to achieve development of career capabilities. - Education and training implementation status in 2024: <ol style="list-style-type: none"> (1) On April 23, 2024, the Company provided a training course on how to effectively implement personal KPI objectives. The course enabled the managers to gain an overall understanding of performance management, as well as the methods and steps for setting personal KPI objectives. It took a total of 4 hours and attracted 53 participants, resulting in a total of 212 training hours. (2) On May 7, 2024, the Company provided a training course to help employees become more competitive. This was an extension of the performance course on April 23 to the implementation aspect. It took 4 hours and attracted 22 participants, resulting in a total of 88 training hours. (3) On May 14, 2024, the Company provided a continuing education course for directors, covering topics such as corporate sustainable operations and external innovations. The course aimed to train directors and mid-to-high-level supervisors to rethink the reasons for the Company’s success, explore how to utilize external innovations to create a new vision and breakthroughs for profitability, 	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>and understand how to achieve sustainable operations and foster sustainable growth. It took 3 hours and attracted 30 participants, totaling 90 training hours.</p> <p>(4) On May 17, 2024, the Company provided a training course (online) on how to effectively implement personal KPI objectives. Overseas employees were included in this training. It enabled the managers to have an overall understanding of performance management and the methods and steps for setting personal KPI objectives. It took 4 hours and attracted 48 participants, resulting in a total of 192 training hours.</p> <p>(5) On June 6, 2014, the Company provided a critical training course to enhance communication among employees at different levels. The course helped basic-level managers understand that the keys to two-way communication are honesty and effective message delivery, which facilitate team collaboration and the achievement of goals. It took 3 hours and attracted 46 participants, totaling 138 training hours.</p> <p>(6) On June 19, 2024, the Company provided the enterprise agility creation course, allowing managers and colleagues to understand that to leverage the synergy of agile methods, it is essential to rely on a cohesive agile team. It took 3 hours and attracted 30 participants, totaling 90 training hours.</p> <p>(7) On July 25, 2024, the Company held a seminar on the global economic and financial outlook to help managers and employees understand the economic situation and how to respond. It took 2 hours and attracted 60 participants, totaling 120 training hours.</p> <p>(8) On July 26, 2019, the Company held a seminar on the development and impact of AI trends to help managers and employees understand the prospects of the AI industry and market, as well as the effects of AI development on business operations and talent empowerment. It took 2 hours and attracted 60 participants, resulting in a total of 120 training hours.</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>(9) On August 7, 2024, the Company provided a course on creating a team culture of accountability to help managers and employees understand the importance of accountability. 3.5 hours in total, attended by 48 people, for a total of 168 hours.</p> <p>(10) On August 23, 2024, the Company provided a course on the basic legal concept of an MOU. The course helped the managers and employees understand what an MOU is and what a letter of intent is. Two hours of training for a total of 60 people for a total of 2 hours.</p> <p>(11) On September 12, 2024, the Company provided a course on interpersonal and communication secrets in the workplace. The course helped employees establish their own interpersonal skills and understand the cross-department communication details that are worth noting. 4 hours of training for 47 people for total 4 hours, and the total number of people who participated in the training was 47.</p> <ul style="list-style-type: none"> - Cultivation of key talents “The Regulations on Cultivation of Successive Talents for Key Positions” of the Group took effect last year. In addition to cultivating critical talents through internal training, rotation, and promotion this year, the Company actively recruited relevant mid-to-high-level talents from outside. In August of this year, we conducted a comprehensive performance feedback and review through management questionnaires to continue cultivating and training talent. - The Child Care Subsidy Regulations came into effect in July 2023. The Company held four briefings in North, Central and South Taiwan. 52 employees and 69 children received the subsidy in 2023. 41 employees and 54 children received the subsidy as of the end of September (2024). - The Group’s education scholarship as a subsidy for employees and their children in Taiwan has been launched. To encourage employees and their children to study continuously without concern, those with an average grade of A (80 points) and who demonstrate outstanding conduct, with a grade above A in an 	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>academic year, can apply to the Company for this subsidy. 139 employees and a total of 182 employees and children received the subsidy.</p> <p><u>3. Shareholders:</u></p> <p>1) At the shareholders’ meeting on June 21, 2024, the Company fully communicated with shareholders and included the opinions of shareholders who made a statement at the meeting in the minutes.</p> <p>2) Material information was announced within the time limit.</p> <p><u>4. Investors:</u></p> <p>Date and description of investor conference The Company was invited to the investor conference organized by Cathay Securities on August 28, 2024</p> <p>(1) Date of investor conference: 2024/08/28</p> <p>(2) Time of investor conference: 15:00</p> <p>(3) Place of investor conference: Online</p> <p>(4) Excerpts from the investor conference: The Company was invited to the online investor conference organized by Cathay Securities, where we described the status of our business operations, fully disclosed our financial information, and engaged in communication and opinion exchange with stakeholders on related issues.</p> <p>(5) Questions and replies: Question from investor A: Please describe the recognition of revenue from construction projects in the future. The Company's reply: NT\$3.05 billion from Wong Chio Yipin, NT\$1.6 billion of which are recognized in the second quarter of 2024 and the remaining NT\$1.4 billion are expected to be recognized in the third quarter. NT\$1.6 billion from THE ONE is expected to be recognized in the fourth quarter of 2024. Two projects will be recognized in 2025, NT\$1.08 billion from Enchanted Gem project being recognized in the second quarter and NT\$390 million from Sunshine in Bloom project being recognized in the third quarter. There are currently no recognizable construction projects for 2026. However, the</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>construction of the new special chemical factory at the Central Taiwan Science Park is expected to be completed in 2026, after which it will start mass production and contribute to revenue. Meanwhile, the land in the Wenzizun redevelopment zone, in which the Group has made significant investments, will be received, allowing the development to commence. NT\$2.75 billion from the Hidden Gem project will be recognized in the fourth quarter of 2027. NT\$1.79 billion from the Hidden Gem project will be recognized in the third quarter of 2028. After 2029, the nine construction projects in the Wenzizun redevelopment zone will have been completed and handed over successively, making a contribution to the revenue. We plan that, after this period, the handover of houses and the commencement of new projects can be implemented simultaneously for the real estate business, with the hope that the revenue from the handover of houses can be realized each year to ensure consistent contributions to the overall revenue.</p> <p>Question from investor B:</p> <p>Please share the information on the special chemical business project.</p> <p>The Company's reply:</p> <p>In addition to focusing on the professional production of products, the Group's special chemical business is committed to research and development in recycling. In recent years, we have merged two businesses and collaborated with first-line semiconductor customers in the industry to invest in the green circular economy through recycling and reuse, creating benefits for both the customers and the Company's performance.</p> <p>Question from investor C:</p> <p>Please share the information on the Company's future target revenue of the new energy business.</p> <p>The Company's reply:</p> <p>The Company has not acquired a new energy business for more than one year, and the initial stage of the new energy business has not reached NT\$1 billion, nor has it</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>reached 10% of the Group’s consolidated revenue. In the future, the Company will continue to invest in renewable energy power plants, energy conservation, energy storage, mechanical and electrical engineering, and power plant maintenance and operation. It will also develop its business related to ESG industries with the hope that the proportion of revenue from the new energy business in the Group’s consolidated revenue will reach 10% and eventually 20%.</p> <p>The Company was invited to the investor conference organized by SinoPac Securities on December 19, 2024</p> <p>(1) Date of investor conference: 2024/12/19</p> <p>(2) Time of investor conference: 15:00</p> <p>(3) Place of investor conference: Online</p> <p>(4) Excerpts from the investor conference: The Company was invited to the online investor conference organized by SinoPac Securities, where it described the status of its business operations, fully disclosed its financial information, and communicated with stakeholders to exchange opinions on related issues.</p> <p>(5) Questions and replies:</p> <p>Question from investor A: What is the future investment plan of the Group?</p> <p>Reply from the Company: The Real Estate Business Group will have the opportunity to expand its land reserve for construction projects beyond Taipei City and New Taipei City. Assessment of acquisitions has commenced for both manufacturing and distribution businesses. An announcement will be made at the right time.</p> <p>Question from investor B: How are the operations and prospects in China?</p> <p>Reply from the Company: The operation in China has been growing this year compared to the same period last year. Although the Company is facing competition in the domestic market of China, the Group has different product lines, such as PVC products, which possess a certain brand competitive strength in the market. The</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>Group continues to develop new environmentally friendly products and production methods that offer cost advantages to distinguish itself in the market from competitors. It is believed that the Group’s niche and advantageous product lines will continue to expand and grow in the future.</p> <p>Question from investor C: How is the profit margin of construction projects in the future:</p> <p>Reply from the Company: The low profitability of construction projects in the past is mainly due to the sale of houses before construction, coupled with the subsequent increase in construction costs caused by a shortage of labor and materials in the market, which ultimately diluted part of the profit. The future construction projects will be implemented with a profit margin of 25% as the target.</p> <p><u>5. Customer:</u></p> <ol style="list-style-type: none"> (1) We hold video and online meetings with customers continuously. For example, we have a regular video conference with key customer M every Wednesday. (2) From January to August 2024, 99 customer complaints were filed to the Group with increase of 19 cases compared with the same period in 2023. (3) The Company passed the third-party RESA certification for Customer H in August 2024. (4) Customers entrusted a third-party auditing company to conduct on-site audits at the factory. In 2024, the factory successively passed Sedex certification. (5) The Company achieved a full score of 5 points (0–5) for the annual evaluation conducted by Customer N in August 2024. There were no customer complaints. (6) The Company completed the annual customer satisfaction survey in October 2024. (7) The Company jointly initiated the Phase-II electronic data exchange project with Customer A in March 2024. (8) The Company worked with Customer A to implement supplier information security risk management in 2024 to 	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>identify and monitor risks continuously.</p> <p>6. Suppliers</p> <p>(1) In September 2024, the information security audit of outsourcing suppliers was implemented.</p> <p>(2) In 2024, agreements on information security, confidentiality, information security audit rights and intellectual property rights were signed for each information outsourcing service.</p>	
VI. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The company has appointed a professional stock agent to conduct related affairs of the shareholders meeting	None
VII. Information Disclosure				
(I) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		(I) The company has set up a website and designated a person to be responsible for the collection and disclosure of company information, and disclose financial business and corporate governance information on the company's website.	(I) None
(II) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		(II) The Company has set up the shareholder contact and spokesman sections on the website to implement the spokesman system and disclose the information related to the shareholders and stakeholders instantly and give replies thereabout. The questions of the investors and the replies of the Company at the investor conference have been posted on the website of the Company.	(II) None
(III) Does the company announce and report the annual financial report within two months after the end of the fiscal year, and announce and report the financial report for the first, second and third quarters and the operating conditions of each month before the prescribed deadline?		✓	(III) The company failed to announce and report the annual financial report within two months after the end of the fiscal year, and failed to announce and report the first, second, and third quarter financial reports and operating conditions of each month before the prescribed deadline.	(III) Strive to announce and declare early
VIII. Is there any other important information to facilitate a better understanding of the company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for	✓		<p>1. The company has always treated employees with integrity and protected their legitimate rights and interests in accordance with relevant laws and regulations. It has established a complete employee welfare system and a good education and training system to establish a good relationship with employees.</p> <p>2. In March 2019, a human rights policy was formulated to protect the rights and interests of employees.</p> <p>3. The Company sends an email in a timely manner when a new law or regulation is promulgated, or provides the regulations amended</p>	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
directors and supervisors)?			by the competent securities authority to the directors for reference at the board meeting to help them understand the latest regulations as soon as possible. 4. The Company has taken out liability insurance for the directors since June 2019. The insurance for 2024 has been renewed.	
IX. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures. 1. The result of the 10th corporate governance evaluation in 2023 and the ranking range: 21%~35%. The ranking of the 11th corporate governance evaluation in 2024 is in progress. 2. We will continue paying attention to the ESG (Environmental, Social and Governance) issues and promote different energy-saving and carbon-reduction programs.				

4. Composition, Responsibilities and Operations of the Remuneration Committee

The company's Board of Directors approved the establishment of its salary and remuneration committee. Its members are appointed through the resolution of the Board of Directors. Its main responsibilities are to regularly review directors, supervisors and managers' performance evaluation and remuneration policies, systems, standards and structures, and submit their recommendations to the Board of Directors. Discuss.

(1) Information on the members of the Salary and Compensation Committee

2024.12.31

Title ¹	Criteria	Qualifications and Experience ²	Meets the Independence Criteria ³	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
	Name			
Independent Director	Wang, Chien-Chuan	Please refer to pages 11 Director's Information II	Please refer to pages 11 Director's Information II	0
Independent Director	Chen, Yen-Chun			1
Independent Director	Chen, Shun-Fa			2

(2) Information on the operation of the Salary and Compensation Committee

I. There are 3 members in the Remuneration Committee.

II. The term of office of the current members: From August 11, 2022 to June 16, 2025. A total of 2 (A) Remuneration Committee meetings were held in 2024. The attendance record of the Remuneration Committee members is shown below:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Convener	Wang, Chien-Chuan	2	0	100	
Committee member	Chen, Yen-Chun	2	0	100	
Committee member	Chen, Shun-Fa	2	0	100	

Other items worth noting:

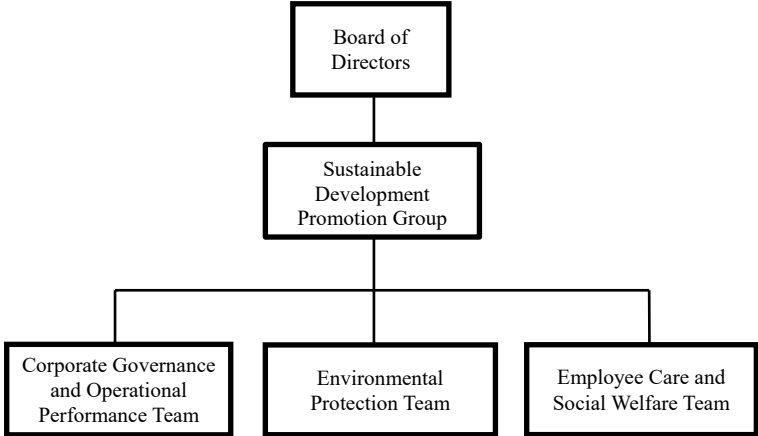
- I. If the Board of Directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
- II. Resolutions of the remuneration committee objected to by members or reservations on such were voiced out and recorded or declared in writing, the date of the meeting, session, content of the motion, all the members' opinions and the response to the members' opinions should be specified:
 1. The first annual meeting was held on May 14, 2024.
Proposal 1: Regular assessment of the remuneration to the managerial officers of the Company.
Once approved by the Committee, the proposal will be submitted to the Board of Directors for resolution.
 2. The second annual meeting was held on November 12, 2024.
Proposal 1: Review of the performance evaluation of the directors and managers and the policy, system, standard and structure of their remuneration.
All the present members approved the proposal unanimously when the Chairman asked for their opinions.

Note:

- (1) If a member of the remuneration committee resigns before the end of the year, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the remuneration committee during their employment and the actual number of attendances.

- (2) Before the end of the year, if the remuneration committee is re-elected, the new and old remuneration committee members should be listed, and the remarks column should indicate whether the member is old, new or re-elected and the date of re-election. The actual attendance rate (%) is calculated based on the number of meetings of the remuneration committee during their employment and their actual attendance.

5. Sustainable Development Implementation Status as Required by the Taiwan Financial Supervisory Commission

Evaluation Item	Implementation Status ¹			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration ²	
I. Does the Company have a governance structure for sustainable development, and establish a dedicated (or ad-hoc) sustainable development unit under the senior executive authorized by the Board of Directors, which is supervised by the Board of Directors?	✓		<p>Organizational Chart of the Sustainable Development Promotion Group</p>  <pre> graph TD A[Board of Directors] --> B[Sustainable Development Promotion Group] B --> C[Corporate Governance and Operational Performance Team] B --> D[Environmental Protection Team] B --> E[Employee Care and Social Welfare Team] </pre> <p>The management has established the Sustainable Development Promotion Group, which is responsible for the implementation of various sustainability-related matters. The Group reports directly to the Board of Directors on a regular basis. It consists of three teams responsible for identifying sustainability-related information to be disclosed, as well as for the collection, recording, processing, preparation, adjustment, disclosure, and announcement of that information.</p> <ul style="list-style-type: none"> a. Corporate Governance and Operational Performance Team b. Environmental Protection Team c. Employee Care and Social Welfare Team <p>The Environmental Protection Team has a sub-team responsible for energy conservation and carbon reduction.</p> <ol style="list-style-type: none"> 1. The ESG, Energy Conservation and Carbon Reduction Group was launched in June 2021, with the Chairman of the Board of Directors as the convener and all subsidiaries and plants of the group have energy managers who are responsible for implementing energy saving projects. 	None

			<p>2. Implementation status in 2024: (Continued from the implementation status in 2021)</p> <p>(1) The group's Energy Conservation and Carbon Reduction Group is the top unit for sustainability decisions.</p> <p>(2) Specific goal: A reduction of the energy consumption by 30% within 5 years from May 2021. The result at the level as of July 2022 showed a reduction of 7.8% in the first implementation year, indicating a reduction of power consumption by 13,178 MWh in comparison with the base year.</p> <p>(3) Responsibilities of each plant energy manager:</p> <p>a. To organize cross-departmental energy-saving teams in each plant.</p> <p>b. To plan and integrate various energy saving proposals (including energy information and energy efficiency evaluation).</p> <p>c. To implement various energy saving programs in each department.</p> <p>d. To track each energy saving proposal.</p> <p>e. To attend an energy saving meeting.</p> <p>f. Operation: To submit a monthly energy saving report and review the effectiveness of energy saving measures.</p> <p>(4) Since 2022 Q2, the energy-saving and carbon-reduction team of the Group has reported to the Board of Directors under its supervision.</p> <p>3. The Board of Directors periodically hears the report of the energy-saving and carbon-reduction team on its implementation and strategy, and reviews its work schedule to ensure the progress toward the strategic goals and make adjustment if necessary.</p>	
II.	Corporate Governance Implementation. Does the company declare its corporate social responsibility policy and examine the results of the implementation?	✓	<p>1. Risk management policies and procedures were formulated and approved by the Board of Directors in August 2023, and the risk management policies and procedures and their operation status were simultaneously posted on the website of the Company.</p> <p>2. In order to promote the stable operation and sustainable development of the Company, establish a sound risk management mechanism, provide a basis for risk management, manage risk properly, and thus ensure achievement of the operational goals, the Audit Committee was renamed to Audit and Risk Committee in November 2023. The organization regulations of the Audit Committee were amended by adding the provisions related to risk management policies and procedures, and the implementation status of the risk management for the year was reported to the directors.</p>	None

III. Sustainable Environment Development				
(I) Does the company establish proper environmental management systems based on the characteristics of their industries?	✓		<p>1. Abide by and cooperate with the implementation of the various systems and policies of the group in ESG.</p> <p>(1) Obtain ISO 14001 certification and validity period: Changhua Coastal Plant: 2023/08/30~2026/08/30 Yangmei Plant: 2024/02/07~2027/01/09</p> <p>(2) Acquisition of ISO50001 certification and effective period Changhua 2nd Film Plant 01/13/2023 - 01/12/2026 Yangmei 2nd Plant 01/18/2023 - 01/17/2026</p> <p>2. According to the different attributes of the business unit, an appropriate environmental protection management system has been formulated, and monthly 6S safety and sanitation inspection, scoring competition and improvement of deficiency in each area led by senior managers.</p>	None
(II) Is the Company committed to improving resource efficiency and to the use of renewable materials with low environmental impact??	✓		<p>1. In 2023, energy efficiency was implemented in three aspects of hardware, control and management. The implementation was extended to a total of 180 cases, including hardware equipment improvement/replacement: 90 cases; addition/adjustment of control operations: 65 cases; and improvement of management systems: 25 cases, resulting in a reduction of power consumption by 30,114 MWh in comparison with the base year (17.8% decrease).</p> <p>2. In 2023, Changhua Film Plant carried out an energy-saving performance guarantee plan for the process cooling system. With this plan, the Plant will replace the old engine with an energy-efficient Level 1 ice water main engine, conduct load regulation in line with the frequency conversion control of the existing ice water pump and cooling water pump, and combine with the optimized control system to improve the energy efficiency for the operation of the process cooling system. The annual energy saving of this project is 3313 kWh. Due to the positive results in 2024, the Company will expand to the unimproved production line in 2025 and plans to replace the old ice water unit with a new one that has Grade-1 energy efficiency.</p> <p>3. The company is committed to improving the efficiency of resource utilization, such as purchasing a PP particle reproducer at cost, and recycling the film by-products and waste during film production if it is still usable, in order to reduce the impact on the environment and resource usage.</p>	None
(III) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate related topics?	✓		<p>1. The Company attaches much importance to the issue of carbon emissions. Since 2018, the Company has supported the government and implemented the renewable energy policy accordingly. We collaborate with renewable energy companies to set up solar power equipment with an electricity generation capacity of 1,302.195 kW</p>	None

			<p>and 3,858.25 kW on the roof of the Yangmei Plant and Changhua Plant, respectively. The systems have been launched and run for years.</p> <p>2. In 2021, the Bureau of Energy, Ministry of Economic Affairs, issued the “Regulations for the Management of Setting up Renewable Energy Power Generation Equipment of Power Users above a Certain Contract Capacity,” in conjunction with our management of reasonable power consumption. The Yangmei Plant plans to install a solar power generation system, while the Changhua Plant plans to use renewable energy to meet the requirements of environmental protection regulations.</p> <p>3. The ISO 50001:2018 Energy Management Systems was introduced to the Changbin 2nd Film Plant and Yangmei 2nd Plant in 2022, and the certificates were received on January 13, 2023, and January 18, 2023, respectively. With the certification, we can identify and manage related future risks in energy supply, as well as measure and monitor its use to identify areas for improvement. Improving overall performance is helpful for reducing energy consumption and expenditure, lowering carbon emissions, and achieving carbon reduction goals.</p> <p>4. In June 2023, the Changbin Plant signed a trading agreement for renewable energy power and certificates with a transfer capacity of no less than 368 kW. The annual use of renewable energy power reached 542,942 kWh and 542 certificates were received, thereby fulfilling the reporting obligation within three years. On January 16, 2024, the plant passed an external audit under ISO 50001:2018 Energy Management Systems. In April 2023, the Yangmei Plant signed a project contract for a solar power generation system with a planned capacity of 415.74 kW. The Plant also completed Taipower meter-connected operation on October 31, 2023.</p> <p>5. In 2024, Changhua Plant’s use of renewable energy power reached 438,576 kWh, and 4,392 certificates were received. On November 29, 2024, the plant passed an external audit for ISO 50001:2018 Energy Management Systems. The assessment showed that the rooftop of the 2nd Film Plan still has space, and the setup of a solar power generation system with a capacity of 356.9 kW is planned. The application for a Type-1 power plant is in progress.</p>	
(IV) Does the company make statistics on greenhouse gas emissions, water consumption, and total waste volume in the past two years,	✓		<p>1. Greenhouse gas emissions, water consumption and total waste weight in the past two years Greenhouse gas emissions in each scope (Changhua Film Plant)</p>	

and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water reduction, or other waste management measures?

