



YC GROUP

2025

Sustainability Report



www.ycgroup.tw

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1-1 About the Report

To Readers

This is the 2025 Annual Sustainability Report of Yem Chio Corporation (Yem Chio Group). In accordance with the relevant provisions of the Code of Practice for Sustainable Development of Listed Companies, the Company is committed to corporate social responsibility and has set sustainable management as one of its business philosophies. Through this report, we will disclose in detail the performance of various aspects of the Company's operations, such as environmental, social, and corporate governance, with the aim of demonstrating to customers, enterprises, society, government, and other stakeholders that the Yem Chio Group has proactively invested in the achievement of ESG sustainable development. We hope to demonstrate to our customers, businesses, society, government and other stakeholders the results of the Group's active commitment to ESG sustainability. In addition, we hope that readers and other stakeholders will be kind enough to give us their advice, and your feedback will be the driving force behind our continued progress.

Reporting Boundaries and Scope

The scope of the information data in the report is the environmental, social, and corporate governance aspects of the Group's subsidiaries in terms of important issues and performance. The scope of the report covers the following areas under the Yem Chio Group: Taipei Headquarters, Yem Chio Changhua Plant, Achem Technology, Yem Chio Distribution, Yem Chio Construction, and Yem Chio Hotel.

Principles and Guidelines

This report shall be prepared annually with reference to the GRI Standards issued by the Global Reporting Initiatives (GRI Standards 2021), industry disclosures, and the previous year's sustainability report prepared in accordance with the characteristics of the industry by adopting the SASB standards of the Taiwan Stock Exchange Corporation's IFRS permanent disclosure standards area, and disclosing the economic, environmental, and social significant themes that the company has identified. The sustainability report for the previous year discloses the Company's identification of economically, environmentally, and socially significant themes, management policies, disclosure items, and reporting requirements, and at a minimum, meets the GRI Standards' core criteria. The content of the aforementioned sustainability report shall include an assessment of the relevant environmental, social and governance risks, as well as the establishment of relevant performance indicators for the management of the significant themes identified.

Disclosure items should be measured and reported according to standards set by the relevant regulatory authorities. If no applicable standards are issued by the authorities, commonly accepted industry practices should be used for measurement and disclosure.

Reporting Period

The period for disclosure of information in this report is January 2025 1 to December 31, 2025, partial renewal of disclosure of information. As of April 30, 2026, there were no other significant changes in size, structure, ownership or supply chain within the Group in order to strengthen the Group's competitiveness and consolidate internal resources.

Report Verification and Issuance

In order to comply with the preparation and verification of the sustainability report, the Taiwan Stock Exchange Corporation (TSE) has issued the following report dated December 7, 2021 The Company's Procedures for the Preparation and Validation of the Company's Sustainability Report are set out in the Announcement No. 1100024868 of the Taiwan Stock Exchange Corporation (TSE) amending the title of the release, "Procedures for the Preparation and Validation of the Company's Sustainability Report". These procedures were agreed by the Audit Committee and approved by the Board of Directors on March 25, 2022, and were incorporated into the internal control system. The disclosures in the sustainability report correspond to the GRI and SASB standards, and the report indicates whether third-party confirmation and assurance have been obtained for each disclosure item. 2025 Sustainability Report is prepared in accordance with the GRI Standards 2021 and has not yet been certified by an external certification body, and the Sustainability Report is submitted to the Board of Directors

annually, and an electronic file is placed on the Company's website and reported to the Internet information reporting system designated by the competent authorities.

Point of Contact

If you have any suggestions regarding the Yem Chio 2025 Sustainability Report, you are welcome to contact us as follows. We will post this report on our website after submitting it to the Board of Directors

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Message From the Founder

Greetings to all Yem Chio Group staff and readers.

Over the past few years, we have continuously promoted the "Group's Common Beliefs and Culture," including our business philosophy, mission, strategic direction, and vision. These core spirits have always been the source of strength driving LYC's steady progress. Throughout 2025, I have been constantly reviewing whether our corporate culture and business philosophy are truly taking root. Often, I feel that our progress is a bit slow and that certain areas have not yet been implemented effectively. This year marks the 48th anniversary of Yem Chio's founding, a critical moment as the enterprise officially moves toward cross-generational development.

As the founder and Group Chairman, I began reorganizing our entire business philosophy and cultural system at the start of the year. My goal is to establish a clearer, more long-term, and more directional inheritance framework for the company. Consequently, in December 2025, I officially released the "LYC Century-Old Enterprise Inheritance Blueprint" to all colleagues. This blueprint is not just an ordinary document; it is based on the principles that all century-old enterprises worldwide must follow. It can be regarded as the "Corporate Constitution" for LYC's future sustainable operations. I want to take this moment to help everyone re-understand the core spirit of this blueprint. This system is not a "new" culture, but rather an extension of the "One-Page Document" (Common Beliefs and Culture) we have upheld for years. Its objectives are: To help every colleague more quickly grasp and understand LYC's core values. To provide managers and the second generation with a clear management framework.



To ensure the company moves toward becoming a century-old enterprise guided by systems, direction, and culture. To ensure we do not veer off course due to personnel changes, nor lose our way amidst economic fluctuations. Each chapter can be read independently or connected to form a complete system. Sustainable management is both a practical science of mathematics and a profound philosophy. Starting in 2026, we will officially enter the track of cross-generational development. This year, we will work together to build an LYC inheritance system that is characterized by integrity, stability, innovation, risk resilience, and a long-term orientation. Finally, I wish you all good health, peace, and great success in everything you do!

Group Founder

2025/12/16

Message From the Chairman

Greetings to all Yem Chio Group staff and readers.

The business philosophy of Yem Chio Group is built upon four pillars: Integrity, Innovation, Stability, and Sustainable Management. With integrity as our foundation, we employ innovative and stable approaches to pursue the group's long-term sustainability. To achieve this ultimate goal, we refuse to focus solely on short-term profits or choose the easy path; instead, we prioritize long-term development and persist in doing what is right. ESG (Environmental, Social, and Governance) sustainability is the field where we dedicate our long-term and continuous efforts.

Reflecting on 2025, Yem Chio Group has made significant strides in ESG:

Environmental Protection: We successfully passed the external verification for ISO 14064-1 Greenhouse Gas Accounting. Furthermore, our Energy Saving and Carbon Reduction Task Force monitors the results of each plant monthly to track and enhance performance in real-time.

Social Responsibility: The Yem Chio Foundation continues to provide long-term scholarships. Simultaneously, our Human Resources Department has implemented several key policies and activities, including: Childcare allowance systems for employees in Taiwan. Re-employment systems for retired employees. A 360-degree feedback system. The Leofoo Village Family Day event.