Year	2024		2023	
GHG emissions in each scope	Scope 1	Scope 2	Scope 1	Scope 2
GHG emissions (tCO ₂ e/year)	4,435.83	17,846.35	6,214.99	23,266.71
Percentage in total emissions (%)	19.91%	80.09%	21.1%	78.9%

Greenhouse gas emissions in each scope (Changhua Tape Plant)

Year	2024		2023	
GHG emissions in each scope	Scope 1	Scope 2	Scope 1	Scope 2
GHG emissions (tCO ₂ e/year)	1,921.55	1,810.71	1,673.78	1,672.60
Percentage in total emissions (%)	51.48%	48.52%	50.0%	50.0%

Waste disposal amount (Changhua Film Plant)

Year	2024			2023	
Disposal method	Incineration	Physical treatment	Recycle	Incineration	Recycle
Non-hazardous (tons/year)	44.57	13.11	7,020.307	45.15	7,815.843
Hazardous (tons/year)	3.134	0	0	0	0
Total volume treated (tons/year)	47.704	13.11	7,020.307	45.15	7,815.843
As a percentage of total treatment volume (%)	0.7%	0.2%	99.1%	0.6%	99.4%

Waste disposal amount (Changhua Tape Plant)

Year	2024	2023
Disposal method	Incineration	Incineration
Non-hazardous (tons/year)	44.10	20.50
Hazardous (tons/year)	0	0
Total volume treated (tons/year)	44.10	20.50
As a percentage of total treatment volume (%)	100%	100%

			<div>Water consumption (Changhua Film Plant)</div> <table><tr><td>Year</td><td>2024</td><td>2023</td></tr><tr><td>Water consumption (ton/year)</td><td>18,329</td><td>17,280</td></tr><tr><td>Percentage water consumption (%)</td><td>100%</td><td>100%</td></tr></table> <div>Water consumption (Changhua Tape Plant)</div> <table><tr><td>Year</td><td>2024</td><td>2023</td></tr><tr><td>Water consumption (ton/year)</td><td>15,663</td><td>17,980</td></tr><tr><td>Percentage water consumption (%)</td><td>100%</td><td>100%</td></tr></table> <div>2. The policies for reduction of greenhouse gas emissions and water consumption or other waste management policies?</div> <div>(1) The Company adheres to the legal compliance spirit and take the best actionable control techniques in accordance with the Air Pollution Control Act. The factory has a complete recycling system of the solvents it uses. The solvents and waste gases generatd during the coating process are recycled with this system. The improvement of the recycling efficiency is helpful for the reduction of the air pollution and the disposal amount of the waste gases.</div> <div>We implement energy saving, carbon reduction and stimulate the development of the green energy business by installing internal charging facilities, purchasing electrical bicycles, reducing (raw) materials, converting to clean fuel for gas boilers, cooperating with the environmental protection department of the government in the reduction of process loads and emissions, and upgrading and improving pollution discharging equipment, in order to achieve the goal of reduced air pollution impact.</div> <div>(2) We will make effort to recycle water resources within the factory to reduce consumption of groundwater and environmental load In addition to implementing regular system maintenance and optimization on an ongoing basis as planned by the factory, we will conduct system improvement and reduce the pollution to the environment, and will continuously take water saving measures in the coming three years.</div> <div>(3) The waste generated during the manufacturing process is</div>	Year	2024	2023	Water consumption (ton/year)	18,329	17,280	Percentage water consumption (%)	100%	100%	Year	2024	2023	Water consumption (ton/year)	15,663	17,980	Percentage water consumption (%)	100%	100%
Year	2024	2023																			
Water consumption (ton/year)	18,329	17,280																			
Percentage water consumption (%)	100%	100%																			
Year	2024	2023																			
Water consumption (ton/year)	15,663	17,980																			
Percentage water consumption (%)	100%	100%																			

			<p>incinerated or buried or subjected to heat or physical treatment depending on its nature in order to deal with or dispose of the waste properly. The factory also actively improves its processes and internal procedures, continuously makes effort to increase the utilization efficiency of resources, use recycles materials that have low impact to the environment. We have outstanding performance in the recycling of resources inside and outside the factory and form an awareness within the factory.</p> <p>3. Non of the information has been verified by a third party.</p>	
IV. Preserving Public Welfare	✓		Regulations of employee service and ethics has been formulated and a human rights policy has been formulated in March 2019 to protect the rights and interests of employees.	None
(I) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?				
(II) Does the company formulate and implement reasonable employee welfare measures (including remuneration, vacation and other benefits, etc.), and appropriately reflect operating performance or results in employee remuneration?	✓		<p>1. Business bonus, production bonus, executive bonus, and research and development bonus have been introduced to recognize operating performance or results as appropriate on employee remuneration.</p> <p>2. And implement reasonable employee welfare measures (such as employee travel subsidies, festival gifts, birthday gifts, and child care subsidies).</p> <p>3. The Neihu Headquarters offers employees meals paid partially by them as an option at noon on workdays. The catering provider was changed regularly to provide different dishes.</p> <p>4. The Child Care Subsidy Regulations was established in July 2023 to take care of the employees of the Group in Taiwan and enable them to work without concern. This was applicable for the entire 2024.</p> <p>5. In January 2025, the Board of Directors explicitly stated in the Articles of Incorporation that a certain percentage of the annual earnings shall be appropriated for salary adjustments or the payment of remuneration for entry-level employees. No less than 0.5% of the profit shall be set aside as remuneration to employees. In the above-mentioned employee remuneration, no less than 50% shall be set aside as remuneration to entry-level employees.</p>	None
(III) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		<p>A safe and healthy working environment for employees has been provided, and safety and health education has been implemented for employees on a regular basis.</p> <p>1. Every summer, implement the prevention and eradication of pests (fleas, mosquitoes, cockroaches, etc.) in the work area.</p> <p>2. Conduct health checkups for all employees every two years, and conduct follow-up health management and promotion based on the results of the health checkups.</p>	None

			<p>Date of last employee health check: October 20, 2023.</p> <p>3. Promote the proposal improvement system to strengthen the improvement of the working environment and personnel safety.</p> <p>4. Describe the number of fires in the year, the number of casualties, the number of casualties as a percentage of the total number of employees, and related improvement measures in response to fires. There was no fire in 2024, and the number of fires was 0, so there were no casualties and the ratio of casualties to the total number of employees. After the occupational accidents occurred, related units have enhanced the dissemination on the reasons of the occupational accidents and improved the safety protection and upgrade of the mechanical equipment within the factory. In addition, safety education, training and dissemination were arranged unceasingly within the factory to significantly improve the safety awareness among the employees.</p>	
(IV) Does the company provide its employees with career development and training sessions?	✓		<p>Yes. Corresponding courses are arranged for new employees, regular employees, middle and top management to develop their career skills. 2024:</p> <ol style="list-style-type: none"> 1. On April 23, a course on effective KPI execution was provided to all mid-level managers to improve their work results and efficiency. 2. On May 7, registration for the “Efficiency Makes You More Competitive” course was open to all employees. 3. On May 14, a corporate sustainability operation – external innovation course was provided for directors, supervisors, and senior executives. Directors and supervisors received certificates. 4. On May 17, overseas employees participated in an online performance course on how to effectively implement KPIs. 5. On June 6, mid-level managers took a critical training course on the communication between employees at different levels to strengthen their soft power. 6. On June 19, mid-level and basic-level managers and employees participated in the enterprise agility creation course to learn how to agilely arrange the preparatory work for a project or task, and how to quickly adjust during the work and review afterwards. 7. On July 25, senior and middle-level executives in Taiwan and abroad participated in a global economic and financial situation outlook and response seminar to understand the economy and daily affairs of the year. 8. On July 26, mid-level and senior executives in Taiwan and abroad participated in a seminar on the development and impact of AI trends to cultivate new thinking for the AI generation. 	None

		<p>9. On August 7, basic-level and mid-level managers participated in a course on creating a team culture on accountability to clearly distinguish responsibility from accountability.</p> <p>10. On August 23, registration for the course on the basic legal concept of an MOU was open to all employees, enabling them to understand what an MOU is.</p> <p>11. On September 12, employees participated in a course on workplace interrelations and communication secrets.</p> <p>12. On November 28, registration for the course on how to read financial statements was open to all employees.</p> <p>2023:</p> <p>1. At the broadened monthly meeting on February 3, the manager in charge of the packing materials in Taiwan shares its experience of development from a newcomer to a manager as a training and inheritance of experience.</p> <p>2. At the strategic meeting on July 20, a course for mid-level and high-level managers was held to strengthen their leadership in talent cultivation and exploration of global trends (such as talent cultivation and innovation, net-zero carbon brands and circular economy trends, the development of material technology in the future, and creation of influence under outstanding leadership).</p> <p>3. On August 11, a course for continuing education of directors was provided with the title of Development of Talents for Sustainable Operations.</p> <p>4. A symposium was held on October 19 for new employees to build their awareness of corporate culture and provide opportunities to get closer to the President.</p>	
(V) Does the Company conduct employee satisfaction surveys on a regular basis and disclose the status of its implementation and the improvement plan?	✓	<p>Yes.</p> <p>The Company values the opinions of the employees. An anonymous questionnaire survey is conducted every year to conduct a multi-aspect investigation and improve feedback and recovery rates.</p> <p>The following is a summary of the 2024 survey, covering the management questionnaire, education and training, and corporate events, to evaluate the satisfaction of employees with the management system, career development, and corporate culture.</p> <p>[Management Questionnaire]</p> <p>188 questionnaires were recovered during this survey to reach a 9% recovery rate. The results show that employees propose suggestions on the approach of the Company's management and provide feedback on managers' management style, decision-making, communication</p>	

		<p>efficiency, and employee care. All feedback is provided to the relevant supervisors for review and discussion, and the Company makes improvements accordingly, including strengthening the training of supervisors' leadership, improving decision-making and execution abilities, and optimizing the internal communication mechanism to enhance the understanding and trust of supervisors and employees.</p> <p>[Education and training]</p> <p>A total of 12 courses were organized during the year, with a total of 553 attendees. 357 questionnaires were recovered with a recovery rate of 64.55%.</p> <p>The survey results show that employees are generally satisfied with the training planning and arrangements for the year. They find that courses on the approaches to coping with the rapidly changing environment will be more practical and important. In response, the Company has adjusted the new education and training program to strengthen leadership management and communication training, practical AI work tools and essential workplace skills to better meet business needs and improve employees' competitiveness in the workplace.</p> <p>[Corporate Events]</p> <p>Four corporate family days were held during the year. A total of 695 employees and their dependents attended the events. A total of 101 questionnaires were collected with a 52.8% response rate.</p> <p>The Company upholds the spirit of "Humans as the Core" and plans suitable activities in various regions based on the opinions of employees, such as walking tours and movie screenings at the Taipei Headquarters, outdoor barbecues in Hsinchu and Yangmei, and kiln experiences in Changhua, so that employees and their families can enjoy quality time together and strengthen their cohesion.</p> <p>The survey on satisfaction shows that employees are satisfied with the event arrangement. They appreciate the Company's emphasis on employee welfare and communication opportunities. In the future, the Company will continue to organize diversified activities to deepen the corporate culture.</p> <p>The Company is well aware that a comprehensive employee satisfaction survey is critical to organizational development. In the future, the Company will continue to listen to employees' opinions and incorporate them into management decisions and employee care, and continue to optimize the working environment and corporate culture.</p>	
(VI) Does the Company's product and service comply with related regulations and international rules for customers' health and	✓	Yes, the consumer complaint procedure and the window for complaint is listed on the website.	None

safety, privacy, sales, labelling and set policies to protect consumers' or customers' rights and consumer appeal procedures?				
(VII) Does the company formulate supplier management policies that require suppliers to implement relevant regulations on environmental protection, occupational safety and health, or labor hazards, and how to implement them?	✓		The Company has formulated a supply chain management policy and performs supplier evaluations annually. The relevant information has been listed in the sustainability report and the Company's website. For major suppliers, there is a requirement to sign a "Social Responsibility Declaration Commitment". If the manufacturer's raw materials are found to contain hazardous substances that violate the laws and regulations, the purchaser will be required to immediately send a letter to notify the manufacturer for improvement; if the manufacturer cannot cooperate with the improvement, the contract will be terminated immediately or a search for a non-harmful substitute will be conducted.	None
V. Does the company refer to internationally accepted standards or guidelines for preparing Sustainability Reports and other reports that expose the company's non-financial information? Has the pre-disclosure report obtained the assurance or verification of a third-party verification unit?	✓		The Company has used internationally accepted standards or guidelines as a reference for preparation of the corporate sustainability report and disclosed it on the website of the Company. https://www.ycgroup.tw/upload/csr/csrbook_2023.pdf Since 2018, the Company has been preparing the 2017 CSR report. In 2020, the title was changed to the Sustainability Report in response to the requirements of the competent authorities. The 2017 sustainability report has been certified by a third-party verification unit.	None
VI. If the Company has established its sustainable development code of practice according to the “Listed Companies Sustainable Development Code of Practice,” please describe the operational status and differences: No discrepancy.				
VII. Other important information to facilitate a better understanding of the Company’s implementation of sustainable development: 1. The company has always treated employees with integrity and protected their legitimate rights and interests in accordance with relevant laws and regulations. The company has established a complete employee welfare system and a good education and training system to establish a good relationship with employees. 2. In March 2019, a human rights policy was formulated to protect the rights and interests of employees. 3. The company immediately provides the relevant laws and regulations revised by the securities authorities to the directors for reference, so that the directors can immediately understand the latest laws and regulations. 4. Since June 2019, the company purchased liability insurance for directors every year, and the insurance has been renewed in 2024. 5. Sustainable development and social responsibility were implemented in 2024 and the implementation status was incorporated in the report to the Board of Directors on November 12, 2024. Implementation item: Presentation of the ESG report, donations to Hondao Senior Citizen's Welfare Foundation, and formation of the Group’s digital transformation project team.				
Serial Number	Implementation		Organizer	Time
1	Donation to the Children Are Us Foundation		Yem Chio Distribution in Neihu	February
2	Activities for maintenance of good neighborly relations during the Spring Festival and Dragon Boat Festival		ACHEM Technology	February, May, June
3	Issue an ESG sustainability report to disclose the Company’s ESG implementation		Administration Division	May

4	Walking tour activities	Human Resources Division/Administration Division	July
5	Childcare subsidy for employees in Taiwan (started in July 2023 and continued for one year)	Human Resource Division	July
6	ACHEM Technology appropriately employed labors from the locations where the company operates to enhance the recognition from the community. In order to assist local communities to grow together, ACHEM Technology provided local employment opportunities. The number of employees employed by the community in Yangmei and Changhua Plant and the percentage of manpower at the location of operation as of 2020 are as follows: The number of employees in the Yangmei Plant (this base) is 439, of which 307 are living in Taoyuan City, and 70% of whom are local residents. Changbin Plant had 159 employees (natives), 116 of whom lived in Changhua and 73% were local residents.	Human Resource Division	September
7	Family Day BBQ at Yangmei Plant	Human Resource Division	November

Note 1: If the "Yes" box is checked, please describe the important policies, strategies and measures adopted and the implementation status. If it is "No", then please describe the differences and reasons in the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" column, and explain the future implementation plans of the relevant policies, strategies and measures.

As for the implementation items 1 and 2, TWSE and TPEX listed companies shall describe the governance and supervision framework of sustainable development, including but not limited to establishment, review and other measures with respect to management policies, strategies and goals. They shall also describe the risk management policies and strategies of the Company for environmental, social and corporate governance issues related to the Company's operations, and the assessment status thereof.

Note 2: If the company has prepared a corporate social responsibility report, the operation situation may indicate the method of consulting the corporate social responsibility report and the index page to replace it.

Note 3: The principle of materiality refers to those who have a significant impact on the company's investors and other interested parties related to environmental, social and corporate governance issues.

6. Climate related information and implementation status

Item	Implementation status																			
1. Describe the board and management’s supervision and governance of climate-related risks and opportunities.	<p>The Company formally established the "CSR Corporate Social Responsibility Committee" in the fourth quarter of 2017 (renamed to ESG Committee in 2021) with the Chairman of the board as the top person in charge, who instructs the head of each company in the Group to lead relevant subordinate departments to plan and implement various strategies and projects of corporate sustainable development. The Board of Directors hold regular meetings every year, and the performance, impact assessment, and the implementation progress of sustainability goals on ESG and climate change-related issues are reported at the meeting.</p> <ul style="list-style-type: none">● Establish a cross-departmental climate change risk working group responsible for identifying climate risks and assessing and responding to climate impacts within the scope of the responsibility.● The highest person in charge of climate issues at the management level is the Chairman, who leads first-level managers to implement climate change-related management work and reports to the Board of Directors.● The top executive of the business group serves as the convener to promote green operations, improve environmental management performance and environmental risk control, identify major risks, and then discuss relevant countermeasures with each business unit of the company, and reported to the Board of Directors.																			
2. Describe how the identified climate risks and opportunities affect the company's business, strategy and finance (short-term, medium-term, long-term).	<p>The impact of climate risks and opportunities on the company’s business and strategies:</p> <table><tr><th>Business</th><th>Risk</th><th>Opportunity</th></tr><tr><td>Short term</td><td>Marketing disruption, supply chain imbalance</td><td rowspan="3">Develop green solutions, such as green manufacturing, green energy and green products, and increase the rate of material recycling and reuse.</td></tr><tr><td>Medium term</td><td>Changes in product standards, regulations, carbon pricing, etc.</td></tr><tr><td>Long term</td><td>Transform products and services towards low carbon and make required infrastructure conditions complete</td></tr></table> <table><tr><th>Strategy</th><th>Risk</th><th>Opportunity</th></tr><tr><td>Short term</td><td>Enterprise transformation to increase operational resilience through net-zero carbon reduction and application for relevant ESG certification</td><td>Actively promote or jointly develop green products with customers</td></tr><tr><td>Medium term</td><td>Use renewable energy and increase low-carbon technologies,</td><td>Seize key net-zero strategic opportunities provided by</td></tr></table>	Business	Risk	Opportunity	Short term	Marketing disruption, supply chain imbalance	Develop green solutions, such as green manufacturing, green energy and green products, and increase the rate of material recycling and reuse.	Medium term	Changes in product standards, regulations, carbon pricing, etc.	Long term	Transform products and services towards low carbon and make required infrastructure conditions complete	Strategy	Risk	Opportunity	Short term	Enterprise transformation to increase operational resilience through net-zero carbon reduction and application for relevant ESG certification	Actively promote or jointly develop green products with customers	Medium term	Use renewable energy and increase low-carbon technologies,	Seize key net-zero strategic opportunities provided by
Business	Risk	Opportunity																		
Short term	Marketing disruption, supply chain imbalance	Develop green solutions, such as green manufacturing, green energy and green products, and increase the rate of material recycling and reuse.																		
Medium term	Changes in product standards, regulations, carbon pricing, etc.																			
Long term	Transform products and services towards low carbon and make required infrastructure conditions complete																			
Strategy	Risk	Opportunity																		
Short term	Enterprise transformation to increase operational resilience through net-zero carbon reduction and application for relevant ESG certification	Actively promote or jointly develop green products with customers																		
Medium term	Use renewable energy and increase low-carbon technologies,	Seize key net-zero strategic opportunities provided by																		

	<table><tr><td></td><td>reduce water usage and consumption, and reduce solvent emissions</td><td rowspan="2">governments or relevant domestic and foreign research institutions to develop and deepen ecosystem partnerships</td></tr><tr><td>Long term</td><td>Arrange solutions under transformation/physical risks</td></tr></table>		reduce water usage and consumption, and reduce solvent emissions	governments or relevant domestic and foreign research institutions to develop and deepen ecosystem partnerships	Long term	Arrange solutions under transformation/physical risks
	reduce water usage and consumption, and reduce solvent emissions	governments or relevant domestic and foreign research institutions to develop and deepen ecosystem partnerships				
Long term	Arrange solutions under transformation/physical risks					
	<p>Four strategic directions: energy saving and carbon reduction, environmental protection, customer service, and product innovation</p> <p>1. Focus on the following industries and products and develop differentiated applications Product: Power engineering, protection, wiring Harness Industry: Hardware, construction, automotive</p> <p>2. In response to industry development trends, accelerate the development of environment-friendly products and comply with ROHS/REACH related specifications</p> <p>3. Strengthen automation and supply chain integration and system integration to shorten delivery time, stabilize quality, reduce costs, and create product value</p> <p>4. Establish an excellent team, strengthen personnel training and external recruitment, and improve personnel's professional skills and enthusiasm</p> <p>5. Increase the quantity of sales to key customers</p> <p>Impact of climate risks and opportunities on the finance of the Company: The Company has formulated relevant response plans for the identified risks and opportunities. Taking carbon fees as an example, it is expected that operating costs will gradually increase due to price increase, resulting in a decline in profit. Therefore, the Company has set a net-zero emission target and actively promotes greenhouse gas reduction plans to reduce potential financial impact.</p>					
3. Describe the financial impact of extreme climate events and transition actions.	<p>Due to extreme weather such as typhoons, heavy rains, and floods, business locations face problems such as power outages, traffic interruptions, and equipment damage, resulting in disconnections and affecting the Company's operations and customer rights. Assuming that the operation is interrupted for one day due to the extreme weather and taking into account future revenue growth, the potential financial impact that a one-day operation interruption may affect accounts for about 0.27% of the annual revenue.</p> <p>As for the cost of transition to low-carbon and green energy business, as assessed based on materiality, the investment of the Company in the green energy business and the construction of a cyclic ecological chain for green economy will lead to an increase in operating costs. Calculated based on the one-time investment amount, the potential financial impact is about 1.69% of the annual revenue.</p>					
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	<ul style="list-style-type: none">● The management team of the Company collects the data on the future climate development trends of external markets, regulations, technologies and entities, lists the climate risks and opportunities that the company may face, and identifies major climate risks and opportunities after considering the degree of the impact and the likelihood of occurrence. Then the management team converts relevant climate risks					

	<p>into financial numbers, consider the items that may cause financial impact as influential risks and opportunities, prioritize them according to their likelihood and severity, and formulate corresponding countermeasures. For the risks that are assessed as higher, additional climate scenario analysis is conducted and their potential financial impact is calculated in consideration of the current operational deployment.</p> <ul style="list-style-type: none"> ● After identifying the main risks, discussion of relevant countermeasures is made with the heads of the Company's business departments, and relevant risk assessments is reported to the Risk and Audit Committee for supervision. The convener of the Risk and Audit Committee regularly reports to the Board of Directors based on the risk management and assessment results. ● The Company incorporates the impact of climate change into material issues and key risk items for corporate sustainable development, implements risk management plans, and plan various response measures for operations, products, and supply chain management.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions and analysis factors used as well as main financial impacts shall be stated.	The Company has not used scenario analysis to assess resilience to climate change risks.
6. If there is a transformation plan to manage climate-related risks, describe the contents of the plan and the indicators and goals used to identify and manage physical risks and transformation risks.	The Company has not yet established a transformation plan for climate-related risks.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	The Company has not yet used carbon pricing as a planning tool.
8. If climate-related goals are set, information such as the activities covered, greenhouse gas emission scope, planning schedule, annual achievement progress, etc. shall be stated; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, the source and quantity of carbon reduction credit subject to the offset or the quantity of renewable energy certificates (RECs) shall be stated.	<p>The Company is committed to improving the energy resource efficiency for us and for customers, and has set a short-term goal to reduce energy consumption by 30% within five years starting from May 2021.</p> <p>Energy saving and carbon reduction management goals Taking 2020 as the base year, aiming to reduce the unit energy consumption by 30% in 2025</p>
9. Greenhouse gas inventory and assurance, reduction goals, strategies and specific action plans (to be provided in 1-1 and 1-2).	<p>Please refer to:</p> <p>1-1 Greenhouse gas inventory and assurance status in the most recent two years 1-2-1 Greenhouse gas reduction goals, strategies and specific action plans</p>

1-1 Greenhouse gas inventory and assurance status in the most recent two years

1-1-1 Information of greenhouse gas inventory

Describe the greenhouse gas emissions (tCO₂e), intensity (tCO₂e/NT\$1 million) and data coverage in the most recent two years

Changhua Film Plant

Item	2024	2023	2022
GHG emissions (tCO ₂ e)	22,282.19	29,481.70	36,886.22
Intensity	12.728 (tCO ₂ e/NT\$1 million)	14.464 (tCO ₂ e/NT\$1 million)	13.453 (tCO ₂ e/NT\$1 million)
Data coverage	Scope 1 & Scope 2	Scope 1 & Scope 2	Scope 1 & Scope 2

Changhua Tape Plant

Item	2024	2023	2022
GHG emissions (tCO ₂ e)	3,732.25	3,346.38	3,831.67
Intensity	5.247 (tCO ₂ e/NT\$1 million)	5.400 (tCO ₂ e/NT\$1 million)	4.254 (tCO ₂ e/NT\$1 million)
Data coverage	Scope 1 & Scope 2	Scope 1 & Scope 2	Scope 1 & Scope 2

Note 1: Direct emissions (Scope 1, that is, directly from emission sources owned or controlled by the company), indirect emissions from energy (Scope 2, that is, indirect greenhouse gas emissions from the input of electricity, heat or steam) and Other indirect emissions (Scope 3, that is, emissions generated by company activities; they are not indirect emissions from energy, but come from emission sources owned or controlled by other companies).

Note 2: The data coverage of the direct emissions and the indirect emissions from energy shall be handled in accordance with the schedule specified in the regulations referred to in Paragraph 2, Article 10 of these Guidelines. The information of other indirect emissions may be disclosed voluntarily.

Note 3: Greenhouse gas inventory standard: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or turnover, and at least the data calculated based on turnover (NT\$ million) shall be stated.

1-1-2 Information of greenhouse gas assurance

Describe the assurance status in the most recent two years and up to the publication date of this annual report, including the scope, institution, criteria and opinion of the assurance.

In 2022 and 2023, Yangmei Plants 1, 2, and 3 obtained the external verification of DNV GHG inventory. In 2023, Changhua Film & Tape Factory obtained the external verification of AFNOR ASIA GHG inventory. The certificates are available on the Company's website: https://www.ycgroup.tw/esg01_1.php

Acquisition of ISO14001 certification and effective period

Changhua Tape Plant: 2023/08/30 – 2026/08/30

Yangmei Plant: 2024/02/07 – 2027/01/09

According to the "Roadmap for the Sustainable Development of Listed Companies" announced by the Financial Supervisory Commission on March 2022, the Company is subject to the Phase II greenhouse gas inventory (i.e. the inventory will be completed in 2025 and the verification will be completed in 2027).

Note 1: The schedule specified in the regulations referred to in Paragraph 2, Article 10 of these Guidelines shall apply. If the company fails to obtain a complete greenhouse gas assurance opinion as the publication date of this annual report, it shall indicate that "the complete assurance information will be disclosed in the sustainability report". If the company does not prepare a sustainability report, it shall indicate that "the complete assurance information will be disclosed on the MOPS", and shall disclose complete assurance information in the annual report of the next year.

Note 2: The assurance institution shall comply with the relevant requirements that TWSE and TPEx have established for sustainability report assurance institutions.

Note 3: For disclosure content, please refer to the best practice reference examples on the website of the TWSE Corporate Governance Center.

1-2 Greenhouse gas reduction goals, strategies and specific action plans

Describe the base year for reduction of greenhouse gases and reduction data, reduction goals, strategies and specific action plans, and achievement status of the reduction goals.

The Company is committed to improving the energy resource efficiency for us and for customers, and has set a short-term goal to reduce energy consumption by 30% within five years starting from May 2021

Energy saving and carbon reduction management goals

1. Taking 2020 as the base year, the goal is to reduce the emissions by 30% in five years.

(1) The intensity of Changhua Film Plant in 2020: 15.984 (tCO₂e/NT\$1 million)

(2) The intensity of Changhua Tape Plant in 2020: 6.408 (tCO₂e/NT\$1 million)

2. Intensity in 2024:

(1) The intensity of Changhua Film Plant in 2024 was 12.728 (tCO₂/NT\$1 million), decreased by 20.4% compared with the base year

(2) The intensity of Changhua Tape Plant in 2024 was 5.247 (tCO₂/NT\$1 million), decreased by 18.1% compared with the base year

3. Intensity in 2023:

(1) The intensity of Changhua Film Plant in 2023 was 14.464 (tCO₂/NT\$1 million), decreased by 9.5% compared with the base year

(2) The intensity of Changhua Tape Plant in 2023 was 5.400 (tCO₂/NT\$1 million), decreased by 15.7% compared with the base year

Note 1: The schedule specified in the regulations referred to in Paragraph 2, Article 10 of these Guidelines shall apply.

Note 2: The base year shall be the year in which the inventory is completed based on the boundary of the consolidated financial reports. For example, in accordance with the regulation referred to in Paragraph 2, Article 10 of these Guidelines, companies with a capital of more than NT\$10 billion shall complete the inventory referred to in the 2024 consolidated financial report in 2025, and thus the base year is 2024. If the company has completed the inventory referred to in the consolidated financial report ahead of time, the earlier year concerned may be used as the base year. In addition, the data for the base year can be calculated as a single year or as the average of multiple years.

Note 3: For disclosure content, please refer to the best practice reference examples on the website of the TWSE Corporate Governance Center.

7. Situation of Ethical Corporate Management & Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons

The group to which the company belongs has clearly formulated the "Code of Integrity Management", and "Integrity" is even one of the four business concepts, which consists of integrity, stability, innovation and sustainability. Everyone who grows up in this corporate culture can look upon everything around with a sincere heart. Regardless of ourselves or others, products or customers, we all abide by this principle of good faith, and this is the company's greatest achievement in talent education, and it is the fundamental reason why the company has won the trust of customers.

In addition, the company also requires employees in the service code not to use their job relationships to request gifts and invitations from others, and employees should abide by the relevant laws and regulations applied in the execution of the business.

Evaluation Item	Implementation Status ¹			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
I. Establishment of ethical corporate management policies and programs				
(I) Does the company declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its Board to implement the policies?	✓		(I) The group to which the company belongs has clearly formulated the "Code of Integrity Management", which has been approved by the Board of Directors. Both the Board of Directors and senior management follow this code.	None
(II) Does the company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, rules of appeal, and the commitment to implement the policies?	✓		(II) The group has established a code of conduct for employees, which serves as a guide for employees' operating procedures and conduct, and is used to prevent dishonest behavior. a. Offering and receiving bribes. b. Providing illegal political donations. c. Improper charitable donations or sponsorships. d. Providing or accepting unreasonable gifts, entertainment or other improper benefits. e. Infringement of trade secrets, trademark rights, patent	None

Evaluation Item	Implementation Status ¹			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(III) Does the company clearly define operating procedures, behavioral guidelines, punishment and appeal systems for violations in the plan for preventing dishonest behavior, and implement them, and regularly review the plan before revision?	✓		<p>rights, copyrights and other intellectual property rights.</p> <p>f. Engaging in acts of unfair competition.</p> <p>g. Products and services that directly or indirectly damage the rights, health and safety of consumers or other interested parties when they are researched and developed, purchased, manufactured, provided or sold.</p> <p>(III) The company has formulated the "Administrative Measures for the Prevention of Insider Trading" and affiliated group has formulated the "Key points for the implementation of the anti-corruption mechanism" to prevent from offering and receiving bribes and the provision of illegal political contributions, etc., and have been reviewed and revised regularly.</p>	None
II. Fulfill operations integrity policy				
(I) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		(I) The Company performs credit checking on counterparties and controls the credit limits to them. Observance of ethical principles is indicated in the agreement.	None
(II) Does the company set up a dedicated unit under the Board of directors to promote corporate integrity management, and regularly (at least once a year) report to the Board of Directors regarding its integrity management policies, plans for preventing dishonest behavior, and supervision of implementation?	✓		(II) The Administration Division is the unit responsible for the implementation of the ethical management. It reports to the Board of Directors about the supervision and implementation of the ethical management policies and the unethical conduct prevention plans on a regular basis (at least once a year). The Chief Auditor also attends the Board meeting for this purpose.	None
(III) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		(III) When conflict of interest occurs, the headquarters of the Group may accept the statements and intervene for coordination. The Company established and announces the “Misconduct Investigation Regulations” in November 2018 for investigation of accepted reported matters.	None
(IV) Has the company established effective systems for both accounting and internal control to facilitate ethical corporate management, and are they audited by either internal auditors or CPAs on a regular basis?	✓		(IV) The Company has established the effective accounting and internal control systems and internal audit personnel have performed an audit in the form of a project on an irregular basis.	None
(V) Does the company regularly hold internal and external educational trainings on operational integrity?	✓		(V) The Company organizes education and training on ethical management every year on a regular basis.	None
			02/23/2024 (Fri.) 09:00 ~ 16:30	

Evaluation Item	Implementation Status ¹			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>1. Number of participants: A total of 56 managers including the supervisor in charge of packaging materials.</p> <p>2. Topic:</p> <p>(1) Project report – solar photovoltaic promotion</p> <p>(2) Brand positioning seminar</p> <p>(3) Digital tool introduction and application of LINE Enterprise</p> <p>(4) Legal education and advocacy course</p> <p>(5) Announcements of Human Resources Division</p> <p>(6) Logistics Department: Logistic digital transformation report</p> <p>(7) Product development: Product promotion and release</p> <p>02/03/2023 (Fri.) 09:00 ~ 16:30</p> <p>1. Number of participants: A total of 58 directors and managers at higher lever in charge of packaging materials in Taiwan.</p> <p>2. Topic:</p> <p>(1) CEO’s instructions on the execution of the 2023 budgets and promotion guidelines for 2023 operations</p> <p>(2) Share of manager’s experience (1) [From a Beginner to a Manager - The Key of Growth] Share of manager’s experience (2) [Short But Heart-shaking Stories in the Life of Sales Representatives]</p> <p>(3) Sales unit: Report on development of commodities, regular report on logistics</p> <p>Teamwork (1) [A Showdown of Lies]</p> <p>Teamwork (2) [A Great Question]</p> <p>Teamwork workshop</p> <p>Topic discussion - [What to Do When a Customer Haggles Down the Price?]</p>	
<p>III. Operation of the integrity channel</p> <p>(I) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?</p>	✓		<p>(I) The group to which the company belongs has formulated the "Key points for the implementation of the anti-corruption mechanism", clearly specifying the audit office as the unit to accept reports, and expose it on the company's website.</p>	None

Evaluation Item	Implementation Status ¹			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(II) Does the company establish standard operating procedures for confidential reporting on investigating accusation cases?	✓		(II) The standard operating procedure for investigation of reported misconduct and related non-disclosure mechanisms is specified in the “Anti-Corruption Mechanism Implementation Guidelines.” The Company established and announced the “Misconduct Investigation Regulations” in November 2018 for investigation of accepted reported matters. The audit unit is responsible for the audit of accepted cases.	None
(III) Does the company provide proper whistleblower protection?	✓		(III) The "Key points for the implementation of the anti-corruption mechanism" and the "Report and Investigation Measures" have expressly emphasized the responsibility of protecting whistleblowers.	None
IV. Strengthening information disclosure Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?	✓		1. The company’s code of integrity management has been disclosed on the company’s website. 2. The Human Resource Division conducts advocacy and requires newcomers to read during the quarterly education and training of newcomers, and regularly reviews the content compliance. New employee orientation was held on January 15 and September 11 in 2021. Outline: a. Meet with the Chairman The Chairman of the Board of Directors participated in the seminar to share the group's development, management philosophy (integrity, stability, innovation, and sustainable management) and corporate culture, and collected colleagues' questions via an electronic spreadsheet beforehand and provided them to the Chairman. b. The Group Approval Authority and Staff Code The description of the group's approval authority and staff codes, whistleblowers' terms and staff mailboxes to establish a basic awareness for staff. c. Staff Career Guidance Introduction of each division executive through an organizational chart (with contact information for each unit) and guidance for personal development.	None
V. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies,				

Evaluation Item	Implementation Status ¹			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
please describe any discrepancy between the policies and their implementation: The company has formulated a code of integrity management and disclosed it on the company's website. There is no major difference between its operation and the established code.				
VI. Other important information to facilitate a better understanding of the company’s ethical corporate management policies (e.g., review and amend its policies): The company has formulated the key points for the implementation of the anti-corruption mechanism, staff code of conduct, and reporting and investigation methods to implement the determination to operate with integrity.				

Note: Regardless of whether the evaluation item is achieved or not, the company shall state an appropriate explanation.

8. Other Important Information Regarding Corporate Governance: None.

9. Internal Control Systems

The implementation status of the internal control system shall disclose the following matters:

- (1) Declaration of the Internal Control System: Please check the information on Market Observation Post System
Index path (new version of MOPS): Market Observation Post System > Single Company > Corporate Governance > Company Regulations/Internal Control > Internal Control Statement Announcement
(<https://mops.twse.com.tw/mops/#/web/t06sg20>)
- (2) Those who entrust an accountant to review the internal control system should disclose the accountant's review report: None.

10. Important resolutions from the shareholders meeting and Board of Directors' meeting in the most recent year and as of the publication date of the annual report:

Important Resolutions from the General Meeting of Shareholders on June 21, 2024

- (1) Recognition of the 2023 business report and financial statements.
Implementation status: Resolution passed.
- (2) Recognition of the 2023 earnings appropriation case.
Implementation status: Issuance of Cash dividends on August 9, 2024.
- (3) Proposal for amendment of the "Articles of Incorporation".
Implementation status: The Company handles relevant affairs in accordance with the amended Articles of Incorporation.

Important resolutions of the Board of Directors for the year 2024 and as of April 22, 2025:

Date of Meeting	Important Resolutions
March 14, 2024	<ol style="list-style-type: none"> I. Approval of the Company's 2023 business report, financial reports and consolidated financial reports. II. Approval of the proposal for 2023 earnings distribution. III. Approval of the proposal for the appointment of CPAs for 2024 and the assessment of their independence and competency. IV. Approval of the proposal for the application to financial institutions for loan facilities. V. Approval of the proposal for the conversion of the 8th and 9th domestic secured convertible corporate bonds to issue new shares and determination of the reference date for the issuance. VI. Approval of the proposal for loaning of funds to AICHEM Petrochemical (Jiangsu) Co., Ltd. (in short "ACHEM Petrochemical") and cancellation of debts. VII. Approval of the Company's plan to purchase a total of 13 land lots Nos. 114-2, 114-12, 114-33, 123, 123-4, 123-15, 123-17, 123-25, 123-26, 123-38, 123-39, 123-43 and 123-45, Zhonggangcun Section in Xinzhuang District of New Taipei City VIII. Approval of the proposal for the 2023 "effectiveness evaluation of the internal control system" and the "Statement on Internal Control System". IX. Approval of the proposal for 2023 remuneration to employees. X. Approval of the proposal for the convention of the 2023 annual general meeting of shareholders.
May 14, 2024	<ol style="list-style-type: none"> I. Approval of the Company's 2024 Q1 consolidated financial reports. II. Approval of the proposal for the application to financial institutions for loan facilities.

	<ul style="list-style-type: none"> III. Approval of the proposal for loaning funds to subsidiaries. IV. Approval of the proposal for provision of endorsement and guarantee for subsidiaries to apply for (cancellation of) loan facilities to (from) financial institutions. V. Approved the proposal for preparing of the Company's sustainability report. VI. Approval of the proposal for the remuneration to managerial officers.
June 27, 2024	<ul style="list-style-type: none"> I. Approved the proposal for purchase a total of one land lot, serial no. 88, Dafen Section, Xindian District, New Taipei City. II. Approval of the proposal for the application to financial institutions for loan facilities. III. Approved ratification of the disposal of MediaTek and Foxconn shares and acquisition of TSMC shares.
August 9, 2024	<ul style="list-style-type: none"> I. Approval of the Company's 2024 Q2 consolidated financial reports. II. Approval of the proposal for the application to financial institutions for loan facilities. III. Approval of the proposal for cancellation of the endorsement and guarantee for subsidiaries to acquire loan facilities from financial institutions. IV. Approved the ratification of the disposal of ASE Technology shares.
November 12, 2024	<ul style="list-style-type: none"> I. Approval of the Company's 2024 Q3 consolidated financial reports. II. Approval of the proposal for the application to financial institutions for loan facilities. III. Approval of the proposal for the 2024 audit plan. IV. Approved the establishment of the Sustainable Information Management Procedure. V. Approved the partial amendment to the "Corporate Governance Best-Practice Principles," "Rules of Procedure for Board of Directors Meetings" and "Audit and Risk Committee Charter." VI. Approval of the review of the policies, systems, standards and structures of the performance evaluation and remuneration of directors and managerial officers. VII. Approved the ratification of the disposal of Evergreen Marine Corporation shares and acquisition of Quanta Computer shares. VIII. Approved the proposal for merger with "ACHEM Technology Corporation".
January 15, 2025	<ul style="list-style-type: none"> I. Approved the proposal for purchasing a total of one land lot, serial no. 74, Letien Section, Nantun District, Taichung City. II. Approved the ratification of the Beitou Xinzhoumei Section Multifamily Residential Buildings Construction Contract entered into with Chen Jing Shui ARCHITECTS & ASSOCIATES on April 16, 2024. III. Approval of the proposal for the application to financial institutions for loan facilities. IV. Approved the revision and change of the name from "Sustainable Information Management Procedure" to the "Sustainable Information Management Regulations." V. Approved the newly added employee remuneration for basic-level employees and special chemistry business items, and thereby amended some provisions of the Articles of Incorporation. VI. Approved the partial amendment to the "Audit and Risk Committee

	Charter”.
March 14, 2025	I. Approval of the Company's 2024 business report, financial reports and consolidated financial reports. II. Approved the proposal for 2024 earning distribution and capital increase from earnings. III. Approval of the proposal for the appointment of CPAs for 2025 and the assessment of their independence and competency. IV. Approval of the proposal for the application to financial institutions for loan facilities. V. Approval of the proposal for provision of endorsement and guarantee for subsidiaries to apply to financial institutions for loan facilities. VI. Approval of the proposal for the 2024 “effectiveness evaluation of the internal control system” and the “Statement on Internal Control System”. VII. Approval of the proposal for 2024 remuneration to employees. VIII. Approved the number of directors (including independent directors) to be elected at the 2025 general shareholders’ meeting. IX. Approved the list of nominated director (including independent director) candidates and review of the qualifications of independent directors. X. Approved the removal of non-competition restriction on the newly elected directors. XI. Approval of the proposal for the convention of the 2024 annual general meeting of shareholders. XII. Approval of the proposal for the remuneration to managerial officers.

11. The main content in which the directors or supervisors have different opinions on important resolutions passed by the Board of Directors in the most recent year and up to the date of publication of the annual report and have records or written statements: None.

III. Information Regarding the Company’s Audit Fee and Independence

1. Audit Fee

(Unit: NT\$ thousands)

Accounting Firm	Name of CPA	CPA’s Audit Period	Audit Fee	Non-audit Fee	Total	Remarks
EY Taiwan	Liu,Rong-Jin	2024.01.01 -2024.12.31	2,770	655	3,425	
	Hsieh, Sheng-An					

Note: Non-audit public expenses refer to the payment of 1. Tax visa 2. Tax service 3. Financial report translation.

2. Where the Company changes the CPA firm and the amount of the audit fees paid for auditing services during the year in which the change is made is lower than that for the previous year: None
3. Audit fee has been reduced by more than 10% compared with the previous year: None

IV. Information on change of CPAs:

1. About former CPAs

Date of replacement	March 15, 2023		
Reasons and description of change	Business operation, development and internal management requirements		
Whether the appointment is terminated or not accepted by the client or CPA	Party		
	Status	CPA	Client
	Voluntary termination of appointment		
	Declination of appointment (renewal)		V
Opinions and reasons for issuance of audit reports in the most recent two years, excluding unqualified opinions	None		
Any differences in opinions between CPA and issuer	Yes		Accounting principle or practice
			Disclosure of financial reports
			Audit scope or step
			Others
	None	V	
	Description		
Other disclosures (To be disclosed in accordance with Article 10(6)(1)(d) to (1)(g) of these Guidelines)	None		

2. About Succeeding CPAs

Name of CPA firm	Ernst & Young Global Limited, Taiwan
Name of CPA	Liu Rong-Jin and Hsieh Sheng-An
Date of appointment	The appointment was reported to the Board of Directors for discussion and approval on March 15, 2023. The successively appointed CPA firm starts performing the certification from 2003 Q1.
Matters and results of the consultation on accounting treatment methods or accounting principles for specific transactions and possible issuance of financial reports prior to the appointment	None
Written opinions of the succeeding CPA on the matters regarding which the former CPA has expressed dissent	None

3. The former CPA's written response to the matters in Article 10(6)(1) and (2)(c) of these Guidelines: There is no dissent in the former CPAs' written response.

V. The Employment of the Company's Chairman, General Manager, Financial or Accounting Manager with the Firm of the Auditing CPA or Its Affiliated Businesses in the Past Year: None

VI. Changes in shareholding of Directors, supervisors, managers, and shareholders whose shareholding ratio exceeds 10%: Please check the information on Market Observation Post System.

Equity transfer: Market Observation Post System > Single Company > Equity Change/Securities Issuance > Equity Transfer Information Query > Post-event Report Form for Insider Shareholding Change

(https://mops.twse.com.tw/mops/#/web/query6_1) °

Changes in equity pledge: Market Observation Post System > Single Company > Equity Change/Securities Issuance > Internal Pledge Dissolution > Announcement of Internal Pledge Dissolution (https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

Equity transfer information: NA

Equity pledge information: NA

VII. Relationship among the Top Ten Shareholders

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees ³		Remarks
	Shares	%	Shares	%	Shares	%	Shares	%	Shares
Asia Plastics Co., Ltd. Representative: Yujuan Wang	52,974,405	7.80%	—	—	—	—	Note	Note	
	4,479,704	0.66%	5,000,000	0.74%	—	—			
Ying Chung Co., Ltd. Representative: Yujuan Wang	51,698,666	7.61%	—	—	—	—	Note	Note	
	4,479,704	0.66%	5,000,000	0.74%	—	—			
Ings Chyuang International Co., Ltd. Representative: Lee, Chih-Hsieh	42,748,839	6.29%	—	—	—	—	Note	Note	
	5,000,000	0.74%	4,479,704	0.66%	—	—			
Trust property account in custody of Hua Nan Commercial Bank, Ltd. - Lee, Chih-Hsieh	27,711,344	4.08%	—	—	—	—	—	—	
Yangjun Zheng	17,835,613	2.63%	—	—	—	—	Note	Note	
Jhou Ji International Limited Company Representative: Lee, Shu-Wei	17,281,506	2.54%	—	—	—	—	—	—	
	2,529,236	0.37%	—	—	—	—			
Yong Chen International Limited Company Representative: Lee, Chi-Cheng	17,073,140	2.51%	—	—	—	—	—	—	
	2,760,436	0.41%	—	—	—	—			
Investment account of BVI YEM CHIO company entrusted to keep by Mega International Commercial Bank	16,822,281	2.48%	—	—	—	—	—	—	
Liu, Hong-Run	6,214,548	0.92%	—	—	—	—	—	—	
Zheng Damu Investment Co., Ltd. Representative: Yangjun Zheng	6,000,000	0.88%	—	—	—	—	Note	Note	
	17,835,613	2.63%	—	—	—	—			

Note: Ings Chyuang International Co., Ltd. and Ying Chung Co., Ltd. are shareholders of Asia Plastics Co., Ltd., and Asia Plastics Co., Ltd. is a shareholder of Ings Chyuang International Co., Ltd., Yangjun Zheng is shareholder of Zheng Damu Investment Co., Ltd.

VIII. Comprehensive shareholding ratio

Unit: shares/ %

Re-Invested Businesses (Note)	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Yem Chio (Bvi) Co., Ltd.	47,117,523	100%	0	0	47,117,523	100%
Achem Technology Corporation	399,904,848	100%	0	0	399,904,848	100%
Yem Chio Distribution CO., LTD.	12,870,060	38.86%	7,465,000	22.54%	20,335,060	61.4%
Wongchio CO., LTD.	34,507,664	100%	0	0	34,507,664	100%
UiNN Hotel limited company	-	100%	0	0	-	100%
Yanrun Development Co., Ltd.	1,320,000	40%	0	0	1,320,000	40%
King Sun New Technology Co., Ltd.	7,300,000	66.36%	0	0	7,300,000	66.36%

Note: Refers to the company's investment using the equity method on December 31, 2024.

Three. Capital Overview

I. Capital and Shares

(I) Source of Capital

Source of Capital

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount (NT\$ thousands)	Shares	Amount (NT\$ thousands)	Sources of Capital	Investment by property other than cash	Other
2002.12	19.5	60,000	600,000	55,738	557,381	Capital increase by retained earnings of NT\$22,018,000 Capital increase by cash of NT\$95,000,000	None	¹
2003.12	10	95,000	950,000	62,427	624,266	Capital increase by retained earnings of NT\$66,885 thousands	None	²
2003.12	—	95,000	950,000	72,161	721,607	The conversion of the first domestic convertible corporate bonds into common shares of NT\$9,734,035	None	³
2004.03	—	95,000	950,000	72,661	726,606	The conversion of the first domestic convertible corporate bonds into common shares of NT 4,998,990	None	³
2004.06	10	125,000	1,250,000	77,928	779,283	Capital increase by retained earnings of NT\$5,267,728,000	None	⁴
2004.12	—	125,000	1,250,000	78,111	781,107	The conversion of the first domestic convertible corporate bonds into common shares of \$NT 1,824,300	None	⁵
2005.08	10	125,000	1,250,000	84,845	848,446	Capital increase by retained earnings of NT\$67,339,000	None	⁶
2005.12	—	125,000	1,250,000	91,668	916,677	The conversion of the first domestic convertible corporate bonds into common shares of \$NT 68,230,750	None	⁷
2006.07	10	150,000	1,500,000	92,898	928,984	The conversion of the first domestic convertible corporate bonds into common shares of \$NT 12,307,000	None	⁸
2006.08	10	150,000	1,500,000	95,584	955,844	Capital increase by retained earnings of NT\$37,000,000 and Employee bonus of NT\$4,000,000 Capital reduction of NT\$14,140,000	None	⁹
2006.10	13.5	150,000	1,500,000	108,963	1,089,633	Capital increase by cash of NT\$100,000 and conversion of the first domestic convertible corporate bonds into common shares of NT\$33,789,000	None	¹⁰
2006.12	10	150,000	1,500,000	112,195	1,121,958	The conversion of the first domestic convertible corporate bonds into common shares of \$NT 2,258,000 and conversion of the second domestic convertible corporate bonds into common shares of NT\$30,066,000	None	¹¹
2007.04	10	150,000	1,500,000	112,229	1,122,294	The conversion of second domestic convertible corporate bonds into common shares of NT\$336,000	None	¹²
2007.08	10	150,000	1,500,000	114,920	1,149,206	The conversion of second domestic convertible corporate bonds into common shares of NT\$26,912,000	None	¹³
2007.09	19	180,000	1,800,000	134,920	1,349,206	Capital increase by cash NT\$200,000 thousands	None	¹⁴
2007.10	10	180,000	1,800,000	146,179	1,461,796	Capital increase by retained earnings of NT\$111,180,000 and conversion of second domestic convertible corporate bonds into common shares of NT\$1,409,000	None	¹⁵
2008.04	10	180,000	1,800,000	143,953	1,439,534	The conversion of the second domestic convertible corporate bonds into common shares of NT\$8,623,000 conversion of third domestic convertible corporate bonds into common shares of NT\$31,005,000 // Retirement of 3,293,000 of the fourth treasury stocks and 2,896,000 shares of the fifth treasury stocks	None	¹⁶
2008.08	10	300,000	3,000,000	146,919	1,469,199	The conversion of the second domestic convertible corporate bonds into common shares of NT\$434,000 and conversion of the third domestic convertible corporate bonds into common shares of NT\$29,230,000	None	¹⁷
2008.11	10	300,000	3,000,000	142,506	1,425,065	The conversion of the third domestic convertible corporate bonds into common shares of NT\$295,000/Retirement of 4,443 thousand shares of the sixth treasury stocks	None	¹⁸

2008.12	10	300,000	3,000,000	151,728	1,517,281	Distribution of stock dividends of NT\$92,215 thousands	None	19
2009.01	10	300,000	3,000,000	150,379	1,503,793	Retirement of 1,016,000 shares of the first and second treasury stocks and retirement of 333 thousand shares of the seventh treasury stocks	None	20
2009.02	10	300,000	3,000,000	162,319	1,623,195	The conversion of the fourth domestic convertible corporate bonds into common shares of NT\$ 119,401,000	None	21
2009.04	10	300,000	3,000,000	162,365	1,623,658	The conversion of the fourth domestic convertible corporate bonds into common shares of NT\$1,793,000 // retirement of 133 thousand shares of eighth treasury stocks	None	22
2009.07	10	300,000	3,000,000	162,365	1,623,658	Revision of articles	None	23
2009.08	10	300,000	3,000,000	175,861	1,758,616	The conversion of the third domestic convertible corporate bonds into common shares of NT\$774,000 and conversion of the fourth domestic convertible corporate bonds into common shares of NT\$134,184,000	None	24
2009.08	10	300,000	3,000,000	203,433	2,034,333	Capital increase by retained earnings of NT\$275,716 thousands	None	25
2009.10	10	300,000	3,000,000	212,688	2,126,886	The conversion of the third domestic convertible corporate bonds into common shares of NT\$820,000 and conversion of the fourth domestic convertible corporate bonds into common shares of NT\$91,732 ,000	None	26
2010.02	10	300,000	3,000,000	230,416	2,304,163	The conversion of the third domestic convertible corporate bonds into common shares of NT\$33,880,000 and conversion of the fourth domestic convertible corporate bonds into common shares of NT\$143,396,000	None	27
2010.04	10	300,000	3,000,000	230,932	2,309,320	The conversion of the fourth domestic convertible corporate bonds into common shares of NT\$5,157,000	None	28/
2010.07	10	300,000	3,000,000	231,265	2,312,654	The conversion of the fourth domestic convertible corporate bonds into common shares of NT\$3,333,000	None	29
2010.10	10	300,000	3,000,000	232,799	2,327,999	The conversion of the fourth domestic convertible corporate bonds into common shares of NT\$15,345,000	None	30
2010.11	10	400,000	4,000,000	267,799	2,677,999	Distribution of stock dividends of NT\$350,000,000	None	31
2011.01	10	400,000	4,000,000	273,863	2,738,635	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$60,635,000	None	32
2011.04	10	400,000	4,000,000	277,014	2,770,144	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$31,509,000	None	33
2011.07	10	400,000	4,000,000	279,185	2,791,856	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$21,712,000	None	34
2011.10	10	400,000	4,000,000	280,571	2,805,713	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$13,856,000	None	35
2011.11	10	400,000	4,000,000	294,302	2,943,024	Capital increase by retained earnings to issue new shares	None	36
2011.11	10	500,000	5,000,000	294,302	2,943,024	Revision of articles, increase authorized capital and adjust the number of convertible shares of retained corporate bonds	None	37
2011.12	10	500,000	5,000,000	296,569	2,965,690	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$22,666,000	None	38
2012.03	10	500,000	5,000,000	296,569	2,965,690	Dismissal of supervisor, Registration of shareholders changed to appoint a representative as the supervisor	None	39
2012.04	10	500,000	5,000,000	297,488	2,974,888	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$9,198,000	None	40
2012.07	10	500,000	5,000,000	297,725	2,977,259	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$2,370,000	None	41
2012.08	10	500,000	5,000,000	297,725	2,977,259	Dismissal of supervisor, Registration of shareholders changed to appoint a representative as the supervisor	None	42
2012.09	10	500,000	5,000,000	357,223	3,572,237	Capital increase by retained earnings to issue new shares	None	43