Corporate Governance: In the 11th Corporate Governance Evaluation (2024), Yem Chio (listed company) achieved a score of 87.07, placing us in the 36%-50% tier.



We are not content with our 2025 achievements alone. In the face of a volatile and uncertain future, Yem Chio Group will continue to invest its efforts and work hand-in-hand with our partners toward a more sustainable and prosperous future. Finally, I would like to express my sincere gratitude to all colleagues for their hard work, and to our shareholders and customers for their long-term support. Together, let us create a better tomorrow.

Group Chairman



2026/04/13

1-3 Sustainable Performance 2025 Execution Status

E (Environment)

1. Yangmei Plant: Gradually reduce the number of coating machines (including solvent recovery units) while maintaining the total tape production capacity.
2. Equipment Upgrade: Implement solvent-free systems to replace production equipment that relies on solvent recovery systems.
3. Product Optimization: Integrate SF PVC to replace specific PVC products traditionally manufactured on conventional machinery.
4. Waste Management: Strictly implement the classification and recycling of adhesive residues. Changhua Plant Performance: According to 2025 waste statistics, the overall waste recycling and reuse rate reached over 95%, exceeding the established management target of 90%.

S (Social)

1. Strengthen internal education and training to improve the quality and skill level of our employees, and provide 10,506 hours of internal and external education and training in 2025.
2. Expand industry-academia collaboration to facilitate seamless integration between the academia and the industry. By 2025, the total number of interns will be 1.
3. The childcare subsidy program took effect in July 2023, with a total of 30 employees and 51 children receiving subsidies in 2025.
4. Education scholarship subsidies for employees and their children in Taiwan, with a total of 169 employees and their children receiving subsidies in 2025.

G (Governance)

1. Yem Chio Group's 2025 consolidated revenue for 2025 is approximately 13.2 billion NTD., with EPS of approximately 0.26 NTD.
2. 2025 Board of Directors Report on Corporate Governance Items:
 - (1) Professional Qualifications and Independence of Independent Directors: Upon review by the Corporate Governance Officer, the professional qualifications and independence of the current independent directors (during their term of office) comply with all relevant laws and regulations.
 - (2) Annual Progress Report on ESG and Sustainable Development.
 - (3) Execution Report on Risk Management Policies and Procedures.
 - (4) Annual Execution Report on Intellectual Property Management.
 - (5) Annual Execution Report on Promoting Ethical Corporate Management.
 - (6) Report on Communication with Stakeholders.
 - (7) Corporate Value Enhancement Plan Report.
 - (8) Rectification and Improvement Plan for Internal Control Systems: In accordance with the Taiwan Stock Exchange Letter (Ref. No. 11400174591, dated October 20, 2025), a specific improvement plan (or rectification status) regarding internal control deficiencies has been formulated.
 - (9) IFRS Sustainability Disclosure Standards Adoption Plan: Project milestones expected to be completed in Q4 2025:
 - 1-1: Establishment of a cross-departmental task force for the adoption of IFRS Sustainability Disclosure Standards.
 - 1-2: Formulation of the adoption implementation plan.

Future Sustainability Advancement Plan

Group Transformation Motto

"Transformation is the only way forward. As long as there is commitment, a clear direction, and consistent effort, it becomes a source of strength."

Operational Performance

1. Operating with principles of integrity, stability, innovation, and sustainability.
2. Short-term Goal: Achieve the operational targets set for the 2025 budget.
3. Mid-to Long-term Goal: Continue advancing the Group's operational synergies, energy-saving initiatives and digital transformation to create operational synergies.

Major Direction of Group Transformation

1. Organizational Structure, Manpower (Adjustment) Configuration.
2. Implement a Layered Responsibility System
3. Energy Conservation and Carbon Reduction
4. AI Digital Optimization
5. Accelerate Equipment Automation
6. Product Upgrades and Industry Alignment with Future Demands
7. Establishing Technology Sources: Training Courses / External Consultants / Outsourcing / Employee Self-Learning and Development。



2. About Yem Chio

Important Issues :

E. S. G

Significance to YC	<ul style="list-style-type: none"> ▲ The continuous and stable growth of revenue and profit to meet the expectations of investors and stakeholders is the basis of corporate operations. Only by pursuing overall operational efficiency and market development can long-term and stable operating performance be created. ▲ A sound corporate governance mechanism can enhance the stability and transparency of corporate operations. ▲ Ensure the company's stable and sustainable operations through a sound risk management mechanism. ▲ Strictly abide by laws and regulations.
Annual Specific Plan	<ul style="list-style-type: none"> ▲ Strengthen the stability of the company's operations, continuously improve the corporate governance system, and participate in relevant corporate governance evaluations. ▲ Regularly review the development, establishment and implementation performance of the company's overall risk management mechanism, establish a comprehensive risk control process, and formulate corresponding methods for risks at all levels.
Annual Specific Programs	<p>Target for 2025</p> <ol style="list-style-type: none"> 1. Annual revenue growth. 2. Net profit after tax continues to grow. 3. No violations of management, business and environmental regulations
Input Resources	<p>The company's website discloses a specific contact window for investor relations. Since 2017, it has produced a sustainability report every year and is committed to various sustainable activities.</p>
Evaluation Mechanism	<p>Regularly publish financial information and company news in accordance with regulatory requirements</p>
Operational Performance in 2025	<p>The company's earnings per share ("EPS") was approximately \$ 0.26.</p>
Medium and Long Term Goals	<p>Promote the transformation of the group and focus on sustainable development.</p>

2-1 Company Profile

Basic Information:

Company Name: Yem Chio Co., Ltd.
 Date of Establishment: 1978.03.07
 Paid-In Capital: NT\$680 million
 Listed Company Stock Code: 4306
 Group Chairman: Mr. Lee, SHU WEI
 Number of Employees: Taiwan: 1,201 (2025/12/31)
 Important Operating Locations.
 Headquarter: Yem Chio Group Taipei Headquarters
 (including Yem Chio, Achem Technology, Yem Chio
 Distribution, Yem Chio Construction, Yem Chio
 Hotel)
 Manufacturing Plants :
 Yangmei Achem Technology, Taoyuan; Changhua
 Changbin Yem Chio I & II plants
 2025 Consolidated Revenue: NT\$13.2 billion



2025 Annual Revenue Distribution:

(Unit: NT\$ thousand)

Item	Amount	Proportion
Tape Manufacturing Department	9,361,066	70.5%
Packaging Materials Access Department	1,911,283	14.4%
Real Estate Division	1,041,968	7.9%
Specialty Chemicals Division	558,626	4.2%
New Energy Department	403,132	3.0%
Total	13,276,075	100.0%

2-1-1 Scope of Business

Packaging Materials Business



▲ Yem Chio Changhua Plant

Yem Chio Changhua Plants primarily produce BOPP film, a critical upstream material in the packaging industry. BOPP film is widely used due to its high tensile strength, impact resistance, rigidity, durability, and excellent transparency. After corona treatment, it offers good printability, enabling high-quality printing and making it a popular choice for composite films. Currently, major domestic suppliers of BOPP film and adhesive tape raw materials include large plastic manufacturers such as Formosa Plastics and Taiwan Chemical, making it crucial to maintain a competitive edge through automation for large-scale production and collaboration with upstream raw material suppliers.

For downstream customers, who require different film and tape properties, manufacturers need to offer advanced production technologies and a variety of product specifications to meet complete product demands in one purchase.

Achem, with its core competence in coating technology, specializes in producing and operating pressure-sensitive adhesive tapes and PE film products. It was one of the first companies in Taiwan to develop and produce PVC tape and has gained international recognition for pioneering BOPP-based



▲ Achem Yangmei Plant

packaging tapes. Its acrylic and oil-based adhesive coating technologies are world-leading.

As one of the largest global manufacturers of BOPP and PVC tapes, Achem integrates the entire supply chain comprehensively, with production facilities in Taiwan, mainland China, and Southeast Asia. Its product range covers packaging, electrical, stationery, industrial, protective, double-sided, paper, and specialty tapes. The applications span various industries including automotive, construction, home appliances, electronics, footwear, textiles, toys, and printing. The company markets its products globally under the Wonder, Achem, and Achem Wonder brands, with a sales network extending to over 80 countries.

In recent years, to better meet customer needs and enhance profitability, Achem has actively pursued product diversification. It has expanded from its core coating technology into specialty chemicals (such as photoresists and EBR) and optoelectronic materials, and vertically into petrochemical raw materials like PE film, OPP film, PVC film, and acrylics. This strategy has successfully bridged traditional and high-tech industries, connecting Achem past with its future and expanding its market presence.



▲ Yem Chio DISTRIBUTION CO.,LTD
Promotional Gifts Division

Yem Chio DISTRIBUTION (formerly: Xinzhou Global) is committed to innovating packaging material distribution channels by leveraging Yem Chio Group's unparalleled vertical integration resources and supply chain support, along with industry-leading production technology and innovation capabilities. This approach enhances and personalizes customer service, adhering to the core corporate values of integrity, pragmatism, stability, speed, innovation, customer orientation, and sustainable management.

Yem Chio DISTRIBUTION focuses on building a learning organization and upholding high ethical standards, with an emphasis on customer development and service. The company provides a range of packaging solutions, establishing long-term partnerships with clients through reliable operations and effective communication. Its core product lines include adhesive tapes, electronic packaging materials, cushioning

materials, plastic bags, packaging machinery, paper packaging, packaging materials, and various customized services. Additionally, Yem Chio Distribution has established the "Pack Master" brand, a professional packaging material chain that spans both sides of the Taiwan Strait.

Drawing on years of experience in the packaging materials supply chain, Yem Chio DISTRIBUTION is actively expanding into online channels and exploring new business opportunities in 2023. The company is also extending its focus to the customized promotional gifts market. The Pack Master promotional gifts service offers comprehensive packaging and one-stop custom services, with a strong reputation for customer satisfaction. The company aims to target opportunities in customized, personalized, identifiable, and environmentally friendly promotional products.

With its professional packaging material chain brand positioning, Yem Chio DISTRIBUTION offers clients one-stop customized services supported by a professional logistics team and warehousing capabilities. Its key product lines include adhesive tapes, electronic packaging materials, cushioning materials, plastic bags, packaging machinery, and paper packaging products.

Unit: NT\$ Thousands

Region	Sales Amount for 2025	Percentage for 2025
Taiwan	1,510,079	79%
Asia-Pacific	401,106	21%
Europe	208	0.00%
Total	1,911,393	100.00%

▲ Yem Chio Distribution CO.,LTD Description of the Proportion and Sales Amount of Domestic and International Sales

Real Estate Business



▲ Yem Chio THE ONE

For most consumers, purchasing a home is likely one of the most significant decisions in their lifetime, as a home becomes a vessel for living and creating various memories. A quality home should not only provide shelter but also be a nurturing environment that supports the residents' growth and well-being. Therefore, in terms of client management, Yem Chio Construction has ambitious goals and exceptional aspirations. Adhering to the principles of sustainable operation, the company provides products and services characterized by "integrity," "stability," and "innovation," aiming to create more perfect and comfortable living spaces, enhance residential quality, and contribute



▲ New Taipei Yem Chio Sheraton Hotels

to building beautiful urban architecture. Through delivering solid and secure homes, Yem Chio Construction establishes a lifelong commitment with its clients. The company's business activities include land development, construction, and urban renewal among other real estate operations.

New Taipei Yem Chio Sheraton Hotels and Marriott jointly create a five-star hotel service, the hotel provides the highest standards of luxury rooms and exotic cuisine and leisure pool, sauna, children's recreation area, gym and other professional entertainment facilities, to become the only five-star hotel in Xinzhuang Fuduxin of the senior brand.

2-1-2 Company Development History



In 1978, Chairman Lee, CHIH HSIEH f Chio CO., LTD., engaging in the trading of packaging materials.

In 1987, the company expanded into manufacturing, producing packaging-related products.