2012.10	10	500,000	5,000,000	361,416	3,614,169	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$41,931,000	None	44
2012.12	17	500,000	5,000,000	394,416	3,944,169	Capital increase by cash of NT\$330,000,000	None	45
2013.04	10	500,000	5,000,000	395,594	3,955,933	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$11,764,000	None	46
2013.05	10	500,000	5,000,000	395,969	3,959,698	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$3,764,000	None	47
2013.07	10	500,000	5,000,000	395,969	3,959,698	Re-election of directors and supervisors, registration of changing to amend articles	None	48
2013.09	10	500,000	5,000,000	396,122	3,961,227	The conversion of the fifth domestic convertible corporate bonds into common shares of NT\$1,529,000	None	49
2013.10	10	500,000	5,000,000	444,054	4,440,548	The conversion of the fifth, sixth and seventh domestic convertible corporate bonds into common shares of NT\$83,615,000 and capital increase by retained earnings to issue new shares	None	50
2014.01	10	500,000	5,000,000	450,677	4,506,770	The conversion of the fifth, sixth and seventh domestic convertible corporate bonds into common shares of NT\$66,221,000	None	51
2014.04	10	500,000	5,000,000	464,960	4,649,609	The conversion of the sixth and seventh domestic convertible corporate bonds into common shares of NT\$142,839,000 and registration of new manager	None	52
2014.07	10	500,000	5,000,000	466,406	4,664,063	The conversion of the sixth and seventh domestic convertible corporate bonds into common shares of NT\$14,453,000	None	53
2014.09	10	600,000	6,000,000	512,696	5,126,964	Capital increase by retained earnings to issue new shares and apply for increasing authorized capital	None	54
2014.12	10	600,000	6,000,000	512,724	5,127,245	The conversion of the sixth and seventh domestic convertible corporate bonds into common shares of NT\$281,000	None	55
2015.04	10	600,000	6,000,000	512,724	5,127,245	The conversion of the sixth and seventh domestic convertible corporate bonds into common shares, capital increase by retained earnings to issue new shares and registration of new manager	None	56
2015.07	10	600,000	6,000,000	510,274	5,102,745	Retirement of 2,450,000 shares of ninth treasury stocks.	None	57
2015.10	10	600,000	6,000,000	459,002	4,590,021	Cash capital reduction 51,272,000 shares	None	58
2016.01	10	600,000	6,000,000	451,284	4,512,842	Retirement of 7,717,000 shares of tenth treasury stocks	None	59
2017.12	10	600,000	6,000,000	534,821	5,348,213	The company converted and issued new shares with Wonchio Chemical Co. Ltd.	None	60
2018.03	10	600,000	6,000,000	530,062	5,300,623	Retirement of shares converted with Achem Chemical Co. Ltd. to obtain treasury stocks.	None	61
2019.07	10	660,000	6,600,000	530,062	5,300,623	Apply for increasing authorized capital	None	62
2019.08	10	660,000	6,600,000	571,834	5,718,341	Capital increase by cash of NT\$450,000,000, Retirement of shares converted with Achem Chemical Co. Ltd. to obtain treasury stocks	None	63
2020.03	10	660,000	6,600,000	570,040	5,700,401	Retirement of 1,794,000 shares of employees' untransferred eleventh treasury stocks	None	64
2021.04	10	660,000	6,600,000	585,047	5,850,477	The conversion of the eighth and ninth domestic convertible corporate bonds into common shares	None	65
				575,667	5,756,677	Retirement of 9,380,000 shares of employees' untransferred eleventh treasury stocks		
2021.06	10	660,000	6,600,000	575,904	5,759,043	The conversion of the eighth and ninth domestic convertible corporate bonds into common shares	None	66
2021.07	10	1,000,000	10,000,000	575,904	5,759,043	Change of registered capital	None	67
2021.10	10	1,000,000	10,000,000	629,947	6,299,472	The conversion of the eighth and ninth domestic convertible corporate bonds into common shares	None	68
2021.12	10	1,000,000	10,000,000	638,054	6,380,540	The conversion of the eighth and ninth domestic convertible corporate bonds into common shares	None	69
04.2022	10	1,000,000	10,000,000	638,287	6,382,873	Conversion of the 8th and 9th domestic convertible corporate bonds to common stock	None	70
09.2022	10	1,000,000	10,000,000	638,329	6,383,290	Conversion of the 8th and 9th domestic convertible corporate bonds to common stock	None	71
12.2022	10	1,000,000	10,000,000	640,489	6,404,896	Conversion of the 8th and 9th domestic convertible corporate bonds to common stock	None	72

04.2023	10	1,000,000	10,000,000	641,489	6,414,896	Conversion of the 8th and 9th domestic convertible corporate bonds to common stock	None	73
05.2023	10	1,000,000	10,000,000	648,730	6,487,307	Conversion of the 8th and 9th domestic convertible corporate bonds to common stock	None	74
08.2023	10	1,000,000	10,000,000	654,989	6,549,896	Conversion of the 8th and 9th domestic convertible corporate bonds to common stock	None	75
12.2023	10	1,000,000	10,000,000	658,246	6,582,467	Conversion of the 8th and 9th domestic convertible corporate bonds to common stock	None	76
03.2024	10	1,000,000	10,000,000	664,932	6,649,323	Conversion of the 8th and 9th domestic convertible corporate bonds to common stock	None	77
05.2024	10	1,000,000	10,000,000	679,208	6,792,084	Conversion of the 8th and 9th domestic convertible corporate bonds to common stock	None	78

Note:

1. Approved by Taiwan-Financials-Securities (1) No.0910148102 letter on September 10, 2002 and Taiwan-Financials-Securities (1) No.0910148101 letter on September 02, 2002.
2. Approved by Taiwan-Financials (1) No.129121 letter on July 01, 2003.
3. Approved by Taiwan-Financials (1) No.129630 letter on July 24, 2003.
4. Approved by Taiwan-Financials (1) No. 0930128021 letter on June 24, 2004.
5. Approved by Ministry of Economic Affairs-Letter No. 09401018430 on January 31, 2005.
6. Approved by Ministry of Economic Affairs-Letter No. 09401194970 on September 30, 2005.
7. Approved by Ministry of Economic Affairs-Letter No. 09501031750 on February 21, 2006.
8. Approved by Ministry of Economic Affairs-Letter No. 09501164630 on August 1, 2006.
9. Approved by Ministry of Economic Affairs-Letter No. 09501197240 on September 4, 2006.
10. Approved by Ministry of Economic Affairs-Letter No. 09501226150 on October 14, 2006.
11. Approved by Ministry of Economic Affairs-Letter No. 09601012030 on January 19, 2007.
12. Approved by Ministry of Economic Affairs-Letter No. 09600776330 on April 14,2007.
13. Approved by Ministry of Economic Affairs-Letter No. 09601185220 on August 2,2007.
14. Approved by Ministry of Economic Affairs-Letter No. 09601238680 on September 29,2007.
15. Approved by Ministry of Economic Affairs-Letter No. 09601261240 on October 24,2007.
16. Approved by Ministry of Economic Affairs-Letter No. 09701100570 on April 28,2008.
17. Approved by Ministry of Economic Affairs-Letter No. 09701197980 on August 11,2008.
18. Approved by Ministry of Economic Affairs-Letter No. 09701292890 on November 14,2008.
19. Approved by Ministry of Economic Affairs-Letter No. 09701306980 on December 03,2008.
20. Approved by Ministry of Economic Affairs-Letter No. 09701325220 on January 08,2009.
21. Approved by Ministry of Economic Affairs-Letter No. 0981025070 on February 16,2009.
22. Approved by Ministry of Economic Affairs-Letter No. 0980070960 on April 16,2009.
23. Approved by Ministry of Economic Affairs-Letter No. 09801157390 on July 17,2009.
24. Approved by Ministry of Economic Affairs-Letter No. 09801181510 on August 13,2009.
25. Approved by Ministry of Economic Affairs-Letter No. 09801193720 on August 26,2009.
26. Approved by Ministry of Economic Affairs-Letter No. 09801239650 on October 20,2009.
27. Approved by Ministry of Economic Affairs-Letter No. 0991027440 on February 06,2010.
28. Approved by Ministry of Economic Affairs-Letter No. 09901078010 on April 20,2010.
29. Approved by Ministry of Economic Affairs-Letter No. 09901149260 on July 15,2010.
30. Approved by Ministry of Economic Affairs- Letter No. 09901230210 on October 14,2010.
31. Approved by Ministry of Economic Affairs- Letter No. 09901264520 on November 26,2010.
32. Approved by Ministry of Economic Affairs-Letter No. 10001009480 on January 17,2011.
33. Approved by Ministry of Economic Affairs-Letter No. 10001078150 on April 19,2011.
34. Approved by Ministry of Economic Affairs-Letter No. 10001149320 on July 07,2011.
35. Approved by Ministry of Economic Affairs-Letter No. 10001233390 on October 12,2011.
36. Approved by Ministry of Economic Affairs-Letter No. 10001255420 on November 11,2011.
37. Approved by Ministry of Economic Affairs-Letter No. 10001271220 on November 28,2011.
38. Approved by Ministry of Economic Affairs-Letter No.10001292910 on December 30,2011.
39. Approved by Ministry of Economic Affairs-Letter No.10101050780 on March 23,2012.
40. Approved by Ministry of Economic Affairs-Letter No.10101062970 on April 10,2012.
41. Approved by Ministry of Economic Affairs-Letter No.10101140690 on July 16,2012.
42. Approved by Ministry of Economic Affairs-Letter No.10101164240 on August 09,2012.
43. Approved by Ministry of Economic Affairs-Letter No.10101192510 on September 19,2012.
44. Approved by Ministry of Economic Affairs-Letter No.10101208870 on October 9,2012.
45. Approved by Ministry of Economic Affairs- Letter No.10101258430 on December 19,2012.
46. Approved by Ministry of Economic Affairs-Letter No.10201062450 on April 10,2013.
47. Approved by Ministry of Economic Affairs- Letter No.10201096730 on May 23,2013.
48. Approved by Ministry of Economic Affairs-Letter No. 10201137350 on July 15, 2013.
49. Approved by Ministry of Economic Affairs-Letter No. 10201176240 on September 5, 2013.
50. Approved by Ministry of Economic Affairs-Letter No. 10201207670 letter on October 08, 2013.
51. Approved by Ministry of Economic Affairs-Letter No. 10301003380 on January 13, 2014.
52. Approved by Ministry of Economic Affairs-Letter No. 10301065560 on April 14, 2014.
53. Approved by Ministry of Economic Affairs-Letter No. 10301141160 on July 15, 2014.
54. Approved by Ministry of Economic Affairs-Letter No. 10301185380 on September 5, 2014.
55. Approved by Ministry of Economic Affairs-Letter No. 10301247640 on November 28, 2014.
56. Approved by Ministry of Economic Affairs-Letter No. 10401065780 on April 9, 2015.
57. Approved by Ministry of Economic Affairs-Letter No. 10401139460 on July 9, 2015.

58. Approved by Ministry of Economic Affairs-Letter No. 10401219330 on October 22, 2015.
59. Approved by Ministry of Economic Affairs-Letter No. 10401277240 on January 5, 2016.
60. Approved by Ministry of Economic Affairs-Letter No. 10601163590 on December 15, 2017.
61. Approved by Ministry of Economic Affairs-Letter No. 10701018660 on March 5, 2018.
62. Approved by Ministry of Economic Affairs-Letter No. 10801091560 on July 31, 2019.
63. Approved by Ministry of Economic Affairs-Letter No. 10801115020 on August 20, 2019.
64. Approved by Ministry of Economic Affairs-Letter No. 10901142860 on March 19, 2020.
65. Approved by Ministry of Economic Affairs-Letter No. 11001049720 on April 13, 2021.
66. Approved by Ministry of Economic Affairs-Letter No. 11001095020 on June 09, 2021.
67. Approved by Ministry of Economic Affairs-Letter No. 11001123090 on July 22, 2021.
68. Approved by Ministry of Economic Affairs-Letter No. 11001179880 on October 01, 2021.
69. Approved by Ministry of Economic Affairs-Letter No. 11001221390 on December 09, 2021.
70. Approved by Ministry of Economic Affairs-Letter No. 11101062160 on April 25, 2022.
71. Approved by Ministry of Economic Affairs-Letter No. 11101166860 on September 20, 2022.
72. Approved by Ministry of Economic Affairs-Letter No. 11101227100 on December 5, 2022.
73. Approved by Ministry of Economic Affairs-Letter No. 11230055390 on April 16, 2023.
74. Approved by Ministry of Economic Affairs-Letter No. 11230092040 on May 31, 2023.
75. Approved by Ministry of Economic Affairs-Letter No. 11230163740 on August 22, 2023.
76. Approved by Ministry of Economic Affairs-Letter No. 11230222710 on December 7, 2023.
77. Approved by Ministry of Economic Affairs-Letter No. 11330049710 on March 29, 2024.
78. Approved by Ministry of Economic Affairs-Letter No. 11330088800 on May 30, 2024.

As of 4.22.2025

Share Type	Authorized Capital			Remarks
	Shares Outstanding (Note)	Un-issued Shares	Total Shares	
Registered common stock	679,208,467 shares	320,791,533 shares	1,000,000,000 shares	

Note: Refers to listed stock

(II) List of Major Shareholders

As of 4.22.2025

Shareholder's Name	Shares	Percentage
Asia Plastics Co., Ltd.	52,974,405	7.80%
Ying Chung Co., Ltd.	51,698,666	7.61%
Ings Chyung International Co., Ltd.	42,748,839	6.29%
Trust property account in custody of Hua Nan Commercial Bank, Ltd. - Lee, Chih-Hsieh	27,711,344	4.08%
Yangjun Zheng	17,835,613	2.63%
Jhou Ji International Limited Company Representative: Lee, Shu-Wei	17,281,506	2.54%
Yong Chen International Limited Company Representative: Lee, Chi-Cheng	17,073,140	2.51%
Investment account of BVI YEM CHIO company entrusted to keep by Mega International Commercial Bank	16,822,281	2.48%
Liu, Hong-Run	6,214,548	0.92%
Zheng Damu Investment Co., Ltd. Representative: Yangjun Zheng	6,000,000	0.88%

(III) Dividend Policy and Implementation Status

1. Dividend Policy

The company has achieved matured industry development, stable profitability and sound financial structure, and is suitable for adopting a stable dividend policy. The proposed distribution of shareholder's retained earnings shall be the legal reserve and special reserve in accordance with the law for the current year's distributable surplus, and the balance shall be distributed by stocks and cash dividends, but the cash dividend shall not be less than 10% of the current distribution.

2. Proposed Distribution of Dividend

Year \ Item	Cash Dividends	Stock Dividends
2024	NT\$1	NT\$0.2

Note: The distributable earnings for 2024 are filled out according to the resolution on distribution made on March 14, 2024, whereby to distribute NT\$1 in cash and NT\$0.2 in stock. The additional distributable earnings for 2024 are NT\$1,065,566,863, including NT\$663,487,467 to be distributed in cash dividends with a distribution ratio of approximately 62.27%.

(VII) The impact of the bonus shares proposed by the shareholders' meeting on the company's operating performance and earnings per share: The company has not disclosed individual financial forecasts, so there is no need to disclose the estimated information for the year 2025.

(VIII) Compensation of Employees, Directors and Supervisors

1. Information Relating to Compensation of Employees, Directors and Supervisors in the Articles of Incorporation:

According to the company's articles of incorporation, after deducting accumulated losses from the company's profit for the year, if there is still a balance, the employee's remuneration shall be allocated first, the remuneration shall not be less than 0.5%, and no more than 1%, and the Board of Directors will be authorized to negotiate the remuneration of directors and supervisors in accordance with the usual standards of the industry.

2. The basis for estimating the amount of employee, director, and supervisor compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

On March 14, 2025, the Board of Directors resolved to allocate remuneration to employees, directors and supervisors. If there is a difference between the actual allotment amount and the estimated amount, the accounting treatment is that after the end of the year, if there is a major change in the amount of the disbursement of the Board of Directors' resolutions, original annual expenses will be adjusted in the alteration. On the date of the resolution of the shareholders' meeting, if the amount still changes, it shall be handled according to the alteration in accounting estimates and adjusted and recorded in the accounts during the year of the resolution of the shareholders' meeting.

3. Proposed employee compensation and other information approved by the Board of Directors:

- (1) Remuneration for employees and directors distributed in cash or stocks: NT\$4,608,857 for cash remuneration for employees; no remuneration for directors.
- (2) The amount of any employee compensation distributed in stocks, and the

size of that amount as a percentage of the sum of the after-tax net income stated in the parent company-only financial reports or individual financial reports for the current period and total employee compensation: None.

- (3) If the amount of remuneration of employees and directors approved by the Board of Directors differs from the annual estimated amount of recognized expenses, the difference, reason and the processing method should be disclosed:

The remuneration of directors is the same as the accounts in 2024, and the remuneration of employees is NT\$1,140 thousands dollars more than the estimated number in the accounts of 2024. After the shareholders' meeting decides on the actual allotment amount, the difference is regarded as a change in accounting estimates and is listed as year profit and loss of 2025.

4. If there's a difference between the actual distribution of employee dividends, the remuneration of directors in the previous year (including the number of allotted shares, amount and stock price) and the remuneration of recognized employees, and directors, then the reasons and handling circumstances and the number of differences should be stated:

The director's remuneration in 2023 is NT\$0 and the actual distribution is not different from the proposed distribution approved by the original board of directors. The actual distribution of employee remuneration for the surplus is NT\$1,348 thousands dollars more than the estimated amount in the 2023 account. The difference is regarded as a change in accounting estimates and is listed as year profit and loss of 2024.

(VI) Buyback of Treasury Stock

As of 4.22.2025

Treasury stocks: Batch Order	13 th Batch	14 th Batch
Purpose of buy-back	Transfer shares to employees	Transfer shares to employees
Timeframe of buy-back	2020/03/12-2020/04/27	2020/05/22-2020/07/13
Price range	NT\$9~ NT\$16	NT\$9~ NT\$16.2
Class, quantity of shares bought back	8,699,000 common shares	7,022,000 common shares
Value of shares bought-back (in NT\$)	NT\$85,553,642	NT\$84,796,395
Shares sold/transferred	0 shares	0 shares
Accumulated number of company shares held	8,699,000 shares	15,721,000 shares
Percentage of total company shares held (%)	1.28%	2.31%

II. Bonds

(I) Corporate Bonds

Corporate Bond Type ²	8 th secured convertible corporate bond ⁵	9 th secured convertible corporate bond ⁵
Issue date	2019/06/14	2019/06/14
Denomination	NT\$100,000	NT\$100,000
Issuing and transaction location ³	Not applicable	Not applicable
Issue price	Issued at 100% of par value	Issued at 100% of par value
Total price	NT\$500 million	NT\$500 million
Coupon rate	0%	0%
Tenor	5 years Expiry date: 2024/06/14	5 years Expiry date: 2024/06/14
Guarantee agency	Mega International Commercial Bank Co., Ltd.	First Commercial Bank Co., Ltd.
Consignee	Jih Sun International Bank Co., Ltd.	Jih Sun International Bank Co., Ltd.
Underwriting institution	Taipei Fubon Commercial Bank Co., Ltd.	Taipei Fubon Commercial Bank Co., Ltd.
Certified lawyer	Not applicable	Not applicable
CPA	Not applicable	Not applicable
Repayment method	Except for conversion or redemption according to the terms of conversion, the balance shall be paid back in cash at maturity.	Except for conversion or redemption according to the terms of conversion, the balance shall be paid back in cash at maturity.
Outstanding principal	NT\$0	NT\$0
Terms of redemption or advance repayment	<p>(I) From the day following three months after the issuance period of the convertible corporate bonds to 40 days before the expiry of the issuance period, if the closing price of the company's common shares exceeds the current conversion price by 30% (including), the company may send a one-month expiry "Bond Callback Notice" by registered post to the bondholder within 30 business days thereafter, (subject to the list of bondholders on the fifth business day prior to the issuance of the "Bond Callback Notice". For bondholders who subsequently obtain the converted corporate bonds due to trading or other reasons, they shall be announced.) and shall write to the Taipei Exchange for the announcement.</p> <p>(II) From the day following three months after the issuance period of the convertible corporate bonds to 40 days before the expiry of the issuance period, if the outstanding balance of the converted corporate bonds is less than 10% of the original issuance total, the company may send a one-month expiry "Bond Callback Notice" by registered post to the bondholder within 30 business days thereafter, (subject to the list of bondholders on the fifth business day prior to the issuance of the "Bond Callback Notice". For bondholders who subsequently obtain the convertible</p>	<p>(I) From the day following three months after the issuance period of the convertible corporate bonds to 40 days before the expiry of the issuance period, if the closing price of the company's common shares exceeds the current conversion price by 30% (including), the company may send a one-month expiry "Bond Callback Notice" by registered post to the bondholder within 30 business days thereafter, (subject to the list of bondholders on the fifth business day prior to the issuance of the "Bond Callback Notice". For bondholders who subsequently obtain the converted corporate bonds due to trading or other reasons, they shall be announced.) and shall write to the Taipei Exchange for announcements.</p> <p>(II) From the day following three months after the issuance period of the convertible corporate bonds to 40 days before the expiry of the issuance period, if the outstanding balance of the converted corporate bonds is less than 10% of the original issuance total, the company may send a one-month expiry "Bond Callback Notice" by registered post to the bondholder within 30 business days thereafter, (subject to the list of bondholders on the fifth business day prior to the issuance of the "Bond Callback Notice". For bondholders who subsequently obtain the convertible</p>

		corporate bonds due to trading or other reasons, they shall be announced.) and shall write to the Taipei Exchange for announcements. (III) If the bondholder fails to reply in writing to the company's stock brokerage before the bond collection date set forth in the "Bond Receipt Notice" (it will be effective at the time of delivery, for those who mailed by post, postmark serves as a proof). The bond will be redeemed in cash at the face value of the bond within five business days after the bond call date.	corporate bonds due to trading or other reasons, they shall be announced.) and shall write to the Taipei Exchange for announcements. (III) If the bondholder fails to reply in writing to the company's stock brokerage before the bond collection date set forth in the "Bond Receipt Notice" (it will be effective at the time of delivery, for those who mailed by post, postmark serves as a proof). The bond will be redeemed in cash at the face value of the bond within five business days after the bond call date.
Restrictive clause ⁴		After the issuance of the converted corporate bonds, if the ratio of the cash dividends of common shares issued by the company to the current price per share exceeds 1.5%, the conversion price shall be lowered on the ex-dividend base date according to the ratio of the current price per share.	After the issuance of the converted corporate bonds, if the ratio of the cash dividends of common shares issued by the company to the current price per share exceeds 1.5%, the conversion price shall be lowered on the ex-dividend base date according to the ratio of the current price per share.
Name of credit rating agency, rating date, rating of corporate bonds		None	None
Other rights attached	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	As of June 17, 2024, the amount converted into ordinary shares was NT\$418,511,850	As of April 29, 2024, the amount converted into ordinary shares was NT\$418,526,260.
	Issuance and conversion (exchange or subscription) method	For details, please refer to the Eighth Domestic Secured Convertible Corporate Bond Issuance and Terms of Conversion	For details, please refer to the Ninth Domestic Secured Convertible Corporate Bond Issuance and Terms of Conversion
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		NA (expired and delisted from TPEX)	NA (already converted in full)
Corporate Bond Type		Not applicable	Not applicable

Note:

1. The handling of corporate bonds includes public and private corporate bonds in the process of handling. Public company bonds in process refer to those that have become effective (approved) by the council; private company bonds in process refer to those that have been approved by the Board of Directors.
2. The number of columns will be adjusted according to the actual number of transactions.
3. For those who belong to overseas corporate bonds to fill in.
4. Such as restricting the distribution of cash dividends, foreign investment or requiring the maintenance of a certain proportion of assets, etc.
5. If there is private placement, it should be marked in a significant way.
6. In the case of convertible corporate bonds, exchangeable corporate bonds, shelf Registration for Issuing Bonds and corporate bond with warrant, the format should be listed in the table according to the nature then disclose their information.

(II) Convertible Bonds

Corporate bond type ¹		8 th Secured Convertible Corporate Bond (Delisted from TPEX on 2024.06.17)
Item	Year	The current year as of June 17, 2024 ⁴
Market price of the convertible bond ²	Highest	190.00
	Lowest	160.00
	Average	174.69
Convertible Price		10.5
Issue date and conversion price at issuance		June 14, 2019 Conversion price: 14
Conversion methods ³		Issue new shares
Corporate bond type ¹		9 th Secured Convertible Corporate Bond (all converted and delisted from TPEX 2024.04.29)
Item	Year	The current year as of April 29, 2024 ⁴
Market price of the convertible bond ²	Highest	190.00
	Lowest	156.00
	Average	173.72
Convertible Price		10.5
Issue date and conversion price at issuance		June 14, 2019 Conversion price: 14
Conversion methods ³		Issue new shares

Note:

1. The number of columns will be adjusted according to the actual number of transactions.
2. If there are multiple trading locations for overseas corporate bonds, they shall be listed separately according to the trading locations.
3. Delivery of issued shares or issuance of new shares.
4. The data for the current year as of the publication date of the annual report should be filled in.

(III) Exchangeable Bonds: None.

(IV) Shelf Registration for Issuing Bonds: None.

(V) Corporate Bonds with Warrants: None.

III. Preferred Shares: None.

IV. Status of global Depositary Receipts: None.

V. Status of employee Stock Options: None.

VI. Status of new shares that restrict employees' rights: None.

VII. Status of New Shares Issuance in Connection with Mergers and Acquisitions

(I) Those who have completed mergers and acquisitions in the most recent year and as of the date of publication of the annual report or have transferred shares of other companies to issue new shares: Not applicable.

(II) In the most recent year and as of the publication date of the annual report, the Board of Directors has passed a resolution to acquire or transfer shares of other companies to issue new shares. The execution status and basic information of the acquired company or the transferee company should be disclosed: None.

VIII. Financing Plans and Implementation

1. Financing Plans: None.

2. Implementation: None.

Four. Operations Profile

I. Business Activities

(I) Business Scope

(1) Main areas of business operations

- (A) Manufacture, processing and trading of various tapes (packaging tape, PVC electrical insulation pipe tape, vehicle harness tape, stationery tape, protective tape, double-sided tape, special tape, electronic PCB tape, printing tape, trademark-specific paper tape).
- (B) Manufacturing, processing and buying and selling operations of hardware equipment such as strapping, strapping machine, packaging machine, box sealing machine, iron buckle, box sealing needle, etc.
- (C) Manufacturing, processing and buying and selling operations of hardware equipment such as strapping, strapping machine, packaging machine, box sealing machine, iron buckle, box sealing needle, etc.
- (D) Manufacturing, processing and buying and selling operations of cardboard, paper bags, cartons, paper cups, and paper tubes.
- (E) Manufacturing, processing and buying and selling operations of BOPP film, PVC soft film, PE film.
- (F) Import and export business of the previous products.
- (G) Chemicals, high-purity electronic-grade solvents, customized formulas, and fully recycled electronic-grade solvents used in semiconductor production processes.
- (H) Residential and building development and sales and real estate buying and selling business.

(2) Revenue distribution

Major Divisions	Total Sales for 2024 (NT\$thousands)	(%) of Total Sales
Tape	9,393,095	59%
Package	1,436,198	9%
film	1,217,033	8%
Build	2,901,957	18%
Other	942,799	6%
Total	15,891,082	100%

(3) Main products

- (A) BOPP film, PVC soft film, PE film.
- (B) Packaging tape category, Environment-friendly carbon-reduced tape, PVC electrical insulation pipe tape category, vehicle harness tape category, stationery tape category, protective tape category, double-sided tape category, foam tape category, category of other tapes, water-based binder (resin).
- (C) Plastic bags, packing belts, various packaging materials.
- (D) OEM production of electronic-grade high-purity chemicals; recycling,

purification and reuse of waste solvents; purification of high-purity special solvents, and development of chemical formulas for photolithography processes.

(4) New product development

Electronic film, medical film, food packaging anti-bacteria film, Renewable environment-friendly carbon reduction film, green environment-friendly material (biodegradable tape), low-temperature resistant low-odour hot-melt packaging tape, low-VOC environment-friendly vehicle harness tape, PVC hot-melt tape, and related new applications of glues.

(II) Industry Overview

(1) Current status and development of the industry

The current status and development of the company's main products into upstream, midstream and downstream industries are explained as follows:

The BOPP film, PVC soft film, and PE film industries belong to the upstream industry. BOPP film is a very important flexible packaging material with a wide range of applications. It has high stretch, impact strength, rigidity, strong bristles and good transparency. After corona treatment, it can adapt well to printing and can be printed with color to obtain an exquisite appearance, so it is often used as the material of composite film. In recent years, with the increasing requirements for application materials in various industries, the demand for films has increased year by year, and the application industries have become more extensive. YEM CHIO is committed to enhancing the added value of environmentally friendly green film. For example, the internationally certified renewable film can be made from a single material, such as high imperishability film. It can be used to preserve and suppress bacteria and mold, while also meeting the requirements for plastic reduction, thinness and general packaging bag films.