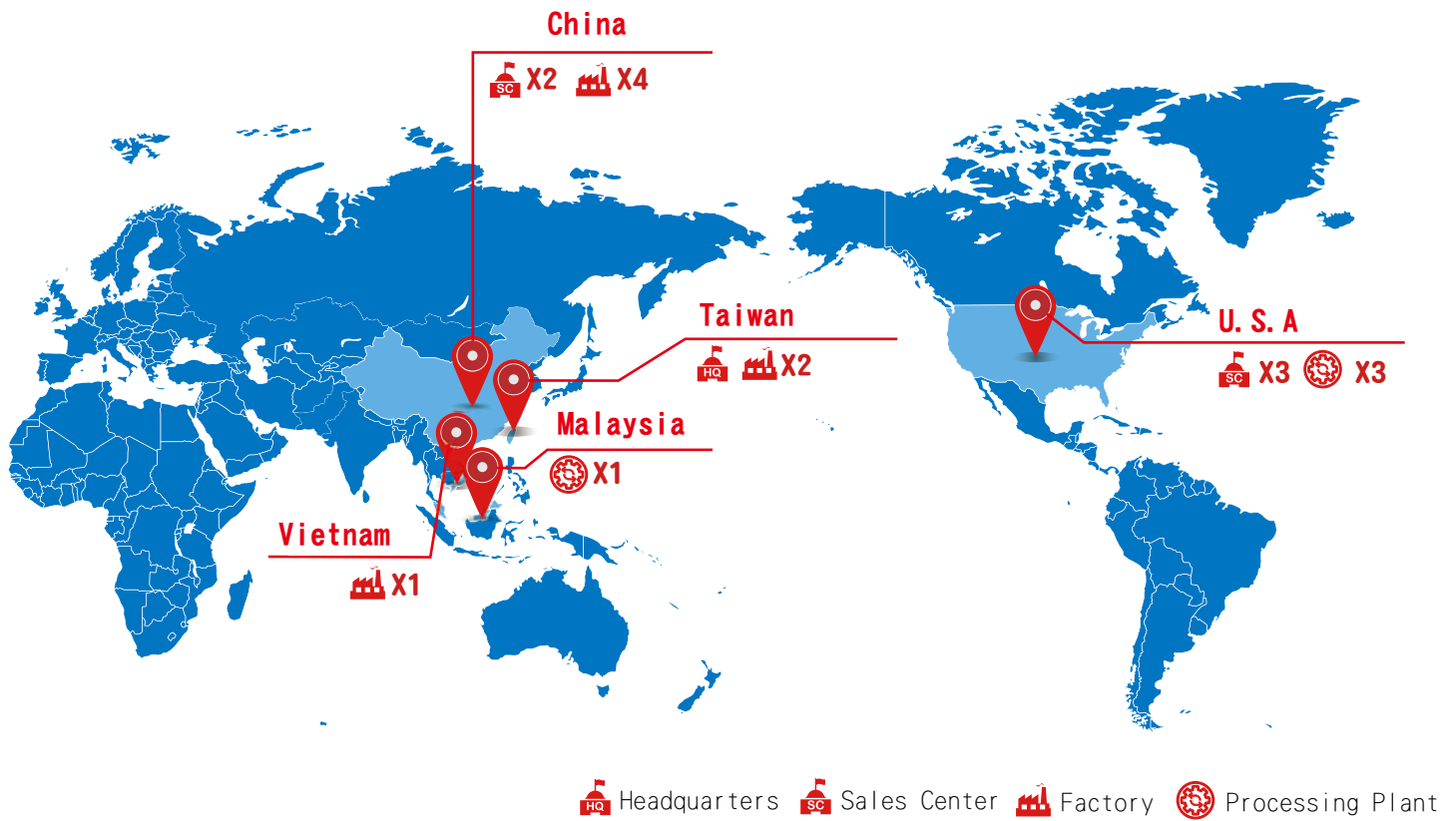
In 2015, the group established its headquarter in Neihu.

In 2024, Xin Chio Global CO., LTD. changed its name to Yem Chio Distribution CO., LTD..

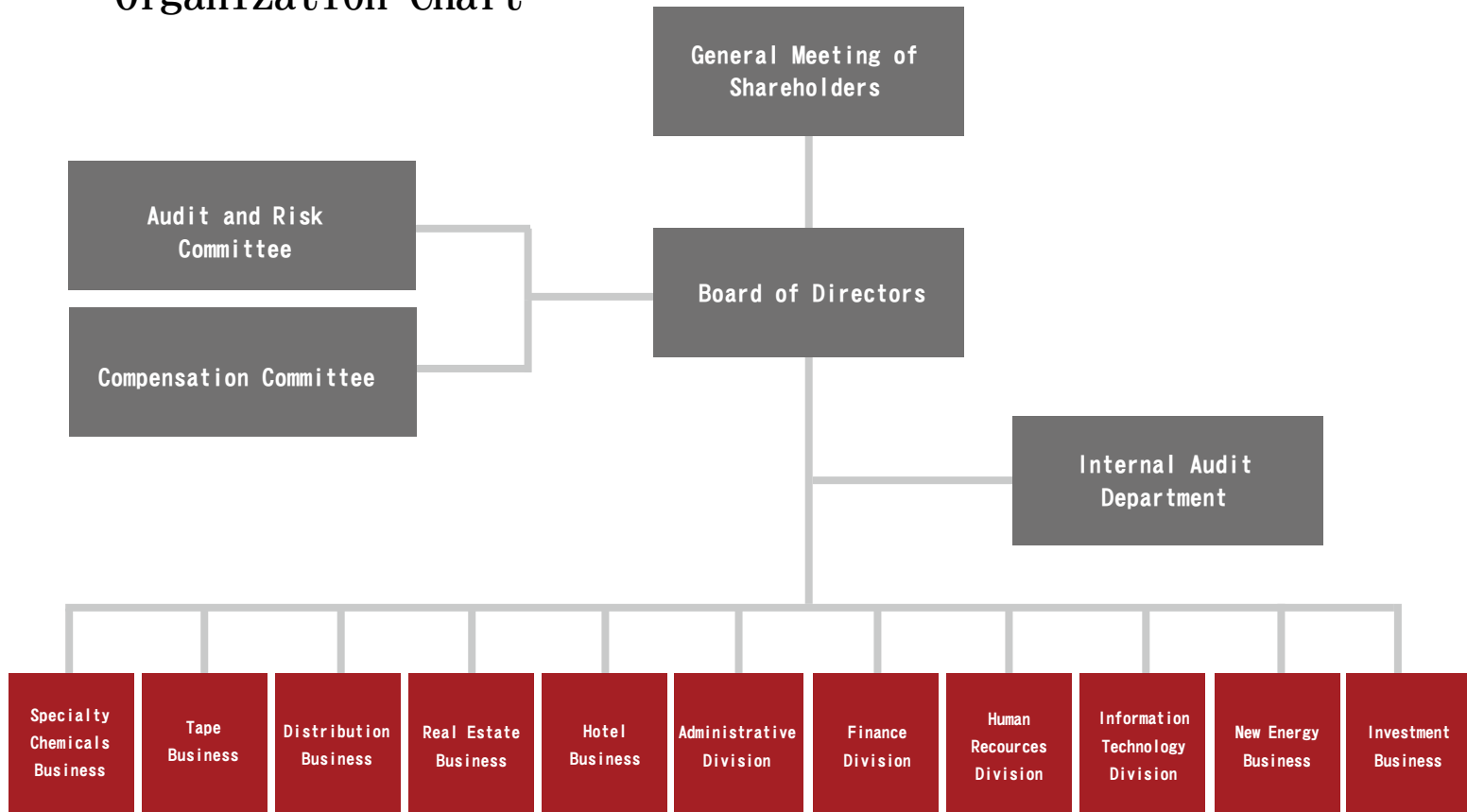
In 2024, enter the solar energy industry and acquire 66% of the shares of KING SUN NEW TECH CO., LTD..

In 2025, Yem Chio Distribution Co., Ltd., a subsidiary of the YC Group, acquired a 55% stake in Victory Union It Co., LTD.

2-1-3 YC Group Global Locations



2-2 Management Team Organization Chart



Business Operations of Major Departments

Department	Main Business
Audit and Risk Committee	The main purpose is to supervise the following matters: 1.Appropriate presentation of the company's financial statements. 2.The selection (dismissal) and independence and performance of certified public accountants. 3.Effective implementation of the company's internal control. 4.The company complies with relevant laws and regulations. 5.Control of existing or potential risks of the company.
Remuneration Committee	Establish and regularly review the policies, systems, standards and structures for performance evaluation and remuneration of directors, supervisors and managers, and regularly evaluate and determine their remuneration.Establish and regularly review the policies, systems, standards and structures for performance evaluation and remuneration of directors, supervisors and managers, and regularly evaluate and determine their remuneration.
Chairman's Office	Formulate the company's long-term business development strategy. Responsible for the overall management of the company. Coordinate the overall business of each unit organization. Shaping the company's corporate image and establishing external relations.
Audit Office	Establishment, revision and implementation of internal audit system.
Specialty Chemicals Business	Overseeing the development and operational management of the group's specialty chemicals business. Planning and management of operational strategies. Establishment of operational sites, along with client development and management.
Tape Business	Responsible for the production, sales and operation management of the group's tape, film and other manufacturing businesses. Planning and management of operational strategies. Establishment of operating locations, customer development and management.
Distribution Business	Responsible for the development and operation management of the group's packaging material distribution channels. Planning and management of operational strategies. Establishment of operating locations, customer development and management.
Real Estate Business	Responsible for the operation and management of the group's construction, and other real estate businesses. Planning and management of operational strategies. Real estate development and management.
Hotel Business	Overseeing the development and operational management of the group's hotels. Planning and management of operational strategies. Development and management of hotel buildings and related services.
Administrative Division	Responsible for administrative, legal, information, energy and other related businesses, and providing support and assistance for overseas legal affairs.
Finance Division	Responsible for finance, accounting and other related businesses, and directly manages financial and accounting units at home and abroad.
Human Resources Division	Responsible for personnel selection, training, employment and retention, and providing support and assistance for overseas related affairs.
Information Technology Division	Responsible for IT, cybersecurity, and networking operations; provides support for overseas related affairs.
New Energy Business	Overseeing the development and operational management of the group's new energy business. Planning and management of operational strategies. Establishment of solar power plants, along with client development and management.
Investment Business	Overseeing the group's investments and investment performance management.

2-3 Corporate Governance

We firmly believe that in pursuing business growth and creating corporate value, implementing a sound corporate governance structure and effective internal control systems is essential for enhancing business quality and competitiveness. The board of directors of our company operates with the long-term interests of the company and all shareholders in mind, performing their duties objectively and independently.

Increasingly, both domestic and international investors and major stakeholders view corporate governance and the presence of

2-3-1 Improvement of the Board of Directors' Function

In 2025, the board of directors had a total of seven seats, with three of these being held by independent directors, accounting for 43% of the board. Among the board members, six are male and one is female. All directors are over 40 years old and possess extensive industry expertise and management backgrounds, significantly enhancing the board's independence and diversity, and enabling it to fully execute strategy and provide guidance. The board meetings are held at least once per quarter, and in 2025, a total of five board meetings were conducted, each with a 100% attendance rate. The Chairman, Lee, SHU WEI, utilizes his extensive professional capabilities to make strategic business decisions, improve operational performance, and oversee the normal functioning of the board.

In accordance with company regulations and the "Regulations Governing the Establishment of Independent Directors and Compliance Matters for Public Companies," the selection of directors considers the overall composition of the board, including operational judgment and management capabilities, accounting and

independent directors as critical indicators for investment decisions. Therefore, we continue to adhere to the principles of corporate governance. Board members are elected by all shareholders through a voting process, as required by the company's articles of association and regulations. Additionally, various functional committees are established under the board to enhance its functions, safeguard the interests of shareholders and stakeholders, and improve information transparency, thereby actively implementing corporate governance policies and social commitments.

financial analysis skills, crisis management ability, industry knowledge, international market perspective, leadership, and decision-making skills. Additionally, the board follows the "Guidelines for Continuing Education of Directors and Supervisors of Listed and Over-the-Counter Companies" and arranges for directors to attend external training, such as courses on board operations and sound corporate governance, to strengthen governance capabilities.

The board reviews business performance and discusses significant strategic issues, including economic, environmental, and social impacts, as well as risks and opportunities. Important board resolutions are published on the Taiwan Stock Exchange's public information observatory. Information such as the company's articles of association, board meeting rules, director remuneration, operational conditions, and the implementation of conflict-of-interest procedures are made available to domestic and international investors in a fair, honest, and transparent manner for timely access.

Board of Directors

No.	Title	Name	Key Educational and Professional Experience
1	Chairman	Ying Quan International Co., Ltd. (Authorized Representative : Lee, SHU-WEI)	Master's Degree in International Business, Ming Chuan University, CEO of WONG CHIO CO., LTD.
2	Board Director	Asia Shuo Co., Ltd. (Authorized Representative: LIN, SIH-SHAN)	Mingdao High School, Taichung, General Manager of Hao Jun Construction Co., Ltd., Chairman and General Manager of Hao Sen Construction Co., Ltd.
3	Board Director	Ying Quan International Co., Ltd. (Authorized Representative : Lee, CHI-CHENG)	Master of Science in Mechanical Engineering, National Taiwan University, Chairman of Yem Chio Distribution Co., Ltd. and Achem Technology Corp., General Manager of YC Group
4	Board Director	Asia Shuo Co., Ltd. (Authorized Representative: FANG, SHU-FEN)	Master's Degree in Accounting, Northern Illinois University, General Manager of Yem Chio Co., Ltd.
5	Independent Director	CHEN, YEN-CHUN	Institute of International Business, National Taiwan University, Chairman and General Manager of Canxing Network Communications Co., Ltd., Chairman of Canxing International Travel Service Co., Ltd., Chief Risk Officer of Can Kuan Industrial Co., Ltd., Group Financial Manager of Can Kuan Industrial Co., Ltd., Vice Chairman of Tally Weijl Co., Ltd., Group Chief Financial Officer of Tally Co., Ltd.
6	Independent Director	CHEN, SHUN-FA	Department of Accounting, National Chung Hsing University , Partner PWC Taiwan
7	Independent Director	WANG, CHIEN-CHUAN	Ph.D. in Economics, Purdue University, Advisor, Ministry of Economic Affairs Member, Industrial Advisory Committee, Ministry of Economic Affairs.

Note: Director Chien-Chuan Wang passed away in January 2026. A by-election for one independent director is scheduled to be held at the 2026 Annual General Meeting (AGM).