PVC is one of the earliest industrialized resins, due to its mature processing technology and low price, PVC is widely used in the automotive industry, electronics industry, machinery manufacturing industry, building materials industry, and people's livelihood applications. The development of PVC tapes tends to be product functional applications including thin, low-cost, low-cost products, good operability, environmental protection, and safety. With the rapid upgrading and progress of the global industry and technological advancement, Yemchio's self-made PVC flexible film is vertically integrated, especially for bulk products, PVC insulation tape, products tailored to specific industries, and customers' special needs, which are more likely to be favored by the market. With the strengthening of global environmental awareness, Yemchio's products have obtained the hazardous restricted substances (RoHS) certification, the European Union regulations (REACH) certification, and the non-toxic, easy-to-recycle products have a stronger market acceptance. We are currently developing a solvent-free coating production process. The production process of non-solvent coating has been successfully developed.

The full name of PE is polyethylene, which is the simplest polymer organic compound and the most widely used polymer material in the world today. PE protective film uses special polyethylene (PE) plastic film as the base material, and the biggest advantage is that the protected product can be prevented from being stained, corroded, cut and scratched during production, transportation, storage and use, and can keep the original smooth and shiny surface. From PE film making to gluing, Yemchio uses a completely self-made and consistent operation mode to ensure product quality and maintain product market competitiveness. These

products are widely used in the steel and aluminum plate industry, the hardware industry, the optoelectronics industry, the plastic industry, the electric wire and cable industry, and the electronics industry. They are an extremely popular and environmentally friendly film product.

Adhesive tape belongs to the midstream industry. It refers to a product that is coated with adhesive on a substrate, and the flow of the adhesive is combined with adherend to produce an adhesive effect. There are many types of adhesive tapes, which can be divided into three types: solvent-activated, heat-activated, and pressure-sensitive adhesive tapes. At present, there are more than 10,000 types of commercialized tapes, and their convenient use, superior functions and low price are of irreplaceable importance in daily life and work.

Currently, the raw materials for the production of BOPP film, PE film and adhesive tape domestic are mainly concentrated in several large plasticization plants such as Formosa Plastics and Formosa Chemicals. Therefore, in order to maintain a competitive advantage in the industry, in addition to the use of automatic production equipment to produce a large amount of production to reach an economic scale, the cooperation of upstream raw material suppliers is also a key factor. In terms of downstream manufacturers, due to different characteristics of films and tapes required by various downstream industries, manufacturers need to have mature production technology and diverse production specifications in order to provide customers with a complete product portfolio immediately to meet customers' one-time purchase needs.

In response to the rapid growth of the domestic electronic information industry, tape products are in demand for various tapes such as transformer coil insulation, stainless steel plate protection, printed circuit board electroplating protection, semiconductor wafer cutting, grinding, and demagnetization coils. Among them, the OPP tape series remains mainstream on the global market. Besides, tape products have the characteristics of convenience, superior functions and low prices, and due to continuous development and completion of new products and technologies, there is currently no other product that can completely replace its auxiliary position in various industries, since film and tape products will not be affected by the prosperity and decline of a single industry. There is a certain demand for the overall economic growth.

The Special Chemistry Division is mainly engaged in the semiconductor and optoelectronic related markets. It has many years of experience in OEM of high-purity electronic-grade solvents and related products. The operation of the plant is stable. In addition, the recent self-owned brand promotion and global sales deployment have improved the overall production and sales status with high expansion potential. In response to the trends such as the increased reliance on automation in the world, rising technological demands for consumer electronics and automotive communications, and the revolutionary application of AI in our daily life, the demand for computing chips has exploded and the demand for supply of chemical raw materials to wafer fabs in Taiwan has also increased. Considering the risk of excessive concentration of global supply in Taiwan, wafer fabs are also actively expanding production bases in Japan, India, the United States, Germany and other countries, and the supply of chips will become globalized. Mainland China has independently developed wafer manufacturing due to U.S. trade sanctions. Supported by huge domestic demand and abundant national resources, although technology and experience are still far behind, the wafer production capacity of mature processes combined with packaging technology for large amounts of demand is achievable. As for sales of special chemical products, the Company is actively conducting deployment in Japan, Southeast Asia and Mainland China. Expansion of capacity is performed in the Huawei Science Park to

meet market demand and increase R&D energy for semiconductor customer services. The Company is also actively promoting electronic-grade raw material recycling technology to meet the needs of the market with respect to environment and sustainability issues.

(2) The relevance of the industry's upstream, midstream and downstream industries:

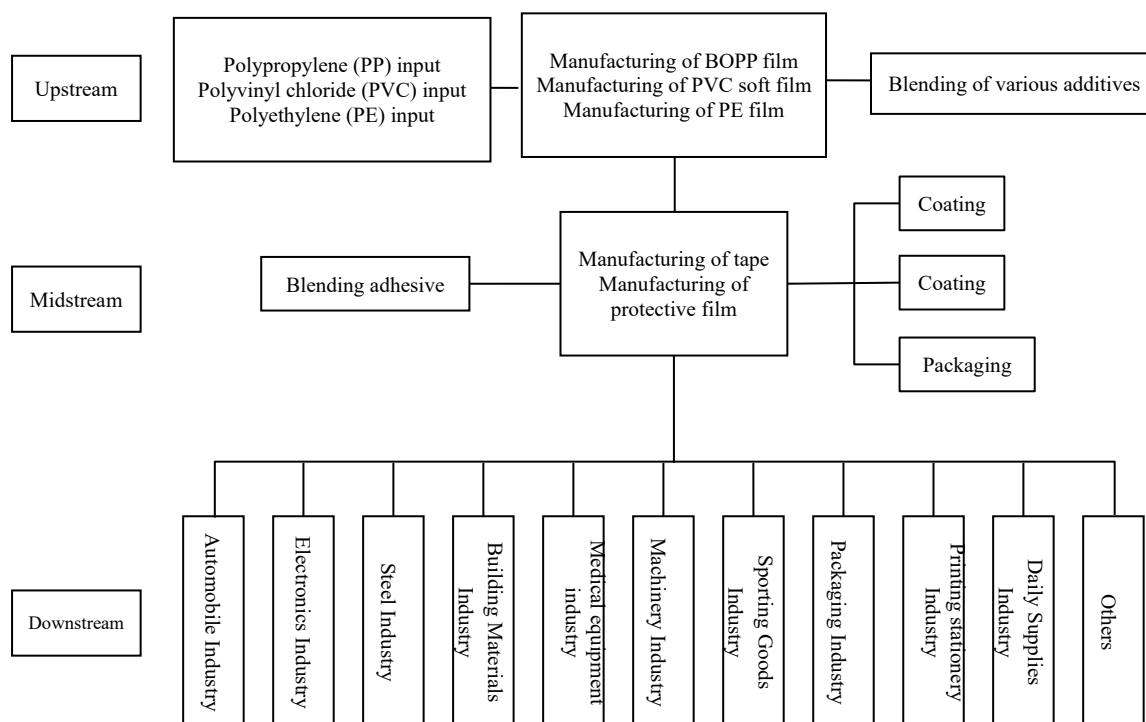
The upstream raw materials of the BOPP film industry include polypropylene (PP) and various additives, and the downstream are various tape processing manufacturers, color printing and food packaging factories. The film can be widely used in food ingredients, agricultural products, food packaging, staple merchandise packaging, electronic release film, varnish glass laminate film, etc.

The upstream raw materials of the PE film industry include the mining and supply of PE resin and natural rubber. PE resin is closely related to the petrochemical industry, and its price fluctuations are also closely integrated with the supply and demand of the crude oil market. Natural rubber is mainly mined in Southeast Asian countries such as Thailand, where it is mined at a specific time, and its natural rubber is also widely used for tires and rubber gloves for example.

The adhesive tape industry belongs to the upstream raw material manufacturers including paper, cloth, rubber, plastic film or metal foil and other substrate manufacturers, as well as the resin factory that manufactures various adhesives. The midstream is a manufacturer of various tape processing manufacturers, wherein the main tasks consists of mixes and coats, fabrication, drying, cutting, slitting, packaging and other operations. The finished tape can be used in a wide range of industries, such as the automobile industry, electronics industry, machinery manufacturing, building materials industry, hardware industry, printing stationery. It is used in industry, medical equipment industry and even general household consumption, and because adhesive tape is widely used for packaging purposes, it covers almost all industries.

The company is a film and tape processing manufacturer in the upstream and midstream reaches of the industry. Its upstream, middle and downstream structure is shown in the figure below.

The correlation diagram of the upstream, midstream and downstream of the industry



(3) Product Development Trend

The development trend of film products tends to develop toward the direction of product environmental protection, diversification and differentiation. As long as BOPP film is environmentally friendly and non-toxic, BOPP film is highly suitable to replace other types of packaging materials, and its application in new fields and industries is gradually expanding. In addition to the differentiation, the film products are also developing towards carbon reduction, plastic reduction and thickness reduction, and the eco-trend of recycling as well, which can effectively reduce the downstream cost and also establish the threshold of the industry.

The market share of Chinese manufacturers in the global PVC film market is in a unique leading position. In the era of Trump 2.0, the PVC film production capacity of YEM CHIO will simultaneously satisfy the supply chains of Taiwan, China, and Vietnam, strengthen diversified production, increase the speed of new product development, and prevent homogeneity in product production. The belt with high profitability, high quality, and fast production for different industries, including the automotive industry, is the main direction for the future development of PVC films in China.

The development trend of membrane and tape products is oriented toward the functional application and environmental protection. As the global industry grows and evolves, and as demand changes, all tape manufacturers have developed special specifications or adjusted their glue formulas to meet the needs and expectations of their customers. In conclusion, YEM CHIO's products are suitable for various industries and applications.

Due to the significant increase in the demand for AI and automation-related materials and technologies such as chip production and related packaging technology, the specialty chemicals business will continue to invest in the development of formula and purification related technologies in

order to improve the brand and product service value in the semiconductor market, and will also deeply understand the needs and production problems of customers to launch practical products and services with long-term needs. We aim to achieve a win-win situation for the environment, society, customers, and the group by balancing the needs of environmental protection with customers' sustainability issues and addressing these challenges in a practical manner.

(4) Product competitor

The adhesive tape industry has been developing in Taiwan for more than 60 years. In the past, BOPP film manufacturers have changed due to competitive factors. Currently, only YEM CHIO and Nan Ya Plastics are relatively large manufacturers. There are more than 70 tape manufacturers and they are also large companies. The technology of OPP and SPVC has matured, and most of the manufacturers are exporters. They account for about 80% of the total output of tapes. The major manufacturers of tape products are as follows.

Product category	Manufacturer
BOPP film	YEM CHIO and Nan Ya Plastics
OPP tape	YEM CHIO, Avatack, Chin Tung, Globetape, Rainbow, KIKUSUI, Sharktape, Solar Plus, RON MAN
SPVC tape	YEM CHIO, RYH DONG, Avatack, Chin Tung, Globetape
Glass paper tape	Symbio, Global Industries
Kraft paper tape	YEM CHIO, KIKUSUI
Double-sided tape	YEM CHIO, Avatack, KK Enterprise, Globetape, Captaintek, Sharktape, Uee Zee Enterprise, Kikusui Tape, Rainbow Tape, Seal King, Solarplus-Tape, Fortunetape, Metagalaxy, King Arrow, V. Himark, Celadon, Sun-Good
PET tape	Symbio, Sharktape, KK Enterprise, GLOBAL INDUSTRIES, RYH DONG, , 3M, Solar Plus, Yun Li
PE tape	YEM CHIO, Symbio, Wang Chia, KK Enterprise
Crepe paper tape	YEM CHIO, Symbio, KK Enterprise, Globetape, Sharktape, Captaintek, Fortunetape
Medicine and medical tape	Symbio, CA Airpore, Fubon
Green silicone tape	KK Enterprise, Solarplus-Tape, Metagalaxy
Polyimide film tape	KK Enterprise, Symbio, Solarplus-Tape, Metagalaxy, Sharktape
Trademark tape	KK Enterprise, Symbio, Hezong, Solarplus-Tape, Captaintek, Metagalaxy, Fortunetape. Fortunetape, Bestak, BESTAK SELF-ADHESIVES
Other special tape	Symbio, Wang Chia, Captaintek, Taiwan Hopax, V. HIMARK. SWAN Tape, Solarplus-Tape, Sharktape, Hong Wei, Chia Chu, KIKUSUI, Fubon, Shan Chia

Source: Taiwanese Adhesive Tape Industry Association

For the semiconductor chemical products, the main competitors are domestic manufacturers, such as SHINY CHEMICAL INDUSTRIAL, KANTO-PPC, San Fu Chemical, and Chang Chun, OPALS, and foreign manufacturers, such as BASF, Fujifilm, and TECO Chemical.

(III) Overview of Technology and R&D

R&D expenses invested and technologies or products developed successfully in 2024 and up to the publication date of the annual report

(Unit: NT\$thousands)

Year	Consolidated research and development expenses (thousand NT dollars)	Successfully developed technology or product
2024	36,881	1. Environmentally friendly grafting tape 2. Double-sided tape for automotive foam 3. Stage floor matte tape 4. Hot melt ultra-transparent low-temperature resistant BOPP tape

R&D investment plan and progress

The most recent annual plan	Current progress	R&D expenses that should be reinvested	Time to complete mass production	The main factors influencing the success of future R&D
Research on the application of environment-friendly glue to PVC electrical and harness tapes	Small orders have been received for some products	NT\$4 million	2025-2026	Market acceptance
Traditional solvent-based glue replaced with solvent-free glue for PVC electrical tapes.	Raw material testing, laboratory analysis, and related trial machine proofing	NT\$10 million	2025-2026	Validation of related certification; market acceptance
Development of UV PSA tape	Experimental coating equipment construction, glue evaluation analysis, irradiation condition analysis	NT\$6 million	2025-2026	Market acceptance
Development of resin emulsification technology	Laboratory and pilot scale experiment technology feasibility validation	NT\$12 million	2026-2027	Market acceptance

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

(1) Short-term business development plan

In response to the soaring energy prices/raw material prices, the Company will focus on developing membrane 2.0 carbon reduction, plastic reduction, and environmental protection film, food ingredient fresh film, etc., in the short term.

- (A) The additional coating lines to be set up in the product bases in Vietnam and Mainland China are in progress.
- (B) Automation and digital optimization of the production lines for improvement of management efficiency and reduction of dependence on the labor force.
- (C) Promotion of food preserving anti-bacterial film series.
- (D) Promotion of high resistance food film series made from single materials that can be recycled.
- (E) Promotion of saran wrap series for packaging agricultural products.
- (F) Promotion of recyclable film series.

- (G) Promotion of high-temperature and low-temperature resistant products.
 - (H) Promotion of glue, environmentally friendly glue for electrical PVC line and harness applications
 - (I) Promotion of degradable environment-friendly packaging tape products.
- (2) Mid-term and long-term business development plan
- (A) Increase environmental protection products and develop environmental protection materials.
 - (B) The 2.0 film plan will continue to expand, by developing multi-functional films (such as high resistance film and freshness preservation and antibacterial film and film for environmental protection and plastic reduction).
 - (C) Develop new uses of glue.
 - (D) The product has obtained the national standard certification.
 - (E) Promote solvent-free products; As for electrical PVC tapes, solvent-free tapes are used to replace conventional solvent-based glue
 - (F) Development of clean-room tapes
 - (G) Development of UV PSA tape
 - (H) (Development of resin emulsification technology

Special Chemistry Division

Short-term strategies

1. The existing products of EBR/Developer/Stripper and other mature products are continuously promoted to domestic and Chinese, Southeast Asian customers.
2. In response to the quality difference of the semiconductor grade customers, the Company has established a systematic adjustment procedure and continued to improve the EBR upgrade in response to the quality difference. The corresponding certification has been obtained to improve service quality.
3. Increase the quantity and category of OEM products.

Mid- and long-term strategies

1. The Company will leverage the efficiency advantages of the new plant of China Technology, increase production efficiency and quality, and improve product competitiveness and market share.
2. Use a recycling system to increase the product items for recycling applications that have an increasing market demand.
3. The goal is to improve core pure technology, and produce high-efficiency and high-quality products with low energy consumption.

II. Market and Sales Overview

1. Market Analysis

(I) Sales area of main products

The main products of the company and its subsidiaries are various tape and film products. The market distribution is mainly for export. In 2024, the export accounted for about 60% of total sales, and the Americas and Asia were among the largest markets. The current internal and external sales ratios of the main products of the company and its subsidiaries are estimated as follows:

Products	Sales Figure (NT\$thousands)	Proportion of domestic sales	Proportion of Export
Tape	9,393,095	7%	93%
Packaging	1,436,198	97%	3%
Film	1,217,033	38%	62%
Construction	2,901,957	100%	0%
Others	942,799	100%	0%
Total	15,891,082	40%	60%

(II) Market share, supply and demand condition, and growth of the market in the future

The tape industry is continuously facing competition and threats regarding the capacity and supply volume of tape industries in Mainland China and the developing countries in Southeast Asia. However, the demand for tape products continues to grow steadily, thanks to ongoing upgrades and their wide range of applications.

The film industry is at the trough of its cycle. The film manufacturers at Changhua Film Plant have strengthened quality management and increased the production of high-value-added food packaging film after obtaining ISO22000 food safety certification to create product differentiation.

Since 2011, when sales of BOPP to international tape brands began, the product portfolio has been adjusted to increase sales of consumer package film. In 2016, the sales of PIR film are expected to continue to increase. The sales of films are moving toward the demand for green and carbon reduction from 2024.

The products of the special business are mainly used in the photolithography process of the semiconductor industry. Although the overall economy has been weak in recent years, coupled with severe inflation, weak consumption has placed the economy in a bearish situation. The AI-related issues have become a hot topic, creating a stable demand in the semiconductor market. In terms of OEMs, the Company has maintained a stable relationship with customers in Taiwan, mainland China, and Southeast Asia, and has built a strong foundation for its own brand with quality and cost advantages. There is significant room for growth.

(III) Competitive Niche

(1) In terms of Sales:

(A) The Film Division and Tape Division regularly plan international

exhibitions every year and deploy to the global market.

- (B) Adjust product mix and pursue maximization of profits.
- (C) With “Master Package” as the brand in the distribution channels, we enhance the Packaging Business Division to increase the percentage of its retail business and proceed to implement the channel transformation deployment. (Currently, the revenue mainly comes from the packaging departments in charge of respective industries.)
- (D) The chemical products produced by the Special Chemistry Division are used by semiconductor customers with specific quality requirements.

The Company will deploy its resources in the market with its advantage in cost, and promote green semiconductor chemicals with its experience in recycling and reuse.

(2) In terms of production:

- (A) Vertically integrate the upstream, midstream and downstream industries of the tape.
- (B) We coordinate the integration of the purchase, production and sale of (raw) materials between Yem Chio and AICHEM Technology Corporation to increase the gross margin.
- (C) The abundant experience of the Special Chemistry Division in production effectively reduces production cost and stabilizes quality.
- (D) Tape processing automation
- (E) Production management automation
- (F) Implementation of lean six-sigma project

(3) In terms of Research and Development:

- (A) Continue to develop high value-added and renewable environmental protection and carbon reduction films.
- (B) Increase environmental protection products and develop environmental protection materials.
- (C) Development of new uses of glue, environmental-friendly glue for electrical PVC line and harness applications.
- (D) Environmental protection PE encapsulation tape
- (E) Double-sided tape for automotive foam
- (F) Stage floor matte tape
- (G) Hot melt ultra-transparent low-temperature resistant BOPP tape

(4) In terms of Management:

- (A) Integrate global resources and establish a structure with Taiwan as the operating center.
- (B) Integrate the enterprise management resource integration (ERP) system within the group to improve performance of management and decision-making.

- (C) Specialized business – Strengthen the supply chain system to stabilize raw material risks and costs.
- (IV) Advantages and disadvantages of the development prospects and countermeasures
 - (1) Favorable factors
 - (A) The shift in the business model under the pandemic has led to increased demand for tape and packaging materials from various industries, and due to the continuous development of its various purposes, the growth in demand is still solid.
 - (B) Film products have a wide application industry, and are environmentally friendly and non-toxic, and the application level will continue to expand in the future.
 - (C) Southeast Asian countries have implemented anti-dumping policies for BOPP in China.
 - (D) The US has escalated tariffs on BOPP in China, which has resulted in the US customers' orders being transferred to other countries.
 - (E) The US trade policy is accelerating the formation of the supply chain in the regions of Europe and Asia, and both raw materials and customers have the opportunity.
 - (2) Unfavorable factors:
 - (A) Due to the large supply of film manufacturers in China and Southeast Asia, and tariff barriers since Taiwan is not a member of the Association of Southeast Asian Nations, reasons mentioned above have caused fierce competition in the international market and reduced profits.
 - (B) Impact of new tariff policies in the US on the trade environment.
 - (C) The price of raw materials fluctuates abnormally, and the supply of upstream raw materials tends to be a seller's market.
 - (D) The willingness of workers to pass on the knowledge is low, which severely affects the subsequent development of the industry.
 - (3) Countermeasures:
 - (A) Develop new products and improve quality to increase added value.
 - (B) Analyze the overall economic situation and improve inventory management.
 - (C) Cooperate with the development plan of film 2.0 to increase the green film and consumer film ratio.
 - (D) Deploy in China/Southeast Asia/Europe/India market, increase demand and develop potential customers, and assess the timing of a better raw material supply chain.

2. Important use and production process of main products

Plastic products:

- (1) BOPP – widely used for packaging tape, food, cosmetics, beverage, and office supplies such as label, and office supplies.
- (2) OPP packaging tape: Suitable for sealing and fixing, carton packaging, and packaging requiring tensile strength.
- (3) PVC tapes: Suitable for electrical insulation, automotive wiring harnesses, floor warnings and pipeline coatings to resist corrosion.
- (4) Stationery tapes: All kinds of tapes used in art, crafts, gifts, hair accessories, venue layout and factories or offices.
- (5) Protective tapes: Used for aluminum door and window frames, plastic window frames, stainless steel plates, cosmetic plywood and house wall pipeline paint repair and other purposes, mobile phone screens, surface protection of painted parts, shaft-mounted copper wires, semi-finished products/finished products, and to effectively prevent dust pollution and oxidation.
- (6) Double-sided adhesive tape: In response to various uses, tissue paper, foam, polyester film and other different substrates are used, which are suitable for bonding and fixing in the electronics industry and for specific purposes.
- (7) Laminating tapes: Suitable for specific purposes such as adhesive labels and trademarks.
- (8) Development of UV PSA tape.

Special chemical products

- (1) EBR – Chemicals used in wafer edge cleaning or pre-wetting in the photolithography process of semiconductor wafer production/packaging in the semiconductor industry. They are used to increase the flatness before photo exposure and reduce the amount of photoresist used to stabilize the process production quality.
- (2) Developer – The formula product that can remove photoresist after exposure in the photolithography process. After use, the photoresist on the wafer can display the pattern of the mask, allowing the next stage of the process to be carried out in order to achieve the intended circuit layout on the wafer.
- (3) Photoresist liquid – Chemicals used to remove the remaining photoresist after exposure and processes such as electroplating or etching. In consideration of the various photoresists that need to be removed and the limitations of process conditions, these chemicals are usually custom-formulated products.
- (4) EBR: Chemicals used to achieve new product quality through the systematic purification, quality analysis and control of the client's waste liquid. They are used in the original process cycle.

3. Supply status of the main source

The main products of the company and its subsidiaries are adhesive products. Its main suppliers in the last two years are as follows:

Raw material name	Year	2024	2023
		Main supplier	Main supplier
Polypropylene (PP)		Sabic Asia Pacific Pte, Sumitomo, Formosa Plastics, Formosa Chemicals, China Petrochemicals	Sabic Asia Pacific Pte, Sumitomo, Formosa Plastics, Formosa Chemicals, Hyosung, Petrochemical, China Petrochemicals, Mingpeng, Mitsui, Gide
Polypropylene film Original BOPP		Nan Ya Plastics, Fulong, Shuangliang, Jiayue	Nan Ya Plastics, Fulong, Shuangliang, Kaiwei, Jiayue
PVC film SPVC original cloth		Nan Ya Plastics, Shih-Kuen Plastics, Yingtai, Tianjin	Nan Ya Plastics, Shih-Kuen Plastics, Yingtai
Vinyl acetate		Chemfront, Everest, Bigo, Ping Chen, Bingding, Suiyue	Chemfront, Everest, Bigo, Ping Chen, Bingding, Long Yi
Isooctyl acrylate		Formosa Plastics, Guojiao, BASF, Bingding, Suiyue, Zhejiang Satellite	Formosa Plastics, Guojiao, BASF, Bingding, Long Yi
Ethyl acetate		Wintak, Young Sun, Pin Cheng, Hong-Chuan	Wintak, Chemfront, Yuteng, Young Sun, Pin Cheng, Cha Mei, Hong-Chuan,

4. Information on major suppliers in the last two years

The company and its subsidiaries haven't had an individual supplier's purchase amount exceeding 10% of the combined purchase amount in the last two years. Main reasons for the increase or decrease of the difference: None.

5. Information on major clients in the last two years

In the past two years, the company and its subsidiaries did not have individual sales clients whose sales amount reached more than 10% of the combined sales. Main reasons for the increase or decrease of the difference: None.

III. Information on the employees of the company and its subsidiaries in the last two years and as of the publication date of the annual report:

(I) Number of employees:

Year		2023	2024	2025 as of 3/31
Number of Employees	Direct Labor	1367	1332	1317
	Indirect Labor	891	966	922
	Total	2258	2298	2239
Average Age		40.51	40.85	40.91
Average Years of Service		9.27	9.54	9.64
Education	Ph.D.	0.2%	0.22%	0.2%
	Masters	2.7%	3.39%	3.3%
	Bachelor's Degree	30.0%	31.68%	31.4%
	Senior High School	39.2%	34.47%	38%
	Below Senior High School	27.8%	27.24%	27%

(II) Policies of diversification and gender equality at the workplace, and the implementation status:

In line with the labor-related regulations established by the government and in compliance with the basic principles specified in the UN Sustainable Development Goal 5 (i.e. Achieve gender equality and empower all women and girls), the UN Universal Declaration of Human Rights, the Convention for the Protection of Human Rights and Fundamental Freedoms, the Charter of Fundamental Rights of the European Union, and the ILO Declaration on Fundamental Principles and Rights at Work, the Company has developed a human rights policy to actively create an equal and fair work environment free from discrimination and harassment. No discriminatory treatment shall be imposed due to the factors of race, nationality, age, gender, marriage, political position, or religion. Meanwhile, we make sure that every employee is in the right position where their skills are useful.