2-3-2 Financial Performance

Market Analysis

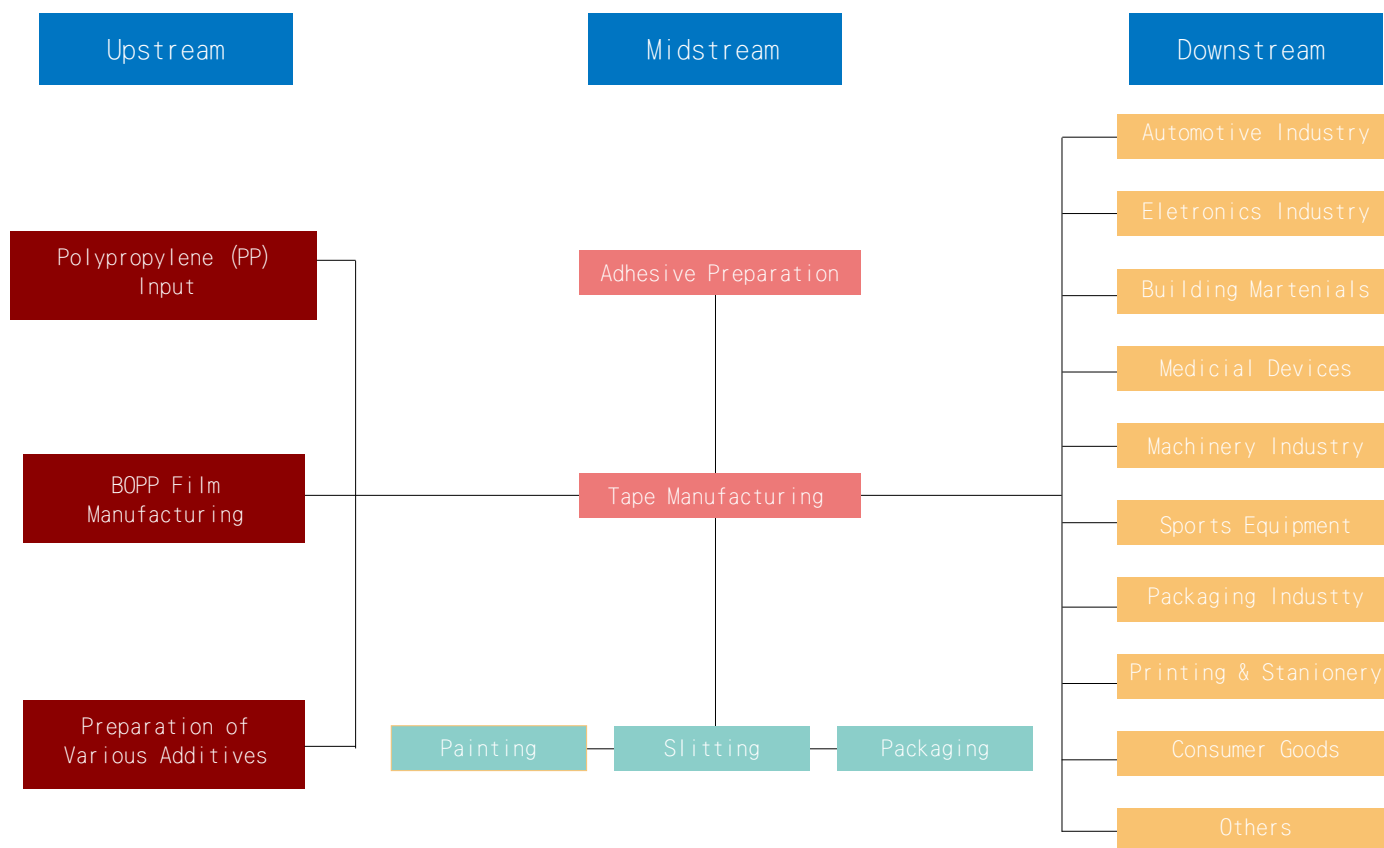
(1) Current Status and Development of the Packaging Materials Industry

The BOPP film industry is part of the upstream sector of the packaging materials industry and represents a very important type of flexible packaging material. It is widely used due to its high tensile strength, impact resistance, rigidity, toughness, and good transparency. After corona treatment, BOPP films exhibit good printability, allowing for high-quality color printing and an attractive appearance, which makes it a common choice for composite films.

Adhesive tapes belong to the

midstream sector of the packaging materials industry. These tapes involve applying an adhesive to a substrate to create an adhesive effect through the flow of the adhesive and its bonding with the adherent surface. There are numerous types of adhesive tapes, categorized into solvent-activated, heat-activated, and pressure-sensitive tapes. Currently, there are over ten thousand types of commercial adhesive tapes. Their convenience, excellent functionality, and low cost make them indispensable in daily life and work.

In recent years, as the demand for packaging materials has increased, the demand for films has been rising annually,



▲ Packaging Materials Industry Upstream, Midstream, and Downstream Relationships Diagram.

with applications expanding into various industries. For example, pearl films for masks and labels, anti-fog films for fresh vegetable packaging, glossy films for posters and printing, and bag-making films for various consumer products. As for adhesive tapes, with the rapid growth of the domestic electronics and information industry, there is increasing demand for tapes used in transformer coil insulation, printed circuit board plating protection, semiconductor wafer cutting, grinding, and demagnetization. Among these, the OPP tape series, driven by environmental requirements, is becoming a market mainstream. Additionally, with continuous development of new products and technologies in adhesive tapes, no other products can fully replace their auxiliary role across industries. Consequently, film and tape products are not significantly affected by fluctuations in the economic climate of any single industry, but rather experience steady demand in line with

overall economic growth both domestically and internationally.

(2) Industry Upstream, Midstream, and Downstream Relationships

In the film industry, upstream raw materials include polypropylene (PP) and various additives. Downstream sectors encompass various types of tape manufacturing companies, as well as printing and food packaging industries. Films are widely used for packaging bread, fruits and vegetables, cigarettes, cookies, and other food products, as well as for packaging clothing, shoes and socks, books, and cosmetics.

In the adhesive tape industry, upstream raw materials include substrates such as paper, fabric, rubber, plastic films, or metal foils, as well as resin manufacturers that produce various adhesives. The midstream sector involves

tape processing and manufacturing companies, which focus on operations such as mixing adhesives, coating, drying, cutting, slitting, and packaging. Finished tapes find applications across a broad range of industries including automotive, electronics, machinery, building materials, printing and stationery, medical equipment, and general household use. Due to their extensive use in packaging, adhesive tapes are integral to nearly all industries.

Our company operates as a manufacturer of films and adhesive tapes in the upstream and midstream sectors of the packaging materials industry. The industry's upstream, midstream, and downstream structure is illustrated in the diagram above.

(3) Product Development Trend

The trend of film product development is toward environmental protection, product diversification and

differentiation. Since BOPP film is environmentally friendly and non-toxic, BOPP film has high substitutability for other types of packaging materials, and its application in new fields and industries is gradually expanding. In addition to differentiation, film products are also toward the trend of lighter and thinner thickness, which can effectively reduce the downstream costs, but also to establish the threshold of the industry. Tape product development trend toward functional applications and environmental protection and other directions. With the rapid growth and upgrading of the global industry and the ever-changing demands, the tape manufacturers are developing various special tapes or adjusting the glue formulas to meet the customers' expectations for their products. In summary, the future development trend of packaging materials is to meet the environmental standards and to differentiate their products.

Market Share, Future Market Supply and Demand Conditions, and Growth Potential

Although the tape industry is facing a large capacity and supply in developing countries such as Mainland China and Southeast Asia, the demand for tapes is still growing steadily due to the fact that tapes are constantly being updated and have been widely used in various industries. The film industry has emerged from the bottom of the industry boom. The Changbin film plant has increased investment in new product inspection equipment, CCD, cutting machines, and plant compartments to strengthen quality management and increase production of high value-added food packaging film to create product differentiation. Since 2011, we have

started to sell BOPP to international tape brands, and in 2016, we will adjust our product mix to increase sales of consumer packaging film. In 2024, based on sales volume and sales categories, production of machines #2 and #3 has been discontinued, and we are actively working to optimize the planning and utilization of the factory premises.



Competitive Niche

Sales Strategy

1. The Film Division and Adhesive Tape Division plan and participate in international trade shows annually, and strategically position themselves in the semi-finished product market.
2. Adjust the product portfolio to maximize profitability.
3. Strengthen retail revenue share for the packaging business under the brand "Master Package" (currently, revenue primarily comes from wholesale to businesses).

Research and Development

The Film Division continues to develop higher value-added films.

Production

Advance with full commitment towards vertical integration across the upstream, midstream, and downstream segments of the adhesive tape industry. Coordinate and integrate raw material procurement and production sales between Yem Chio and Achem, aiming to become the largest adhesive tape manufacturer globally.

Management

1. Integrate global resources to establish a structure with Taiwan as the operational center.
2. Consolidate the Group's internal Enterprise Resource Planning (ERP) system to enhance decision-making and management performance.

Product Sales Regional Distribution

The primary products of our company and its subsidiaries are various types of adhesive tapes and films, with a market distribution primarily focused on exports. In 2025, exports accounted for approximately 67% of total sales, with the Americas and Asia being the largest markets. Currently, the estimated domestic and international sales ratio for our company and its subsidiaries' main products is as follows:

Products	Sales Revenue (Thousands NTD)	Domestic Sales Proportion	Export Sales Proportion
Tapes	8,452,582	6%	94%
Packaging Materials	1,911,283	79%	21%
Films	908,484	36%	64%
Construction	1,041,968	100%	0%
Other	961,758	100%	0%
Total	13,276,075	33%	67%

2025 Annual Production Value

Main Products	Production Capacity (k m ² / Ton)	Output (k m ² / Ton)	Output Value (Thousands NTD)
Tape	2,079,564	1,219,168	6,240,661
Film	87,606	72,798	3,064,233
Total	2,167,170	1,291,966	9,304,894

Sales Volume in 2025

Main Products	Domestic Sales		Export	
	Quantity (Thousands m ² / Ton)	Value (Thousand NTD)	Quantity (Thousands m ² / Ton)	Value (Thousand NTD)
Tape	102,845	540,438	1,172,475	7,912,144
Packaging Materials	–	1,510,079	–	401,204
Film	7,329	328,590	12,216	579,894
Construction	–	1,041,968	–	–
Other	–	961,758	–	–
Total	110,174	4,382,833	1,184,691	8,893,242

Key Financial Indicators (Group Consolidated Financial Statements)

Unit: NT\$ million

	2023	2024	2025
Consolidated Operating Income	13,223.7	15,891.08	13,276.08
Net Profit After Tax	801.2	816.9	172.1
Earnings Per Share (NTD)	1.30	1.27	0.26
Total Assets	31,141	35,187	36,855

Short-Term Business Development Plan

Target	Strategy
Deepening the Global Green Supply Chain Layout	<p>PIR Recycled Film: Diversified Scenarios for Sustainable Application</p> <p>1. Industrial Application: Introduce high-quality PIR recycled films to assist global industrial leaders in achieving carbon reduction targets and increasing the proportion of recycled materials used.</p> <p>2. Retail and Channel Packaging: Promote recycled thin films with anti-fog functions to help fresh food retail channels strengthen their plastic reduction image and implement sustainable packaging.</p> <p>3. Food-Grade High-Value Circularity: Develop high-standard food-grade recycled films targeting the convenience store fresh food market to realize a high-value closed-loop recycling system.</p>
Leading the Revolution of Mono-material Packaging	<p>All-PP Mono-material: Development of High-Barrier Easy-to-Recycle Technology</p> <p>1. High-Barrier Technology Substitution: Use advanced PVA coating technology to replace traditional multi-layer heterogeneous composite structures, significantly improving the recyclability of end-packaging.</p> <p>2. Functional Structural Transformation: Develop retort-grade BOPP composite structures to fully replace composite materials containing Nylon (BOPA) or metal foil, achieving the goal of full recyclability for retort-grade packaging.</p>

Long-Term Business Development Plan

Target	Strategy
Build a sustainable sales service system to enhance long-term customer value.	Establish a customer cooperation model centered on environmental and social responsibility, provide green solutions and carbon footprint transparency reports, and strengthen long-term partnerships with international customers on sustainability issues.
Train and develop professional talent to continuously promote corporate green transformation.	The group company strengthens employees' understanding and practical capabilities in core issues such as ESG, carbon management, and circular economy. Encourage cross-departmental participation in sustainable innovation projects.
Create a smart and low-carbon manufacturing platform to reduce reliance on human resources.	Promote digital production and carbon emission management systems, combining energy management, resource reuse, and waste reduction technologies to achieve carbon reduction goals and production optimization. Build a smart circular manufacturing ecosystem.

2-3-3 Operation of the Audit and Risk Management / Compensation Committee

The beneficiary bank's city-state, Yem Chio, established an Audit Committee in accordance with the Securities Exchange Act in 2019 (renamed the Audit and Risk Committee in 2023) and a Compensation Committee in 2011. In 2025, the Audit and Risk Committee held five meetings, and the Compensation Committee held two meetings. Both committees are composed

of three independent directors, each serving a three-year term. The Compensation Committee evaluates the Company's directors and managers regarding salary and compensation policies and systems, as well as the Company's operational performance. It provides recommendations on dividend distribution ratios, manager compensation, and the Company's

compensation policies from an objective and professional standpoint. Additionally, it makes suggestions based on the competitive environment of the industry and the Company's short-term, medium-term, and long-term business objectives. Additionally, the Company regularly participates in industry-wide or consultant-conducted

salary surveys to review whether salary and welfare measures align with market standards. It also designs incentive-based welfare systems. Employee compensation and director compensation are proposed and reported to the shareholders' meeting. For detailed information, please refer to the annual report of Yem Chio.