The Company had 1228 employees in 2024 (including Yem Chio, Achem, Wong Chio, Xin Chio, and UINN Hotel; the same below), with male and female employees accounting for 80% and 20%, respectively. The Company focuses on manufacturing and the factories are engaged in labor-intensive business. Hence, the male and female employees differ significantly in the labor structure. The following table shows the diversification indicators of the Company in 2022 and 2023:

Diversification indicator of females	Number of female employees in 2023	Total number of employees in 2023	Percentage in 2023	Number of female employees in 2024	Total number of employees in 2024	Percentage in 2024
Female employees	335	1213	28%	240	1228	20%
Female managers	30	121	25%	26	126	21%

Nationality indicator	Number of employees by nationality in 2023	Total number of employees in 2023	Percentage in 2023	Number of employees by nationality in 2024	Total number of employees in 2024	Percentage in 2024
Taiwanese	909	1213	75%	920	1228	75%
Foreigner	304	1213	25%	308	1228	25%

Other diversification indicators	Number of employees by item in 2023	Total number of employees in 2023	Percentage in 2023	Number of employees by item in 2024	Total number of employees in 2024	Percentage in 2024
People with disabilities	16	1213	1.3%	13	1228	1.06%
Under 30 years old	196	1213	16.2%	161	1228	13.11%
31–50 years old	794	1213	65.5%	832	1228	67.75%
Over 50 years old	223	1213	18.4%	235	1228	19.14%

(III) Company human rights policy

Yem Chio Co., Ltd.

Human rights policy

Established date: March 21, 2021

- I. The company is committed to the goal of “A people-oriented happy enterprise, building a benchmark for the industry” and abides by the labor laws and regulations formulated by the government of the Republic of China, including but not limited to the: “Labor Standards Act”, “Trade Union Act”, “Group Agreement Act”, “Labor-Management Dispute Resolution Law”, “Occupational Safety and Health Law” and “Gender Work Equality Law” and other basic human rights laws.
- II. In addition, the company’s global operations sites also comply with United Nations’ “Universal Declaration of Human Rights”, “Convention for the Protection of Human Rights and Fundamental Freedoms”, “Charter of Fundamental Rights of the European Union”, the basic principles of the ILO Declaration on Fundamental Principles and Rights at Work and the laws and regulations of the countries where they are located.
- III. We have formulated "Personnel Management Measures", to maintain a fair, just and open working environment, providing fair, just, open and reasonable employment opportunities and training and development plans, and also require employees to be committed to maintaining a safe and dignified working environment. We take the initiative to communicate; besides, the company has established an employee complaint system to handle complaints from employees about regarding disciplinary measures, improper management, suggestions, and violations of relevant labor laws and regulations. An employee suggestion box is also set up: chairmanoffice@ycgroup.tw, to gather suggestions from employees and maintain a smooth communication channel.
- IV. We protect the rights and interests of employees (including contract, hired and temporary personnel) and abide by the following principles:
 - (i) Comply with local labor and environmental laws and regulations at the place of operation to ensure that employees have reasonable working conditions and a safe and healthy working environment.
 - (ii) Strive to create a working environment that is equal and fair, free from discrimination and harassment, and does not discriminate based on factors such as race, nationality, age, gender, marital status, political position, religious belief, etc.
 - (iii) It is forbidden to force employees to work and child labor is prohibited.
 - (iv) Protect employees' personal privacy rights and respect employees' right to associate freely.
 - (v) Create an environment wherein employees are willing to communicate, provide a complaint and reporting mechanism (reporting mailbox: ryanwu@ycgroup.tw), respect employees’ opinions, and promote labor-management cooperation; if there is a violation of human rights, relevant units will carry out investigation procedures and implement remedial and improvement measures.
 - (vi) Help employees to maintain physical and mental health and work-life balance through health talks and medical professionals.

- (vii) Regularly review and evaluate relevant systems and human rights policies, revise company norms in a timely manner; and maintain basic human rights through repeated education, training and publicity every year.

(IV) Protective measures for personal safety and working environment of employees and their implementation status

Factories: The information of Achem's Yangmei Factory

Date	Regular/periodic	Frequency	Concrete safety measures	Remarks
2024.01.03	Irregular	/	Education and training on safety and health	Processing Section, Yangmei Plant 1
2024.01.03	Regular	Once a week	Plant Safety Meeting	
2024.01.03	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in 12/2023	
2024.01.03	Regular	Once every quarter	Regulation checking in 12/2023 and regulation list update	
2024.01.04	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	
2024.01.05	Regular	Once a year	SDS (Safety Data Sheet) Table of Contents (update)	At least updated once every 3 years
2024.01.05	Irregular	/	Cooperate with Taoyuan City Labor Inspection Office for peroxide inspection	Yangmei 1st Plant, Yangmei 2nd Plant
2024.01.05–10	Regular	Once/quarter	Replenishment of medicines in the factory's medical box	
2024.01.09	Irregular	/	[Vaccination Service] – Tongxin Care System – Dr. Chiang's Clinic – Providing COVID-19 and Influenza Vaccination Service 1/19 (Fri.), 1/26 (Fri.), 2/2 (Fri.) 2:00–5:30 p.m.	Yangmei Plant
2024.01.10	Irregular	/	New recruits' safety and health education and training	
2024.01.10	Regular	once a week	Plant Safety Meeting	
2024.01.10	Regular	Once every quarter	Occupational health service (Dr. Hsiao, orthopedics: Bone and muscle)	
2024.01.10–11	Irregular	/	The website of the Labor Health Protection Management Report is updated, the factory's association system is increased, and the responsible person is to be changed upon application.	
2024.01.11–12	Regular	Once a year	ISO14001 & 45001 external system audit document review	Renew the certificate and change the certification company after the certificate at the end of the third year
2024.01.12–17	Irregular	/	Assist in the registration and purchase of adult medical masks in the factory area	
2024.01.15	Regular	Once a month	Canteen safety and health inspection	
2024.01.17	Regular	once a week	Plant Safety Meeting	
2024.01.17	Irregular	/	The reagent for testing the wastewater with "1% or more of Potassium Dichromate" is added to the wastewater treatment plant. This is a procedure for the examination of the wastewater with the acid and its alkali or the acid and its alkali. It must be included in the health examination for special hazardous operations before any occupational diseases occur, and new employees must be checked annually.	Environmental Protection Section (Wastewater Treatment Plant)
2024.01.17	Regular	Once/six months	Monitoring of operating environment	First half of 2024
2024.01.17	Regular	Once/quarter	Occupational Safety and Health Committee (Q4, 2023)	Yangmei 2nd Plant
2024.01.17	Irregular	/	Application for "Approval to send National Taipei University of Nursing and Health Sciences (NTUNHS) student Wu, Wan-Ru to Yangmei Plant for conducting the annual health checkup and health-related research for foreign workers"	Yangmei Plant
2024.01.18	Irregular	/	Update of the regulatory audit and regulatory list in December.	
2024.01.18	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.01.19	Regular	Once or twice a year	Contractor safety and health education and training	
2024.01.22	Regular	Once/quarter	Occupational Safety and Health Committee (Q4, 2023)	Yangmei 1st Plant
2024.01.22	Regular	Once/quarter	Occupational Safety and Health Committee (Q4, 2023)	Yangmei 3rd Plant (including PE Plant)
2024.01.22	Irregular	/	New recruits' safety and health education and training	
2024.01.24	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.01.24–26	Regular	Once a year	ISO14001 & 45001 external system audit review and	

			certification	
2024.01.23–25	Irregular	/	Yangmei 1st Plant and Specialty Chemical Plant, with more than 100 employees, plans to add 2 manufacturing level 1 (concurrent) level A business supervisors.	Yangmei 1st Plant (including Specialty Chemical Plant)
2024.01.26	Irregular	/	Cooperate with Taoyuan City Labor Inspection Office for inspection in spring	Yangmei 1st Plant, Yangmei 3rd Plant
2024.01.29	Regular	Once a year	In response to the musculoskeletal injury, overwork and illegal infringement prevention in the workplace as stated in Article 6-2 of the Occupational Safety and Health Act, the Company applied for the Sports 2.0 course to the Department of Sports, Taoyuan, to be held at the Yangmei Plant.	Free sports courses
2024.01.29	Regular	Once/quarter	Occupational Safety and Health Committee (Q4, 2023)	Special Chemistry Plant
2024.01.29	Irregular	/	Hazard Identification and Risk and Opportunity Assessment Management Procedures (ISO document revision)	
2024.01.30	Irregular	/	If any of the 32 types of special hazards and health data announced by the Bureau of Labor Insurance are listed, report to the Environmental, Safety and Health Section to apply for an environmental test.	Special Chemistry Plant
2024.01.31	Regular	once a week	Plant Safety Meeting	
2022.01.31	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.01.31	Regular	Once a year	The announcement of shutdown and the safety matters before the start of work and prior to the end of the Chinese New Year period from 2/8 to 2/14 shall be made in accordance with the regulations.	
2024.02.01	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	
2024.02.01	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in January 2024	
2024.02.02	Irregular	/	Education and training on safety and health	2nd Plant Management & Processing
2024.02.02	Regular	Once every six months	Maintenance fee for automatic external defibrillators (semi-annual regular maintenance once) quotation	
2024.02.05	Regular	Once a year	Data confirmation of the 2023 mid-to-high age and high age work site safety and health inspection checklist	
2024.02.05	Regular	Once a year	Pre-annual safety inspection of the entire factory	
2024.02.01–29	Regular	Once a year	According to the 2023 Maternity Work Environment and Operational Hazard Risk Assessment, the safety and health personnel and the onsite personnel will conduct a risk assessment and classification in 2024 according to the “Workplace Environment and Operational Hazard of Each Unit” to ensure the accuracy and effectiveness of the onsite operation data, and make amendments if necessary, so that the management can understand the risk of maternal hazards and prevent them as early as possible.	The Yangmei Plant is expected to be completed by 2/29. (2/1–7, 2/15–22, 2/23–29)
2024.02.07	Irregular	/	Construction of automatic inspection checklist and collection of images	
2024.02.16	Regular	Once a year	List of all employees of Yangmei Plant who received assistance in screening for four cancers (Breast Cancer Prevention and Treatment – Mammography, Cervical Cancer Prevention – Cervical Swab, Coliforms Prevention – Cervical Examination, Oral Cancer Prevention – Oral Swab)	Yangmei Plant
2024.02.17	Regular	Once every six months	Operating environment monitoring (3rd Plant noise environmental test for laminating machines)	First half of 2024
2024.02.19	Regular	Once a month	Canteen safety and health inspection	2024.04.15
2024.02.20	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.02.21	Regular	once a week	Plant Safety Meeting	
2024.02.23	Regular	Once every six months	Work environment monitoring (Specialty Chemical Plant noise environment test for laminating machines)	First half of 2024
2024.02.23–29	Irregular	/	10 masks were distributed to migrant workers for epidemic prevention.	
2024.02.29	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.03.01–07	Regular	Once a year	2024 Maternal Work Site Hazard Risk Announcement Notice (2nd Plant. 3rd Plant. Special Chemistry Plant)	
2024.03.04	Irregular	/	Education and training for new recruits	
2024.03.04	Irregular	/	Foreign Employee Immigration Prevention and Training Course	Yangmei 2nd Plant
2024.03.04	Irregular	/	Construction of automatic inspection checklist and image link	
2024.03.06	Regular	once a week	Plant Safety Meeting	
2024.03.06	Regular	Once a month	Statistical number of persons who declare in the occupational	

			accident monthly report in February 2024	
2024.03.06	Regular	Once a year	Dissemination of Indonesian Ramadan (3/11–4/9) (<u>No food and no drink for tens of hours</u> ; employers shall respect the religious belief of different ethnic groups; department heads are requested to remind foremen to pay attention to the physical conditions of migrant workers during the Ramadan)	
2024.03.06	Irregular	/	Education and training for new foreign workers	
2024.03.07	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	
2024.03.08	Irregular	/	Occupational Safety and Health Education and Training (Management and Processing Section)	Yangmei 2nd Plant 15:00
2024.03.08	Irregular	/	Announcement and release of the automatic inspection checklist for the entire factory	
2024.03.11	Regular	Once a month	Canteen safety and health inspection	
2024.03.13	Regular	once a week	Plant Safety Meeting	
2024.03.14	Irregular	/	New recruits' safety and health education and training	
2024.03.14	Irregular	/	Convened the representatives of various units in the Yangmei Plant to conduct the automatic inspection checklist summary and briefing.	Yangmei Plant
2024.03.18	Irregular	/	Occupational injury prevention and safety training	PE Plant
2024.03.21	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.03.21	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.03.27	Regular	once a week	Plant Safety Meeting	
2024.03.28	Regular	Once/six months	Announcement of the 2024 first half of the year monitoring results of the operating environment of the Yangmei Factory	
2024.03.29	Regular	Once a year	Distribution of colorectal cancer test kit (Available at Yangmei Health Center on 3/15) 1. Test kit and specimen stick receiving period: from 2024/03/29 (Friday) to 2024/04/15 (Monday) on medical office registration 2. Test kit submission time: 2024/04/16 (Tuesday) 13:30–16:00, submit the specimen and swipe the NHI card at the central courtyard of the living area	Announcement on 2024/03/19
2024.03.31	Regular	Once/six months	Inspection of high-pressure equipment, LV distributor insulation test, and cleaning and maintenance	
2024.04.01	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in March 2024	
2024.04.01	Regular	Once a year	Announcement of the Taoyuan Super Sensory Movement Course for Yangmei Plant	Health promotion activity
2024.04.03	Regular	once a week	Plant Safety Meeting	
2024.04.03–09	Regular	Once/quarter	Replenishment of medicines in the factory's medical box	4/3, 4/8, 4/9
2024.04.10	Regular	Once or twice a year	Holding a blood donation event	
2024.04.10	Regular	once a week	Plant Safety Meeting	
2024.04.11	Regular	Once/six months	High temperature operation in boiler area, cooling tower legionella pneumophila testing	
2024.04.17	Regular	Once every six months	AED equipment maintenance and function test (Yang Der Instruments: 1 set)	Maintenance of equipment at a certified AED safe place
2024.04.15	Regular	Once a month	Canteen safety and health inspection	
2024.04.22	Regular	Once/quarter	Occupational Safety and Health Committee (Q1, 2024)	Yangmei 3rd Plant 08:30
2024.04.16	Irregular	/	Screening for cervical cancer and cervical cancer	
2024.04.17	Regular	once a week	Plant Safety Meeting	
2024.04.17	Regular	Once/quarter	Occupational Safety and Health Committee (Q1, 2024)	Yangmei 2nd Plant 14:00
2024.04.18	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.04.24	Regular	Once/quarter	Occupational Safety and Health Committee (Q1, 2024)	Yangmei 1st Plant 08:30
2024.04.24	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.04.25	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	
2024.04.29	Irregular	/	Update the self-examination form	Effective on May 1, 2024
2024.04.29	Regular	Once/quarter	Occupational Safety and Health Committee (Q1, 2024)	Special Chemistry Plant 15:30
2024.04.30	Irregular	/	Change report of safety and health personnel	Neihu Headquarters
2024.04.03	Regular	Once every six months	AED equipment maintenance and function inspection (Xingchang, the AED supplier, came to maintain 9 sets of AED equipment in different plants)	Maintenance of equipment at a certified AED safe place
2024.05.02	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine	

			specialist)	
2024.05.06	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in April 2024	
2024.05.08	Regular	once a week	Plant Safety Meeting	
2024.05.08	Irregular	/	Ultra-sensor movement course (5/8–7/31)	12 classes (15:00–16:00, Monday–Friday)
2024.05.09	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.05.13	Regular	Once a month	Canteen safety and health inspection	
2024.05.13	Irregular	/	Occupational safety and health education and training (6 hours for new recruits, Occupational safety and health education and training (9 people)	New employee
2024.05.14	Irregular	/	New foreign migrant workers were given 2 sessions of occupational safety and health education and training.	
2024.05.15	Regular	once a week	Plant Safety Meeting	
2024.05.16	Irregular	/	Blood Prevention for Heart Blood Vessels	Health promotion activity
2024.05.17	Regular	Once every quarter	Occupational health service (Dr. Hsiao, orthopedics: Bone and muscle)	2 people on sick leave management + 38 people on basic mobility control test
2024.05.21	Regular	Once a year	101 free occupational disease prevention special operation health checkups were sent to the health checkup hospital.	
2024.05.23	Irregular	/	Update of the regulatory audit and regulatory list in April	
2024.05.22	Regular	once a week	Plant Safety Meeting	
2024.05.23	Irregular	/	Announcement of the Legionella Bacteria Test Results for the Cooling Tower of the Air-Conditioning System at Yangmei Plant – First Half of 2024 (April 11)	
2024.05.20	Irregular	/	Occupational Safety and Health Education and Training (Manufacturing Section)	Yangmei 2nd Plant
2024.05.20	Irregular	/	Yangmei Plant's application for ISO 45001 change management and implementation instructions – notice of the explanatory meeting was changed	Update and implementation on June 1, 2024
2024.05.29	Regular	once a week	Plant Safety Meeting	
2024.05.30	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.05.30	Regular	Once a year	The first half of the toxic disaster prevention organization and update of emergency response equipment and data at the Yangmei Plant were completed.	
2024.05.31	Regular	Once a year	Please update the hazardous chemical substance list of each unit (2023) – The 2023 data is compiled in 2024.	before June 14, 2024
2024.06.05	Irregular	/	Factory visit by the Taoyuan City Labor Inspection Office	
2024.06.05	Regular	once a week	Plant Safety Meeting	
2024.06.06	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	
2024.06.11	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in May 2024	
2024.06.12	Regular	once a week	Plant Safety Meeting	
2024.06.12	Irregular	/	1 person in the orientation training for new recruits	
2024.06.13	Irregular	/	In line with the Toxic Chemical Substances Visit and Audit of the Environmental Protection Administration	
2024.06.13	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.06.13	Regular	Every year	Cooperate with Environmental Protection Administration for Toxic Disaster Visit	
2024.06.13	Irregular	/	Emergency medical hospital blood examination and investigation of snake venom readiness at hospital	
2024.06.17	Regular	Once a month	Canteen safety and health inspection	
2024.06.19	Irregular	/	1 person in the orientation training for new recruits	
2024.06.19	Regular	once a week	Plant Safety Meeting	
2024.06.19	Regular	Every year	Please update the ISO-45001 operating procedures and risk assessment form for each unit (2024)	
2024.06.20	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.06.26	Regular	Every year	Joint audit of hazardous substances by the competent authority	Yangmei 2nd Plant
2024.06.26	Regular	3 hours every 3 years	Operation re-training for Forklifts (09:00–12:00)	
2024.06.26	Regular	Every year	Special operations health checkup in 2024	
2024.06.27	Irregular	/	Education and training on occupational safety and health	Production Section Manager, Yangmei 1st

				Plant (10:00–10:30)
2024.06.27	Irregular	/	Musculoskeletal seminar	Health promotion activity
2024.06.26	Regular	Once/six months	Self-defense fire drill	
2024.06.27	Regular	Once/six months	Foreign Employee Conference (Anti-Drug Abuse)	
2024.06.30	Regular	Every year	Implementation of plans by police offices and civil defence corps	
2024.07.01–04	Regular	Once/quarter	Replenishment of onsite emergency boxes and emergency response boxes.	
2024.07.02	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in July 2024	
2024.07.02–05	Regular	Once/quarter	Replenishment of medicines in the factory's medical box	
2024.07.03	Regular	once a week	Plant Safety Meeting	
2024.07.04	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	
2024.07.08	Regular	Once a month	Canteen safety and health inspection	
2024.07.10	Regular	once a week	Plant Safety Meeting	
2024.07.15	Regular	Once/quarter	Occupational Safety and Health Committee (2nd quarter of 2024)	Yangmei 3rd Plant (including PE Plant)
2024.07.15	Irregular	/	Occupational safety training for new recruits	
2024.07.15	Irregular	/	Maternal safety and health environment assessment	Production Section Manager, Yangmei Plant No. 2
2024.07.17	Regular	once a week	Plant Safety Meeting	
2024.07.16–18	Irregular	/	Special health checkup supplementary inspection and reporting (4 people)	
2024.07.19–31	Irregular	/	Low doses CT to prevent lung cancer (assisting employees to register for the low-dose CT for lung cancer prevention)	
2024.07.22	Irregular	/	Occupational safety training for new recruits	
2024.07.23	Regular	Once/six months	Monitoring of operating environment	Second half of 2024
2024.07.23	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.07.24	Regular	once a week	Plant Safety Meeting	
2024.07.25	Regular	Once/quarter	Occupational Safety and Health Committee (2nd quarter of 2024)	Yangmei 1st Plant
2024.07.25	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.07.15	Regular	Every year	The 2024 fire equipment maintenance work was completed.	Yangmei 3rd Plant
2024.07.22	Regular	Every year	The 2024 fire equipment maintenance work was completed.	PE Plant
2024.07.26	Regular	Every year	The 2024 fire equipment maintenance work was completed.	Yangmei 1st Plant & public facilities
2024.07.29	Regular	Once/quarter	Occupational Safety and Health Committee (2nd quarter of 2024)	Special Chemistry Plant
2024.07.30	Regular	Every year	Filing of priority and controlled chemicals (7/16–19, 7/22–23, 7/30)	Yangmei Plant (completed by the end of July)
2024.07.31	Regular	Once/quarter	Occupational Safety and Health Committee (2nd quarter of 2024)	Yangmei 2nd Plant
2024.07.31	Regular	once a week	Plant Safety Meeting	
2024.08.04	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	
2024.08.05	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in August 2024	
2024.08.05	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.08.07–09	Regular	Once every quarter	Review of laws and regulations in July and update of the list of laws and regulations.	
2024.08.05	Irregular	/	Occupational safety training for new recruits (2 people)	
2024.08.06	Irregular	/	Occupational safety training for new recruits (1 person)	
2024.08.07	Irregular	/	Occupational safety training for new foreign workers (3 people)	
2024.08.07	Regular	once a week	Plant Safety Meeting	
2024.08.07	Regular	Once/six months	Environmental test for noise and ethyl acrylate (re-test)	Yangmei 3rd Plant
2024.08.07	Regular	Every year	The 2024 fire equipment maintenance work was completed.	Special Chemistry Plant
2024.08.12	Regular	Once a month	Canteen safety and health inspection	
2024.08.13	Irregular	/	Occupational safety training for new recruits (2 people)	
2024.08.14	Regular	once a week	Plant Safety Meeting	
2024.08.14	Regular	Once every quarter	Occupational health service (Dr. Hsiao, orthopedics: Bone and muscle)	
2024.08.15	Irregular	/	Change report of safety and health personnel	Yangmei 2nd Plant
2024.08.16	Regular	Once/six months	2024 Building Public Security Report – Defects and Related	

			Laws and Regulations	
2024.08.21	Regular	once a week	Plant Safety Meeting	
2024.08.22	Irregular	/	Occupational safety training for new foreign workers (2 persons)	
2024.08.28	Regular	once a week	Plant Safety Meeting	
2024.08.30	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.09.02	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in August 2024	
2024.09.02	Regular	Once every six months	AED equipment maintenance and function test	Maintenance of equipment at a certified AED safe place
2024.09.04	Regular	once a week	Plant Safety Meeting	
2024.09.05	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	
2024.09.09	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.09.09–13	Regular	Once/six months	ISO45001 system internal audit (second half of the year)	Second half of 2024
2024.09.11	Irregular	/	Occupational safety training for new foreign workers (5 people)	
2024.09.11	Regular	Every year	7 people working in noise environment came to Taoyuan Armed Forces General Hospital for a third-party re-examination (result: 4 people at Level-2 and 3 people at Level-4)	
2024.09.13	Irregular	/	Occupational safety training (2nd Plant Management and Processing Section)	Yangmei 2nd Plant 15:00
2024.09.15	Regular	Once/six months	Inspection of high-pressure equipment, LV distributor insulation test, and cleaning and maintenance	
2024.09.16	Regular	Every year	The 2024 fire equipment maintenance work was completed.	Yangmei 2nd Plant
2024.09.18	Regular	once a week	Plant Safety Meeting	
2024.09.18	Irregular	/	Occupational safety training for new recruits (2 people)	
2024.09.20	Regular	Once/six months	noise level 3 management network report	
2024.09.20	Regular	Every year	Notice of Certification – List of Safety and Health Certifications, List of Certifications Due by the End of 2024, List of Certifications	
2024.09.23	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.09.23	Regular	Once every six months	AED equipment maintenance and function inspection (Xingchang, the AED supplier, came to maintain 9 sets of AED equipment in different plants)	Maintenance of equipment at a certified AED safe place
2024.09.23	Irregular	/	Occupational safety training for new recruits (2 people)	
2024.09.25	Regular	once a week	Plant Safety Meeting	
2024.09.25	Irregular	/	Occupational safety training for new recruits (3 people)	
2024.09.30	Irregular	/	6-hour occupational safety and health education training for new employees (7 people)	
2024.09.30	Regular	Once/six months	Announcement of the results of the monitoring of the operating environment of the Yangmei Plant in the second half of 2024.	
2024.10.01–15	Regular	Once/quarter	Replenishment of medicines in the factory's medical box	
2024.10.07	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in September 2024	
2024.10.09	Regular	once a week	Plant Safety Meeting	
2024.10.14	Irregular	/	2024 Registration and Notice of the Quadrivalent influenza and COVID-19 Prevention and Vaccination Activities. Location of the event: Conference Hall, 3F, Living District 8. Date of injection: 13:30–16:00, Monday, November 6, 2024	
2024.10.14	Regular	Once a month	The Taoyuan City Government approved the public safety inspection and equipment maintenance report of the Yangmei Plant (pass the audit).	
2024.10.14	Regular	Once/quarter	Occupational Safety and Health Committee (Q3, 2024)	Yangmei 3rd Plant (including PE Plant) 08:30
2024.10.16	Regular	Once/quarter	Occupational Safety and Health Committee (Q3, 2024)	Yangmei 2nd Plant 14:00
2024.10.16	Regular	once a week	Plant Safety Meeting	
2024.10.16	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.10.16	Regular	Once or twice a year	Blood donation activity	Health promotion
2024.10.17–22	Irregular	/	Update of SDS data	
2024.10.18	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	

2024.10.18	Irregular	/	The Company has implemented fire safety inspection for public hazard goods in cooperation with the fire safety inspection team.	Yangmei 2nd Plant
2024.10.22	Irregular	/	Notification of visit for maternity protection during pregnancy (female employees who are pregnant, in the period within 1 year after delivery, or breastfeeding) (after 3 months of pregnancy, the department head or employee must proactively notify the infirmary)	Yangmei Plant 1, PE Plant
2024.10.23	Regular	once a week	Plant Safety Meeting	
2024.10.23	Regular	Once every quarter	Update of the regulatory audit and regulatory list in October.	
2024.10.24	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.10.24	Regular	Once/six months	High temperature operation in boiler area, cooling tower legionella pneumophila testing	
2024.10.24	Regular	Once/quarter	Occupational Safety and Health Committee (Q3, 2024)	Yangmei 1st Plant 08:30
2024.10.28	Regular	Once/quarter	Occupational Safety and Health Committee (Q3, 2024)	Special Chemistry Plant 10:30
2024.10.30	Regular	once a week	Plant Safety Meeting	
2024.11.21	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	
2024.11.01	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in October 2024	
2024.11.01	Irregular	/	Interviews with employees who return to the work after a major illness.	
2024.11.04	Irregular	/	Donation of employees' second-hand clothes to the mentally challenged home for coordination.	
2024.11.06	Regular	Once every quarter	Occupational health service (Dr. Hsiao, orthopedics: Bone and muscle)	
2024.11.06	Regular	once a week	Plant Safety Meeting	
2024.11.06	Irregular	/	Safety Education and Training for New Foreign Employees	
2024.11.06	Irregular	/	Influenza and COVID-19 vaccination activities (Influenza: 76 people + COVID-19: 56 people)	
2024.11.12	Irregular	/	Safety Education and Training for New Employees	
2024.11.13	Regular	once a week	Plant Safety Meeting	
2024.11.13	Irregular	/	Safety Education and Training for New Foreign Employees (3 people)	
2024.11.13	Irregular	/	4 blood pressure meters and transformer purchased for employees. (Located on the site of each plant for the convenience of employees)	
2024.11.16	Irregular	/	In 2024, the "Youth and Life" charity event was held. The Yangmei Plant provided a booth and donated a set of tapes (OPP, PVC, and double-sided) for a charity sale, with the proceeds to be used for future needs of the event.	Health promotion (public welfare activity)
2024.11.18	Irregular	/	Safety Education and Training for New Foreign Employees	
2024.11.20	Regular	once a week	Plant Safety Meeting	
2024.11.25	Irregular	/	Safety Education and Training for New Employees	
2024.11.25	Regular	Once a year	Occupational Health Protection Rules and Medical Report	
2024.11.27	Regular	once a week	Plant Safety Meeting	
2024.11.28	Irregular	/	Update of SDS data	
2024.11.15	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.11.12	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.11.21-22	Regular	Once a year	ISO45001 system external audit renewal	
2024.12.02	Regular	Once a month	Statistical number of persons who declare in the occupational accident monthly report in November 2024	
2024.12.04	Regular	once a week	Plant Safety Meeting	
2024.12.04	Irregular	/	Safety Education and Training for New Foreign Employees (4 persons)	
2024.12.05	Regular	Once every 3 years	In order to meet the AED safe place certification, the Company purchased 10 AED machines for the Yangmei Plant.	
2024.12.05	Regular	Once a year	Application for the 2025 Ten-Chen General Hospital (Yangmei) plant doctor's on-site service appointment letter and official letter	
2024.12.06	Regular	Once a year	2015 Service Agreement for Xingchang AED	
2024.12.10	Regular	Once a year	Notification on presentation of 2025 ISO 45001 safety and health management plan	
2024.12.10-12	Irregular	/	Production of CPR+AED safe workplace certification information and application for sanitation from the Department of Health	12/24 The Taoyuan City Government issued the Safe Certification Label.

2024.12.11	Regular	once a week	Plant Safety Meeting	
2024.12.11	Irregular	/	The four key points of the amendments to the Occupational Safety and Health Act are strengthening source prevention of disasters, enhancing contract management, increasing penalties (by five times), and expanding the announcement of illegal violations.	
2024.12.11	Regular	Once a month	Psychological counselor (Ms. Chang, Tsui-Hua: Director of Taoyuan Lifeline)	
2024.12.12	Regular	Once a month	Occupational health service (Dr. He: Occupational safety physician)	
2024.12.13	Irregular	/	Education and training on occupational safety and health	Yangmei 2nd Plant
2024.12.13	Regular	Once every quarter	Update of the regulatory audit and regulatory list in November.	
2024.12.18	Regular	Once a year	A total of 58 copies of Physiological Assessment Sheet for Air Tightness Test Training of Respiratory Protective Equipment in Specialty Chemistry Plant (ready for revision)	Special Chemistry Plant
2024.12.19	Regular	Once a month	Occupational health service (Dr. Du: Occupational medicine specialist)	
2024.12.19	Regular	3 hours every 3 years	re-training for operators of stackers (13:00–16:00)	
2024.12.20	Irregular	/	The registration and notification of the 2024 national influenza and COVID-19 vaccination were completed.	
2024.12.24	Regular	Once a year	EHS management review meeting (13:00)	
2024.12.25	Regular	once a week	Plant Safety Meeting	
2024.12.25	Irregular	/	Safety Education and Training for New Foreign Employees	
2024.12.26	Regular	Once a year	Annual statistics on labor health services	
2024.12.26	Regular	Once a year	Annual sick leave management and statistics	
2024.12.26	Regular	Once a year	Analysis of the statistics of the overload prevention and overtime in the year.	
2024.12.26	Regular	Once or twice a year	Contractor occupational safety and health education and training	
2024.12.27	Irregular	/	Education and training on occupational safety and health	Manager of Production Section, Yangmei Plant 1
2024.12.27	Regular	Once every six months	Self-defense firefighting grouping and accident prevention and response training/group training (including toxic chemical accident drill at the 1st Plant)	
2024.12.30	Regular	Once every 3 years	Safety and health education and training – general safety and health, chemical hazard general education and training (foreign) – 2024/12/30 (1) 09:00–16:00 (full day)	

Office space:

1. October 15, 2024 annual fire safety equipment inspection of the office building of the headquarters
2. Fire pump inspection at the beginning of the month
3. Daily elevator (lift) control
4. Employees must use identification cards to enter their respective offices in order to protect their safety during the work.
5. Four maintenance operations for the water dispensers every year (2/20/2024, 5/15/2024, 8/15/2024 and 11/20/2024)
6. A simple desktop healthcare box is available in the office.

2024 Environmental Inspection List at Yangmei Plant

	Outsourced inspection	Inspection item	Description	Scheduled month	First half of 2024	Second half of 2024
Air pollution	1st Plant M01 boiler	P001	Regular inspection (NOX)	January to March		7/10 (Wed.)
		P002	Regular inspection (particulate, NOx)	Once every 5 years		Not required in 2024
		P003	Regular inspection (particulate, NOx)	Once every 5 years		Not required in 2024
		P004	Regular inspection (particulate, NOx)	Once every 5 years		Not required in 2024
		P005	Regular inspection (NOX)	July to September		7/12 (Fri.)
	1st Plant M11 boiler	P111	Regular inspection (NOX)	January to March	5/16 (Thu.)	
	1st Plant M02 tape	P011(VIC#4)	Control front + back, NMHC, each 4 hours + toluene	In line with applying for permits		12/12 (Thu.)
		P012(VIC#7)	Control front + back, NMHC, each 4 hours + toluene	In line with applying for permits		12/10 (Tue.)
		P013(VIC#10)	Control front + back, NMHC, each 4 hours + toluene + particulate	In line with applying for permits		12/11 (Wed.)
		P014(VIC#2)	Control front + back, NMHC, each 4 hours + toluene	In line with applying for permits		11/26 (Tue.)
		P015(VIC#5)	Control front + back, NMHC, each 4 hours + toluene	In line with applying for permits		12/11 (Wed.)
		P016(VIC#6)	Control front + back, NMHC, each 4 hours + toluene	In line with applying for permits		12/12 (Thu.)
	Wastewater plant	P017	Control back, NMHC, 1 hour (once every 5 years)	Once every 5 years		Not required in 2024
		P018	Control back, NMHC, 1 hour (once every 5 years)	Once every 5 years		Not required in 2024
	2nd Plant M01 boiler	P201	Regular inspection (NOX)	February		2/16 (Fri.)
	2 Plant M02 tape manufacturing process	P203(VIC#11)	Control front + back, NMHC, each 4 hours + particulate	In line with applying for permits		4/12 (Fri.)
		P204(VIC#9)	Control front + back, NMHC, each 4 hours	In line with applying for permits		4/15 (Mon.)
		P205(VIC#8)	Control front + back, NMHC, each 4 hours	In line with applying for permits		4/02 (Tue.)
		P206(VIC#1)	Control front + back, NMHC, each 4 hours	In line with applying for permits		4/3 (Wed.)
	3rd Plant M01 tape	P301(R.A. U V)	Regular inspection, control front + back, NMHC, each 4 hours	January to June July to December	3/20 (Wed.)	10/17 (Thu.)
			Control back, particulate (permit change)			Not required in 2024
		P302(R1.A)	Regular inspection, control equipment front + back, NMHC, each 4 hours, NOX	January to June July to December	3/27 (Wed.)	9/25 (Wed.)
			Regular inspection, control equipment back, particulate	March, September		Not required in 2024
	PE Plant M12 boiler	P121	Regular inspection, NOx	Q2	5/9 (Thu.)	
	PE Plant M13 tape	P131 (hexane)	Regular inspection, control front + back, NMHC, each 4 hours	In line with applying for permits		8/30 (Fri.)
	PE Plant M13 tape	P132 (toluene)	Regular inspection, control front + back, NMHC, each 4 hours + toluene	In line with applying for permits		9/4 (Wed.)
	PE Plant M13 tape	P133 (wastewater plant)	Regular inspection, control back, NMHC, 1 hour (once every 5 years)	Once every 5 years		9/6 (Fri.)
	PE Plant M13 tape	P134 (electrostatic precipitation back on 4th floor)	Control equipment back, particulate	Once every 5 years		9/11 (Wed.)
	Special Chemistry Plant M06 manufacturing process	P601	Trial run, NMHC control equipment front + back, 4 hours	In line with applying for permits		10/29 (Tue.)
	Special Chemistry Plant M06 manufacturing process	P602	Self-evaluation, NMHC control equipment front + back, 4 hours	In line with applying for permits		8/27 (Tue.)
	Special Chemistry Plant M06 manufacturing process	P603	Trial run, air pollution fee (particulate, NOX)	In line with applying for permits		7/31 (Wed.)
	Special Chemistry Plant M06 manufacturing	P604	Trial run, air pollution fee (particulate, NOX)	In line with applying for permits		7/26 (Fri.)

	process					
	Special Chemistry Plant M06 manufacturing process	P605	Trial run, air pollution fee (particulate, NOX)	In line with applying for permits		7/30 (Tue.)
	Special Chemistry Plant	P101	Trial run, THC control equipment back, 4 hours	In line with applying for permits		Not required in 2024
	Special Chemistry Plant	P102	Trial run, air pollution fee (particulate, NOX)	In line with applying for permits		Not required in 2024
	Special Chemistry Plant boundary	3 points	Taste sampling vehicle	In line with applying for permits		Not required in 2024
	Special Chemistry Plant boundary	3 points	VOCs			
Water pollution	Cooling tower	Inlet/outlet	VOCs in water (63 items)	December		10/14 (Mon.)
	1st Plant EA wastewater	M01	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Wastewater discharged from the boiler and uncontacted cooling water	M02	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Wastewater discharged from the boiler in PE Plant and uncontacted cooling water	M03	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Process wastewater from PE Plant	M04	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Process wastewater from Special Chemistry Plant	M05	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Cooling water from Special Chemistry Plant	M06	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Scrubber wastewater	M07	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Household sewage	M08	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Household sewage (toilet)	M09	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Process wastewater from 2nd Plant	M10	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Hydrogel wastewater from 2nd Plant	M11	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Scrubber wastewater from 2nd Plant	M12	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	June, December	5/30 (Thu.)	12/12 (Thu.)
	Scrubber wastewater	M13	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine		5/30 (Thu.)	12/12 (Thu.)
	Outfall	D01	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	Once a quarter	3/15 (Wed.), 5/30 (Thu.)	9/13(Fri.), 12/12(Thu.)
	Outfall	D02	pH, water temperature, SS, COD, BOD, ADMI, ammonia nitrogen, free available residual chlorine	Once a quarter		9/13(Fri.), 12/12(Thu.)
	1st Plant recycling	Waste glue	pH, flash point, TCLP	August		8/7 (Wed.)

	1st Plant recycling	Active carbon	TCLP (Hexavalent chromium, total chromium, copper, cadmium, lead, mercury, arsenic, selenium, barium)	August		8/7 (Wed.)
	2nd Plant recycling	Waste glue	pH, flash point, TCLP	August		8/7 (Wed.)
	2nd Plant recycling	Active carbon	TCLP	August		8/7 (Wed.)
	3rd Plant manufacturing process	Waste glue (including release agent)	pH, flash point, TCLP	August		8/7 (Wed.)
	3rd Plant manufacturing process	Waste oil mixture	pH, flash point	August		8/7 (Wed.)
	3rd Plant manufacturing process	Active carbon	TCLP	August		8/7 (Wed.)
	PE Plant	Waste glue	pH, flash point, TCLP	August		8/7 (Wed.)
	PE Plant	Active carbon	TCLP	August		8/7 (Wed.)
	Wastewater plant	Mixed sludge	TCLP (hexavalent chromium, total chromium, copper, cadmium, lead, mercury, arsenic, selenium, barium), moisture content	August		8/7 (Wed.)
	Special Chemistry Plant M06 manufacturing process	Recycling of distillation waste liquid	TCLP (total barium, total copper, total cadmium, total chromium, hexavalent chromium, total selenium, total lead, total arsenic, total mercury), flash point, pH	April, October	4/15 (Mon.)	10/14 (Mon.)
Water dispenser	1st Plant	11 sets	Coliform group	Testing in rotation every quarter	1/17, 4/15	7/31, 10/14
	2nd Plant	13 sets	Coliform group	Testing in rotation every quarter	1/17, 4/15	7/31, 10/14
	3rd Plant	3 sets	Coliform group	Testing in rotation every quarter	1/17, 4/15	7/31, 10/14
	PE Plant	4 sets	Coliform group	Testing in rotation every quarter	1/17, 4/15	7/31, 10/14
	Research and Development Center	2 sets	Coliform group	Testing in rotation every quarter	1/17, 4/15	7/31, 10/14
	Special Chemistry Plant	3 sets	Coliform group	Testing in rotation every quarter	1/17, 4/15	7/31, 10/14
	Factory Affairs Section	6 sets	Coliform group	Testing in rotation every quarter	1/17, 4/15	7/31, 10/14
Release of toxic chemicals	1st Plant M02 manufacturing process	Cooling tower (1&8)	Butyl acrylate, vinyl acetate	Once a year		9/16 (Mon.)
	1st Plant M02 manufacturing process	Process wastewater	Butyl acrylate, vinyl acetate	Once a year		9/16 (Mon.)
	1st Plant M02 manufacturing process	Arylic glue	Butyl acrylate, vinyl acetate	Once a year		9/16 (Mon.)
	1st Plant M02 manufacturing process	Active carbon	Butyl acrylate, vinyl acetate	Once a year		9/16 (Mon.)
	1st Plant M02 manufacturing process	Flue P011~P016	Butyl acrylate, vinyl acetate	Once a year		7/10: P011 7/10: P012 9/19: P013 7/16: P014 7/16: P015 9/19: P016

IV. Environmental Protection Expenditure

Losses due to environmental pollution in the most recent year and up to the date of publication of the annual report and countermeasures

- (I) Losses of the Company and subsidiaries arising as a result of environmental pollution in 2024 and 2025 and up to the publication date of the annual report: None
- (II) The key pollution prevention measures in 2024 are described below. The expenses amounted to NT\$123,199 thousand.

Item	2024
Operation and maintenance of pollution prevention equipment	About NT\$38,292 thousand
Environmental testing, calibration	About NT\$6,036thousand
Payment of pollution prevention (control) fee	About NT\$68,016housand
Other environmental improvement costs	About NT\$10,855thousand

- (III) Estimated environmental capital expenditures in the next three years and the impact of improvements:

	2025	2026 - 2027
Pollution prevention (control) equipment to be purchased and expense	<ol style="list-style-type: none"> 1. Update of adsorption and desorption equipment 2. Addition of wastewater treatment system 3. Update of distillation tower 4. Installation of automated parameter monitoring system for the safety equipment 5. Environmental protection related testing costs. 6. Maintenance fee for the prevention equipment is extended, the permit is changed, and the rubber process discharge channel is changed. 7. Maintenance of resource recovery facilities and changes to license documents. 8. Air pollution and sewage treatment expenses 	<ol style="list-style-type: none"> 1. Update of adsorption and desorption equipment 2. Purchase of high-efficiency carbon-absorbing and decarbonization products 3. Repair of resource recycling site 4. Update and integration of the electrical control facilities for wastewater treatment 5. Environmental protection related testing costs. 6. Maintenance fee for the prevention equipment is extended, the permit is changed, and the rubber process discharge channel is changed. 7. Maintenance of resource recovery facilities and changes to license documents. 8. Air pollution and sewage treatment expenses
Expected improvement status	<ol style="list-style-type: none"> 1. Reduction of steam loss and natural gas usage 2. Treatment of the wastewater generated by the new control equipment to comply with regulations. 3. Enhance the recycling efficiency of solvents, and reduce the volatile organic compounds in wastewater. 4. The user shall be able to immediately check if the control equipment is damaged and shall be able to repair it immediately. 5. Compliance with environmental protection laws and regulations. 6. Reduction of pollution emissions. 7. Carrying out resource recycling and sustainable recirculation. 	<ol style="list-style-type: none"> 1. Maintenance of normal operation of air pollution control equipment 2. Increase and maintenance of the treatment efficiency of air pollution control equipment 3. Storage space that meets the requirements of environmental protection laws and regulations 4. Properly treat wastewater 5. Compliance with environmental protection laws and regulations. 6. Reduction of pollution emissions. 7. Carrying out resource recycling and sustainable recirculation.
Amount of capital expenditure	NT\$44,300 thousand	NT\$74,300 thousand
Effect on net profit after improvement	<ol style="list-style-type: none"> 1. Reduction of solvent usage and manufacturing costs 2. Reduction of pollution emissions and costs to avoid fines. 	<ol style="list-style-type: none"> 1. Reduction of solvent usage and manufacturing costs 2. Reduction of pollution emissions and costs to avoid fines.

Effect on competitive position after improvement	1. Comply with environmental protection regulations and trends, and sustainable operation of enterprises	1. Comply with environmental protection regulations and trends, and sustainable operation of enterprises
	2. Maintenance of market competitiveness	2. Maintenance of market competitiveness
	3. Improvement of corporate image and increase of the confidence among shareholders and customers	3. Improvement of corporate image and increase of the confidence among shareholders and customers

V. Labor Relations

The company's various employee welfare measures, further education, training, retirement systems and their implementation, as well as agreements between labor and management and various employee rights protection measures:

(1) Employee welfare measures

A. Welfare measures handled by the company:

1. Employee stock option: Employees participate in the subscription, based on the employee's position, performance and seniority considerations.
2. Group insurance: Apply group insurance for employees from the day they arrive to increase employee protection.
3. Training courses: In order to effectively assist employees to improve their work knowledge and complete the tasks assigned by the company, various training and seminars are held regularly.
4. Year-end bonus: Issue year-end bonuses based on employee performance and company operating conditions.

B. Welfare measures handled by the company's employee welfare committee:

The source of welfare funds is mainly from 0.05% of the company's revenue, 20% of the leftover income and 0.5% of the employee's self-paid salary. The main welfare measures are as follows:

1. Domestic/foreign travel: Handled every year.
2. Gift certificates for Dragon Boat Festival, Mid-Autumn Festival and Labor Day.
3. For weddings and funerals, employees can apply for gifts or ceremonies in accordance with regulations.

(2) Staff training and situation

The company regularly arranges employee education and training, and conducts skills verification for production line employees to improve employee quality and product quality.

(3) Retirement system and its implementation

The company formulates a retirement system in accordance with the Labor Standards Act and related measures, and establishes a labor retirement reserve supervision committee. Meanwhile, the company commissions an actuary to make calculations and draw up retirement reserve liabilities on a monthly basis, and draws 2% of the total salary on a monthly basis to the Central Trust Bureau retirement fund special account. In addition, since July 1, 2005, the new pension funds that have been allocated in accordance with the Labor Pension Regulations will be deposited in the individual pension account of the Labor Insurance Bureau.

(4) The status of agreements between labor and management and the protection of various employees' rights and interests

The company regularly convenes labor-management meetings and sets up an employee welfare committee to fully discuss employee welfare measures to enhance a harmonious atmosphere between labor and management.

- (5) Losses incurred due to labor disputes in the most recent year and as of the publication date of the annual report (including labor inspection results that violate the Labor Standards Act, the date of punishment, the font size, the violation of laws and regulations, the content of violations, and the content of punishment should be specified), and disclose the estimated amount and corresponding measures that may occur at present and in the future. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be explained: There were no major labor-management quarrels or disputes in the most recent year and as of the publication date of the annual report.

VI. Information security management

- (I) Information security risk management framework, information security policy, specific management plan and resources invested in information security management:

Information Security Risk Management Framework

1. Information Security Risk Management Framework: The Information Department under the Administration Division is responsible for coordinating information security and related matters. The Audit Department draws up relevant internal control procedures for management and regular internal audits.
2. Cyber Security Specific Management Solution:
 - Web Security: The actual network server has been imported into Chunghwa Telecom's "Cyber Security Force" and a network firewall has been built to block virus intrusion and hacker attacks.
 - Endpoint security: Anti-virus software has been installed on the endpoint devices that are classified in the computer category to enhance the detection of malware. The IT and OT network segments of each plant are separated by a physical network architecture.
 - Information security: It has been imported into the document management system to reinforce document confidentiality control and avoid the leakage of information.
 - Information Security Awareness: By importing the anti-phishing email mechanism, and through case studies advocacy and education training, to increase employees' cyber security awareness and alertness to social engineering attacks.
3. Resources invested in cyber security management:

The following effects have been achieved according to the implementation of the specific measures.

 - Web Security: Blocked an average of 55671 cyber attacks per month, including 56208 high-risk attack.
 - End-point Safety: 0 poisoning incidents have occurred this year.
 - Data security: All the important management documents have been controlled by the system.

- Information Security Awareness: 2 information security seminars have been implemented this year.

Information Security Management Policy

I) Purpose

As information systems and Internet applications become more and more developed, this information security management policy has been specially implemented to ensure compliance.

II) Definition

To ensure that all information systems are free from interference, damage, intrusion or any improper behavior of users, the IT Department has established an appropriate system planning, procedural norms and administrative management procedures to prevent internal and external threats, and maintain information system security.

III) Goal

To prevent information systems from being improperly used or deliberately damaged by internal and external personnel, or in case of emergency as a result of improper use, deliberate sabotage, etc., the company can respond quickly and resume normal operations in the shortest possible time, thereby minimizing economic damage and operational interruption caused by such emergency.

IV) Scope

Applicable to all company information systems and their users - Information users include regular employees, hired personnel, construction and maintenance vendors, and other authorized personnel.

V) Organization

The Information Department under the Administrative Division is responsible for coordinating information security and related matters, and auditing office draws up relevant internal control procedures for management and regular internal audits.

VI) Procedures

(i) Staff information security awareness and training

In order to reduce the impact of internal and human factors on information security, the Information Department needs to regularly conduct information security education, training and promotion to improve knowledge and awareness of information security.

(ii) Information system security management

1. The computer host, servers and other equipment should be set up in a dedicated computer room and managed by the Information Department to prevent unauthorized entry. The computer room should be locked when no one is present.
2. Personal computers and various peripheral equipment should be properly configured according to the nature of business, site and other factors. An uninterruptible power system should be connected to ensure stable power supply to prevent damage to the equipment and disruption in company operations.

3. The maintenance and operation status of the main equipment should be recorded, and equipment failures should be eliminated as soon as possible or the equipment manufacturer should be contacted for emergency maintenance.
4. The temperature of the computer room must be maintained between 20~25°C, and the humidity should be maintained between 40~60%RH. If the temperature and humidity are different from the standard value, the Information Department personnel and supervisor on duty should be informed through the alarm system and temperature & humidity monitoring APP. If the situation cannot be addressed, the relevant department must extend assistance, so as to prevent damage to the equipment and disruption in company operations.
5. With the development of new information systems, anything related to the ERP system must undergo installation testing, functional testing, interface testing, performance testing, document testing, etc., before it can be launched to ensure that the system can operate accurately and stably.
6. All departments must use legally authorized software and comply with relevant laws and regulations. Any software not legally authorized and irrelevant to the business shall not be installed or used. In addition to relevant legal liabilities, any offender shall also be held liable for related damages to the equipment of each unit.
7. Data backup and recovery operations should be performed on a regular basis, so that operations can quickly return to normal in case of emergency. The backup media should be stored in a safe and remote environment to ensure that the information is complete and available.
8. When outsourcing business information, it is necessary to carefully assess potential security risks in advance and sign an appropriate information security agreement with the manufacturer, instruct relevant security management responsibilities, and indicate contract clauses.

(iii) Cyber security management

1. The outlets connected to the external network should use firewalls and other security facilities to control data transmission and access between the external and internal networks.
2. Install the enterprise version of anti-virus software, build intrusion detection and other anti-hacking software to protect the company's information system from viruses and malware or hacker intrusion. In addition, the latest virus code and operating system vulnerability patches for the company's information equipment should be downloaded and updated anytime.
3. If the invasion or suspected invasion of the network is detected, the Information Department must be notified for relevant treatment and reporting, and legal action will be taken if necessary.

(iv) System access control

1. When there is a new user, work adjustments, and resignations (suspensions), the Information Department should be notified in writing so as to add user information and adjust or delete usage rights to ensure system security.

2. All information systems must be password-protected and the user password should comply with security standards and changed regularly.
3. The computer should be locked when personnel is temporarily away. The information system must be completely logged out when the computer equipment is not in use.
4. System service vendors who perform system maintenance via remote login should strengthen security control measures and send personnel to monitor handling at any time.
5. Based on the information environment control and application system inspection items provided by professional organizations, the Information Department regularly conducts independent inspections to ensure the safety of information processing-related operations.

(v) Information security management system development and maintenance

1. System development and installation, maintenance, update, online execution and version change should be subject to security control. Legal and qualified vendors should be entrusted to deal with such operations to avoid improper software, backdoors, and computer viruses that endanger system security.
2. For the system builder and maintenance personnel of the manufacturer, the system and data range that they can access should be regulated and restricted, and the issuance of long-term system identification codes and passwords is strictly prohibited. Based on actual operations, it is necessary to issue short-term or temporary system identification and passwords for manufacturers' use. A written application must be made in advance and authorization will be cancelled immediately after use.
3. Entrusting manufacturers to build and maintain important information systems should only be carried out under the supervision and in the presence of an information room personnel of the company.
4. To modify the program and system permissions, completing an application form is required, which will be processed by the information room staff or consultants. After the user fills in the test report and confirms that it is correct, the information manager will release it and go online.

(vi) Planning and management of business operational sustainability

1. If an information security incident causes the information system to malfunction or affects functional efficiency, the unit supervisor and information department personnel should be notified promptly so actions can be taken.
2. After receiving notification, the user should immediately stop using the affected information system or equipment and maintain its current status. After receiving a report, the information department personnel should record all relevant information and carry out related disposal procedures.
3. The Information Department regularly evaluates the possibility of loss caused by information security risks, and takes out an appropriate insurance if necessary, to reduce the amount of loss.

- (II) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided As of the publication date of the annual report, no significant cyber security incidents have occurred and the company has not suffered any losses as a result.

VII. Important Contracts

Important contracts that are still in force and sufficient to affect the benefits of investors:
None.

Five. Review of Financial Conditions, Financial Performance, and Risk Management

I. Analysis of Financial Status

Unit: NT\$ thousands

Year Item	12.31.2024	12.31.2023	Difference		Remark ¹
			Amount	%	
Current Assets	\$22,332,210	\$18,495,750	\$3,836,460	21%	note 2
Fixed Assets	12,855,016	12,644,987	210,029	2%	
Total Assets	35,187,226	31,140,737	4,046,489	13%	
Current Liabilities	12,623,644	12,199,224	424,420	3%	
Long-term Liabilities	8,778,948	6,234,186	2,544,762	41%	note 3
Total Liabilities	21,402,592	18,433,410	2,969,182	16%	
Capital stock	6,792,085	6,649,324	142,761	2%	
Capital surplus	2,755,697	2,718,738	36,959	1%	
Retained Earnings	3,560,798	2,949,295	611,503	21%	note 4
Other Adjustments	529,627	94,532	435,095	460%	note 5
Total Stockholders' Equity	(414,345)	(414,345)	0	0%	
Capital stock	560,772	709,783	(149,011)	-21%	Note 6
Capital surplus	13,784,634	12,707,327	1,077,307	8%	

1. Analysis of changes in financial ratios (Refer to notes):

Note 1: No analysis is provided if the rate of increase or decrease didn't exceed 20% or the change in amount didn't exceed \$10,000.

Note 2: Current assets increased YOY, mainly due to increased inventories after the purchase of land by the Real Estate Division.

Note 3: Non-current liabilities increased YOY, mainly due to increased long-term borrowings after land financing for land purchase by the Real Estate Division.

Note 4: Retained earnings increased YOY mainly due to the transfer of gains on the disposal of financial assets at fair value through other comprehensive income.

Note 5: Other equity increased YOY mainly due to increased unrealized gains and losses on the valuation of financial assets at fair value through other comprehensive income.

Note 6: Non-controlling interests decreased YOY, mainly because Yem Chio Distribution Co., Ltd. reduced its capital after the Group held 61.4% of shares in its subsidiary Yem Chio Distribution.

2. Countermeasures in the future:

- (1) In deepening the moat for the Company, the Group is constructing a new plant in Central Taiwan Science Park for specialty chemicals, the most lucrative industry within, in line with the trend of the circular economy. In the future, the plant will provide the semiconductor industry with better-quality products and services to boost the Group's revenue.
- (2) In widening the moat, the world is responding by accelerating energy transition and climate change, in order to achieve the target of net zero emissions by 2050. Countries are stepping up efforts to save energy, diversify energy supplies, and develop renewable energy, and actively building new energy infrastructure including solar energy, wind energy, power grid facilities and energy storage systems. In response to this trend, the Group entered the green energy industry through M&A in 2024, laying the foundation for future development.
- (3) As for adhesive tapes and packaging materials, the Group will continue to inspect the product mix and capacity utilization rate in each production base to optimize the overall operating efficiency and ensure stable gross margins. At the same time, we

may expand the market share of adhesive tapes and packaging materials through strategic M&A to enhance the competitive advantages.

- (4) In developing real estate, the Group will actively expand its market presence, plan to launch projects beyond Taipei and New Taipei, and continue to hunt for land to ensure stable land inventory. The next key development area is the Wenzizun Redevelopment Zone, the last large-scale redevelopment zone in New Taipei City. It is located between Xinzhuang District and Taishan District, with the Taoyuan Airport MRT line and the Xinzhuang MRT line running through it, and it is closely adjacent to the Xinzhuang Sub-City redevelopment zone, the North Xinzhuang Knowledge Industry Park, and the Wugu Interchange of the Sun Yat-sen Freeway. In addition, the zone has Guizikeng Creek close to Fu Jen Catholic University. Now, thanks to the large-scale urban land redevelopment by the New Taipei City Government, public facilities are being developed and environmental quality is being improved. There is great potential for future development and room for added value.

II. Analysis of Financial Performance

(I) Comparative analysis of financial performance

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference		Analysis of changes in financial ratios:
			Amount	%	
Net Sales	\$15,891,082	\$13,223,736	2,667,346	20%	Details in (II) 1.
Cost of Sales	(13,265,074)	(11,045,427)	(2,219,647)	20%	Details in (II) 1.
Gross Profit	2,626,008	2,178,309	447,699	21%	Details in (II) 1.
Operating Expenses	(1,597,710)	(1,505,783)	(91,927)	6%	
Operating Income	1,028,298	672,526	355,772	53%	Details in (II) 1.
Non-operating income and expenses	115,784	322,859	(207,075)	-64%	Details in (II) 2.
Income Before Tax	1,144,082	995,385	148,697	15%	
Tax Expense	(254,711)	(139,847)	(114,864)	82%	Details in (II) 3.
Net Income	889,371	855,538	33,833	4%	

(II) Analysis of changes in financial ratios: (No analysis is provided if the rate of increase or decrease didn't exceed 20% or the change in amount didn't exceed \$10,000.)

1. Net revenue, operating costs, gross profit and operating profit increased mainly due to the delivery of housing projects by the Real Estate Division in 2024.
2. Non-operating income and expenses decreased mainly due to increased impairment losses on property, plant and equipment in 2024.
3. Income tax expenses increased mainly due to increased profit in 2024.

III. Analysis of Cash Flow

(I) Analysis of cash flow changes in the last two years:

Year Item	2024/12/31	2023/12/31	Variance (%)
Cash Flow Ratio (%)	(9.38)	(7.30)	28%
Cash Flow Adequacy Ratio (%)	12.05	45.29	-73%
Cash Reinvestment Ratio (%)	(6.55)	(6.29)	4%
Analysis of change in financial ratio: The cash flow ratio and the cash flow adequacy ratio changed mainly due to increased net cash outflow from operating activities.			

(II) Cash Flow Analysis for the Coming Year Unit: NT\$ thousands

Estimated Cash and Cash Equivalents, Beginning Year	Estimated Net Cash Flow from Operating Activities	Estimated Cash Outflow (Inflow)	Cash Surplus (Deficit)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Investment Plans
\$2,360,882	\$2,377,487	(\$ 2,388,091)	\$2,350,278	\$ -	\$ -
<p>1. Analysis of expected changes in cash flow:</p> <p>(1) Operating activities: Stable sales income of the main tape business is expected. In addition, the cash inflow from the completion and handover of the houses under the projects of “The One”, “YEMCHIO Jade” and “YEMCHIO Sun”, after deducting the cash outflow from the land inventory of the Construction Department, net cash flow from operating activities is eventually expected.</p> <p>(2) Investing activities: A net cash outflow is expected due to investment in the construction of the new specialty chemistry plant in Huwei Science Park, a branch under the Central Taiwan Science Park.</p> <p>(3) Financing activities: A net cash outflow is expected due to implementation or earnings distribution, and repayment of bank loans using surplus.</p> <p>2. Remedial measures and flow analysis of estimated cash shortage: None</p>					

IV. Major Capital Expenditure Items

(I) Major Capital Expenditure Items and Source of Capital

Unit: NT\$ thousands

Project	Actual or Planned Source of Capital	Actual or Planned Date of Completion	Total Capital	Actual or Expected Capital Expenditure				
				2028 (Expected)	2027 (Expected)	2026 (Expected)	2025 (Expected)	2024 (actual)
Specialized Plant of Huwei Science Park	Own funds and loans	2027	1,110,920	-	191,225	382,449	483,000	54,246

(II) Expected Benefits

The new specialized plant in Huwei Science Park is dedicated to the research and development of photo-sensitive materials, contrast agents, cleaning agents, electronic materials of silicone-based and recycling economy, and other electronic chemicals and technological products for IC, panel and packaging processes, in order to promote the establishment of high-tech industrial clusters in Central Taiwan. Meanwhile, the company is committed to the research and development of high-precision and high-quality products that satisfy the requirements of semiconductor processes and supply them to domestic high-end semiconductor processes, and the products are also continuously recycled and re-used, and effluent treated, in compliance with the trend of a circular economy.

V. Investment Policy Last Year, Main Causes of Profits or Losses, Improvement Plans and Investment Plans for the Coming Year

The company's 2023 investment profit was NT\$1,489,642

Reinvestment policy	Reasons for Gain or Loss	Action Plan	Investment Plan
Various investments at home and abroad	<ol style="list-style-type: none"> 1. The Company continued to optimize the cost and selling price structure of tape products to maintain the marginal contribution ratio above a reasonable level and ensure stable product profitability. 2. By developing new packaging material suppliers, the Company increased the procurement efficiency of bulk specifications, further reduced costs, and increased the flexibility and competitiveness of supply chains, leading to benefits. 3. In terms of non-operating investments, the investment income from financial assets and the stable returns on USD time deposits additionally contributed to the overall financial performance and further strengthened the Company's operating results. 	None	<ol style="list-style-type: none"> (A) Continue to deepen the R&D of product technologies, and promote the upgrade of plant equipment and automation investment, in order to improve production efficiency and market competitiveness. (B) Actively invest in the development of the green energy, expand related investments, promote sustainable operations, and grasp the growth opportunities in the new energy market. (C) Strengthen the layout of the Group's high-gross margin specialty chemicals, expand the investment scale, and actively promote the construction of a new plant in the Central Taiwan Science Park to enhance production capacity and competitiveness. (D) Expand market influence and strengthen competitive advantages through strategic M&A of related targets, and improve overall business development potential. (E) Actively reserve land for the real estate business to ensure stable land inventory to support long-term development needs and increase asset value.

VI. Risk Management & Analysis

(I) Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

The company's operations are mainly based on the production and sales of tape-related products, with export sales accounting for approximately 90% of the total. In order to avoid major changes in its exchange gains and losses, the company will continue to monitor changes in foreign exchange and promptly implement risk-averse foreign exchange operations to reduce the adverse impact of changes in exchange rates on operations.

In recent years, due to the stable operation of the company in the industry, we used the cash inflow from operations to replenish the land inventory of the Construction Department in 2024, and the shortfall was made up by borrowing money from the bank. The market interest rate in 2024 remained at a high level due to increase of the interest rate by the central bank. However, the Company earned higher interest income from US dollar time deposits, thereby reducing the net interest expense. In addition, the prices of our company's products will be adjusted according to factors such as raw material costs and commodity prices, so they are not greatly affected by inflation.

(II) Policies, Main Causes of Gain or Loss and Future Response Measures with respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions: In order to improve financial and business management, the company has formulated internal management measures such as "Procedures for Acquisition or Disposal of Assets", "Procedures for Loaning Funds to Others", "Procedures for Endorsement Guarantees", etc. in accordance with relevant laws and regulations. The "Procedures for Commodity Derivatives Transactions" are formulated to ensure that all commodity derivatives transactions are for the purpose of hedging.

(III) R&D plan and expected R&D funds in the future: This year's plan includes the application of environment-friendly glue to PVC electrical and harness tapes, Traditional solvent-based glue replaced with solvent-free glue for PVC electrical tape, and development of ultraviolet curable pressure-sensitive adhesive (UV PSA TAPE). We will invest in new business development, and the estimated investment in research and development is NT\$32 million.

(IV) Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales: To execute overall plans in accordance with its corporate governance code of practice, the company will comply with laws and regulations and uphold the principle of "strong company operations that are institutionalized and transparent" as a response measure.

(V) The impact and response mechanism of technological changes (including the risks of cyber security) and industry evolution on the company's financial operations:

The company focuses on the technological developments and evolution of the plastics industry through evaluation and research & development. To date, technological changes haven't had any significant impact on the company's financial business.

Cyber Security Risk Assessments and Response Mechanism:

The Company implements the Regulations Governing the Use of Computer Network Accounts requiring that all the users shall observe with respect to the internal computers, login accounts and networks to protect the overall information security of the Company. The Regulations were announced and implemented on the same day.

In addition, prevent cyber saboteurs from illegally hacking into the group's network system and stealing, crashing or distorting data of network servers. Thus, the regulation was formulated and announced to be implemented.

The group uses the above two management regulations to avoid cyber security risks by requesting colleagues to follow.

The group's network system is divided by a firewall between external websites and the internal corporate system. On top of that, a public wireless network environment is built to keep the internal system safe and stable by separating it from the internal operating environment.

The mail service was a built-in Microsoft mail system, with a spam detection system to avoid the threat of spam and phishing mail.

EIP, BPM, and ISO systems are available through Internet access, so the above systems are regularly scanned for vulnerabilities to minimize the risk of external malicious intrusion attacks.

All the core information systems of the Group are built in a virtual server structure and meet the requirements of high system reliability as planned. An automated remote backup system was built to mitigate the risk of business interruption due to information security events and reduce the RTO (Recovery Time Objective) for the recovery of the system.

- (VI) The Impact of Changes in Corporate Image on Corporate Risk Management and Company Response Measures: Not applicable
- (VII) Expected benefits and potential risks from a merger or acquisition and countermeasures: Under the 2050 net-zero emission goal, countries around the world are accelerating energy transformation and climate change adaptation plans. Working hard on saving energy, diversifying energy supplies, and accelerating promotion of renewable energy. To do this they are accelerating the construction of new energy infrastructure facilities of solar energy, wind energy, power grids, and energy storage. These have become the goals of all countries. The green energy company acquired by the Company is a solar EPC manufacturer with site development, construction and power plant operation & maintenance capabilities. Since its establishment, it has accumulated considerable performance and experience, and has set up 31 solar power systems in Taoyuan, Hsinchu, Miaoli, Tainan, Kaohsiung and Pingtung. The large power user policy and the RE100 green power demand in the future will continue to increase the willingness of companies to build solar systems. This green energy company not only builds photovoltaic systems for customers, but also plans to obtain an electricity sales license to provide green power to other companies. In addition, the numerous suppliers and customer groups of the Company will provide it with more business opportunities. The Company's net income after tax amounted to NTD 56,666 thousand in 2024, and it was assessed that there were no other

significant risks.

- (VIII) Expected Benefits from Risks Relating to and Response to Factory Expansion Plans: The new specialized plant in Huwei Science Park is dedicated to the research and development of photo-sensitive materials, contrast agents, cleaning agents, electronic materials of silicone-based and recycling economy, and other electronic chemicals and technological products for IC, panel and packaging processes, in order to promote the establishment of high-tech industrial clusters in Central Taiwan. Meanwhile, the company is committed to the research and development of high-precision and high-quality products that satisfy the requirements of semiconductor processes and supply them to domestic high-end semiconductor processes, and the products are also continuously recycled and re-used, and effluent treated, in compliance with the trend of a circular economy. The capacity of the expanded factory can supply the needs of key customers to create profits and build brand awareness. There are no other major potential risks as assessed.
- (IX) Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration: Not applicable
- (X) Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with shareholdings over 10%: None
- (XI) Effects of, Risks Relating to and Response to Changes in Management Rights: Not applicable
- (XII) Litigation or Non-litigation Matters

The company and its directors, supervisors, general managers, shadow directors, major shareholders with more than 10% shareholding, and affiliated companies that have been determined to be or are involved with major litigation, non-litigation or administrative disputes should be listed. If the result may have a significant impact on the equity of shareholders or the price of securities, the facts in dispute, the amount of the subject matter, the start date of the litigation, the main parties involved in the litigation, and the handling conditions as of the printing date of the annual report shall be disclosed.

- i. On September 16, 2021, Wan Chio Petrochemical (Jiangsu) Co., Ltd. (hereinafter referred to as Wan Chio Petrochemical Jiangsu) sold the production equipment (hereinafter referred to as the Underlying Property) in the factory building at No. 9, Jianghe Rd., Nantong Economic & Technological Development Area, Jantong City, Jiangsu Province to Shanghai Haichou Technologies Co., Ltd. (hereinafter referred to as Haichou) at a price of RMB (the same below) 146 million (with tax). Both parties entered into a purchase and sale agreement. Unexpectedly, Haichou did not pay the first full purchase amount as scheduled. (It only paid RMB 12.30 million till now after the agreement was signed.) Wan Chio Petrochemical Jiangsu had sent letters to Haichou many times to ask Haichou for fulfillment of its payment obligation under the agreement. However, Haichou still did not fulfill this obligation. Thus, Wan Chio Petrochemical Jiangsu sent a notice by letter on January 10, 2022 to rescind the aforementioned agreement for the purchase and sale of the equipment, and forfeit the purchase amount of RMB 12.30 million that Haichou

had paid in accordance with the agreement. Haichou gave a reply by letter to Wan Chio Petrochemical Jiangsu and expressed its disagreement with Wan Chio Petrochemical Jiangsu on the rescission of the purchase and sale agreement. On October 8, 2022, Haichou applied to Shanghai Arbitration Commission for arbitration (2022 Hu-Zhong-An-Tzu No. 3645 Arbitration, SHAC) and claimed that Wan Chio Petrochemical Jiangsu should return the amount of RMB 12.30 million that it had paid and pay damage compensation to the amount of RMB 4 million and 636.8 thousand because Wan Chio Petrochemical Jiangsu sold the Underlying Property to Zibo Qixiang Tengda Chemical Co.,Ltd., which was not a party of the case, without acquiring its consent and, thus, acted in violation of the agreement between both parties. Wan Chio Petrochemical Jiangsu alleged that the party acting in violation of the agreement was not Wan Chio Petrochemical Jiangsu but Haichou. On October 25, 2022, Wan Chio Petrochemical Jiangsu filed an arbitration counterclaim application to Shanghai Arbitration Commission. In addition to claiming forfeiture of RMB 12.30 million that Haichou had paid, Wan Chio Petrochemical Jiangsu requested Haichou to pay a compensation of RMB 3,474,971.11 for its contractual loss and retaining fee and liquidated damages of RMB 15,329,493.4.

[Result]:

- (i) Arbitration result: The Shanghai Arbitration Commission convened an arbitration tribunal on February 16, 2023, and made the decision on April 30, 2024 (Case No. Shanghai Arbitration Commission (2022) Hu-Zong-An-Zi No. 3645). The arbitration result indicates that ACHEM Petrochemical Jiangsu won the arbitration partially and lost the case partially: I. ACHEM Petrochemical Jiangsu shall return RMB 5 million to Haichou within 15 days of the arbitration decision; II. The remaining arbitration requests made by Haichou are not supported; III. ACHEM Petrochemical Jiangsu has the right to receive RMB 7.30 million that Haichou has paid. IV. The counterclaims raised by ACHEM Petrochemical Jiangsu are not supported. V. Haichou shall bear the full arbitration fee of RMB 154,707 for this case. In addition, the counterclaim arbitration fee of RMB 245,956, Haichou shall be liable for 30% (equal to RMB 73,786). ACHEM Petrochemical Jiangsu shall bear 70% thereof (equal to RMB 172,170). In addition, arbitration is a method agreed upon by both parties to resolve disputes when entering into the contract, and the arbitration result of the Shanghai Arbitration Commission is a final decision (with the same effect as a court judgment). Unless otherwise provided by law, neither party may file an objection or bring a lawsuit to court.
- (ii) Subsequent processing regarding the return of the paid security deposit: Before arbitration, Haichou applied for property preservation to the People's Court of Nantong Economic & Technological Development Area, Nantong City, Jiangsu Province (hereinafter referred to as the People's Court). On October 12, 2022, the court approved the seizure of RMB 13.51 million worth of property under the name of ACHEM Petrochemical Jiangsu. For this, ACHEM Petrochemical Jiangsu deposited RMB 13.51 million to the court as a guarantee (hereinafter referred to as the deposited guarantee), and the court lifted the seizure of Wan

Chio Petrochemical Jiangsu's property on December 5, 2022 (Statement of Decision No.: (2022) Su 0691 Cai-Bao No. 20-1). After the arbitration case was closed on June 20, 2024, ACHEM Petrochemical Jiangsu appointed a lawyer to apply for the release of the deposited guarantee to the Shanghai Arbitration Commission and forwarded the request to the Nantong District People's Court to determine whether to return the deposited guarantee. After the court, Haichou and Wan Chio Petrochemical Jiangsu discussed before the judges in consideration of the arbitration result, the court confirmed that an amount of RMB 4,926,213.20 shall be deducted from the deposited guarantee of RMB 1.351 and returned to Haichou, while the rest of RMB 8,583,786.80 shall be returned to ACHEM Petrochemical Jiangsu. As notified by the accounting department on October 8, 2014, the court has remitted the remaining deposited guarantee of RMB 8,583,786.80 to the account of ACHEM Petrochemical Jiangsu (case closed).

- ii. Shanghai Lian Tung Fencing and Decorating Co., Ltd. (hereinafter referred to as "the lessee") leased an idle industrial land lot No. 1688, Fuhai Road, Jia-Ding Industrial Park from ACHEM Technology (Shanghai) Limited (hereinafter referred to as ACHEM Technology (Shanghai)) (lease period from September 1, 2017 to August 31, 2024; hereinafter referred to as "Southshore Leased Land"). The lessee failed to pay the rent on time for the period from March 1, 2022 to August 31, 2022, totaling RMB 926,100, thereby breaching the lease agreement. ACHEM Technology (Shanghai) sent multiple written notices demanding payment. However, the lessee cited the pandemic as grounds for exemption from three months' rent, which ACHEM Technology (Shanghai) rejected. As a result, on August 12, 2023, ACHEM Technology (Shanghai) filed a lawsuit with the Jiading District People's Court, asserting that the lease agreement had been terminated and requesting the lessee to return the Southshore Leased Land and pay the overdue rent of RMB 926,100, along with a penalty for late payment. The lessee requested the court to approve a reduction of the outstanding rent in the amount of RMB 926,100.

[Result]:

- (i) On June 21, 2024, the Jiading District People's Court made a decision that the lessee lost the case (Decision No. Shanghai Jiading District People's Court (2024) Hu 0114 Min-Chu No. 1961). The lessee shall pay the rent of RMB 771,750 owed for the period from March 1, 2022 to August 31, 2022, the default penalty amounting to RMB 30 thousand (after reduced appropriately by the court), and the court service fee amounting to RMB 10,906.24 to ACHEM Technology (Shanghai) within ten days after the first instance judgment takes effect. (The court only agreed to reduce the lessee's rent by one month) However, the lessee was not satisfied with the court's first instance judgment and filed an appeal to Shanghai Second Intermediate People's Court on June 30, 2024, claiming that the court of second instance should cancel the entire judgment of the first instance (Appeal No.: Shanghai Second Intermediate People's Court (2024) Min-Chu-Hu 0114 Min-Chu No. 1961).
- (ii) On November 10, 2024, ACHEM Technology (Shanghai) received the partial

payment of the overdue rent amounting to RMB 500 thousand. On November 8, 2024, ACHEM Technology (Shanghai) received a notice from the Jiading District Bureau of Urban Management and Law Enforcement, stating that the lessee illegally built a structure on the Lease Land. For this, ACHEM Technology (Shanghai) sent a warning letter and requested the lessee to pay the overdue rent as soon as possible, dismantle the illegal structure, and empty and return the Southshore Lease Land.

- (iii) Shanghai Second Intermediate People's Court rejected the appeal of the lessee on December 6, 2024 (Decision No.: (2024) Hu 0114 Min-Chu No. 1961) to close the second instance. On December 9, 2024, ACHEM Technology (Shanghai) sent a notice to remind and notify the lessee: 1. The lease agreement expired and ACHEM Technology (Shanghai) will recover the Lease Land without renewing the lease agreement. The lessee shall empty and return the Lease Land within five days of the letter. 2. According to the judgment of the court, the lessee shall pay the rent owed for the period from March to August 2022, the default penalty, the court service fee, and the doubled delay interest to a total amount of RMB 312,656.24 (with the rent of RMB 500,000 paid by the lessee on November 10, 2024 being excluded), and dismantle the illegal structure. Otherwise, ACHEM Technology (Shanghai) does not exclude the right to file a second lawsuit to claim for return of the Lease Land and payment of the land use fee for the occupation of the Lease Land without the right.
- (iv) Since the lessee should fulfill the obligation to pay the rent, default penalty, and the doubled delay interest according to the judgment, ACHEM Technology (Shanghai) authorized a lawyer to apply for compulsory enforcement against the lessee in January 2025. (The compulsory enforcement is currently in progress.)
- iii. Shanghai Lian Xing Industrial Limited, the lessee of the Northshore Leased Land at the Jiading Plant (hereinafter referred to as the "Northshore lessee"), leased an industrial land lot and factory building at No. 1688, Fuhai Road, Jiading Industrial Park. The lease agreement expired on June 30, 2024. Prior to the expiration, ACHEM Technology (Shanghai) sent three notices to the Northshore lessee, demanding payment of the overdue rent for the period from April to June 2022, totaling RMB 2,208,161.61. The Northshore lessee had a dispute over the lease agreement it entered into with the sub-lessee, Shanghai Tienji Automotive Company, and the court ruled in favor of Shanghai Lian Xing Industrial Limited. However, the sub-lessee, Shanghai Tienji Automotive Company, refused to move out. Since the equipment in the factory building had a high value, the Northshore lessee and the sub-lessee hoped that ACHEM Technology (Shanghai) could solve this problem through negotiation, as both were unable to afford moving out the equipment. However, in addition to the fact that the Northshore lessee leased the land lot and factory building on the north shore to Shanghai Tienji Automotive Company, there were other sub-lessees continuously occupying the leased land and factory buildings. ACHEM Technology (Shanghai) sent an ultimatum on August 15, 2024, informing the Northshore lessee that it had delayed paying the rent for the

period from February to June 2024. In addition to the sub-lessee, Shanghai Tienji Automotive Company, there were five other companies (all sub-lessees) occupying the land and had not returned it. The Northshore lessee had no reason to refuse to pay the rent mentioned above and return the land and factory buildings simply on the grounds that Shanghai Tienji Automotive Company did not pay the rent. ACHEM Technology (Shanghai) requested the Northshore lessee to pay the rent of RMB 2,208,161.61 and empty and return the land and factory buildings within 10 days from the date of receiving the notice.

[Result]:

- (i) On September 18, 2024, ACHEM Technology (Shanghai) commissioned a lawyer to file a lawsuit to Shanghai Jiading District People's Court against the Northshore lessee and its shareholder, Shanghai Xin Long Industry & Trade Co., Ltd., and apply for property preservation proceedings. The court has notified that the case will be heard at 9:15 am on February 27, 2025 (Case No.: (2025) Hu 0114 Min-Chu No. 745).
- (ii) The Northshore lessee paid the rent of RMB 2,208,161.61 for the period from February to June 2024 on January 10, 2025 and March 14, 2025 before the commencement of this hearing.

(XIII) Other Major Risks: None

VII. Other important matters: None

Six. Special Disclosure

- I. Overview of affiliated companies:** Please check the information on Market Observation Post System.
Index path (new version of MOPS): Market Observation Post System. > Single Company > Electronic Document Download > Three Books and Tables for Related Enterprises
(https://mopsov.twse.com.tw/mops/web/t57sb01_q10)
- II. Private Placement of Securities in Most Recent Years:** None
- III. Other necessary supplementary explanations:** None
- IV. In the most recent year and as of the date of publication of the annual report, matters that had a significant impact on shareholders' rights and interests or securities prices as stipulated in Article 36, Paragraph 2, Subparagraph 2, of the Securities and Exchange Act are as follows:** None