2-3-4 Commitment to Ethical Business Practices and Protection of Shareholder Rights

In compliance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and the "Self-Assessment Indicators for Corporate Governance Evaluation" of the Corporate Governance Center of the Taiwan Stock Exchange Corporation, the Company has formulated the following rules and regulations: (1) Corporate Governance Best Practice Principles, (2) Ethical Corporate Management Best Practice Principles of the Yem Chio Group, (3) the Regulations for the Prevention of Insider Trading of the Yem Chio Group, and (4) Implementation Management Status of the Yem Chio Group.... The Board of Directors and the management have been working closely with each other to ensure that the Group is able to fulfill its obligations under the Code. The Board of Directors and the management thoroughly supervise and

implement the business policy of integrity, as well as internal management and business activities, and uphold the principle of integrity management. In 2025, the Company did not have any complaints or reports on violations of ethical integrity or wrongdoing by its operations or any of its employees, and the 2025 shareholders' meeting has been fully audio-recorded, and the video file has been posted on the Company's website for reference.



2-3-5 Internal Risk Control Management System

YC strives to adhere to a steady and practical business strategy and the concept of sustainable management. In light of the various operational, financial, environmental, and information security risks that are inherent to all enterprises, YC has established a risk management framework to address the potential impact of these risks on our operations. We believe that this will greatly reduce the operational risks and hazardous impacts of YC, enabling us to quickly respond to risks and develop response strategies and emergency measures to minimize losses and continuously protect the interests of our stakeholders. The Company has put in place a risk management mechanism with the aim of managing various potential risks that may have an impact on its operations and profits. It is hoped that this will significantly reduce the impact of operational risks and hazards, enabling a quick response to risks and the formulation of countermeasure strategies and emergency response measures to minimize losses and continuously safeguard the interests of stakeholders.

Risk Aspects	Main Risk Points	Our Response Measures
Financial Risks	Exchange Rate Interest Rate Credit Risk	<p>1. Exchange rate: The increase in foreign currency receivables through U.S. dollar transactions is offset due to purchases of goods. Foreign currency payables and bank short-term foreign currency borrowings generated to achieve natural The effectiveness of risk aversion. The company also actively pays attention to information such as exchange rate changes and makes timely adjustments. Foreign currency positions, and initiate foreign currency hedging strategies in a timely manner.</p> <p>2. Interest rates: Risks that may arise due to changes in interest rates, in addition to market capital Loose policies, negotiate preferential borrowing interest rates with various banks, and actively reduce operating costs</p> <p>3. Credit risk: According to the company's internal credit assessment standards, we review and control customers' credit Use quota.</p>
Business Risks	Competition Industry Development Trade Barriers	<p>1. The company has been deeply involved in the packaging materials industry for many years and has established its own brand, "Baodashi" It maintains good communication with customers, keeps abreast of industry trends, and, together with the Yem Chio Group's comprehensive upstream, midstream, and downstream supply chain, which is rare worldwide, provides customers with the best products and solutions through its professional R&D and customer service teams.</p> <p>2. Stage-by-stage increases in production equipment investment projects in the RCEP leading country, China, will facilitate entry into the RCEP common prosperity zone. At the same time, the company will deepen its presence in Southeast Asian markets such as Vietnam and Myanmar, which are part of RCEP.</p>

Risk Aspects	Main Risk Points	Our Response Measures
Information Security Risks	Robust Information Systems Good Information Environment Protection and Network Security Information Security Management	<ol style="list-style-type: none"> 1. Plan to create a secure and effective information security platform through the establishment of a robust information management system. 2. Establish a good information environment: Implement backup mechanisms for main systems; regularly test the restoration of critical systems and data to reduce the risk of data loss, and develop emergency response plans and personnel training. 3. Protect and control network security: Enhance network security protection and manage internet access mechanisms; deploy endpoint antivirus and USB blocking; filter viruses and phishing emails; encrypt and protect confidential documents and R&D assets, respect intellectual property rights, and regularly promote and audit software usage.
Occupational Safety Risks	Occupational Safety Risks and Accidents	<ol style="list-style-type: none"> 1. Each factory plans to establish or upgrade to a new Occupational Safety Management System (ISO-45001). This involves identifying and assessing workplace hazards and risks across the entire plant based on the likelihood of occurrence and severity. Risk levels are determined, and relevant control standards are developed to strengthen the implementation of occupational safety measures. 2. Comply with local regulatory requirements and legal standards by managing contractor construction work effectively and strictly implementing employee training to prevent occupational accidents. This helps avoid work stoppages and potential operational interruptions for the company. 3. Purchase regulatory compliance and chemical management software to establish an electronic occupational safety and health management system for effective safety and health management.
Environmental Risks	Climate Change Energy Crisis	The company saves energy and reduces greenhouse gas emissions. The specific measures are mainly through promote labor education and formulate improvement plans every year to save costs and effectively reduce greenhouse gas emissions. In the face of increasingly serious global warming, in order to avoid carbon emissions. The continuous increase in greenhouse gas emissions has helped us understand the main energy sources consumption through greenhouse gas inventory. sources, thereby controlling and reducing resource consumption to avoid global warming caused by climate change. The global market operation risks and the huge energy consumption required.
	Waste Disposal Costs High and Difficult to Manage	<ol style="list-style-type: none"> 1. Promote waste reduction from the source and strengthen internal waste management controls. 2. Sign agreements with multiple qualified waste disposal vendors to enhance the company's waste disposal efficiency.
	Environmental regulations are becoming progressively stricter in various countries.	Currently, environmental regulations for products are becoming increasingly stringent in various countries, leading to difficulties in product manufacturing and development.

Risk Aspects	Main Risk Point	Our Response Measures
Regulatory Compliance Risks	Contractual Risk Product Liability Risk Intellectual Property Risk	<p>1. The Legal Department has significantly strengthened the company's contract review mechanism and requires assistance from various departments to address issues related to product liability and relevant legal litigation.</p> <p>2. Actively assist the R&D department with applying for patents, trademarks, and other intellectual property matters. Special emphasis is placed on enhancing and increasing legal knowledge among company staff to raise compliance awareness and avoid risks.</p>
Supplier Risks	Supplier concentration and poor-quality raw materials leading to shortages and work stoppages.	<p>1. Audit High-Quality Suppliers: The company adopts a balanced procurement strategy to collaborate with suppliers. Suppliers are selected based on their technical capabilities, quality, pricing, and delivery terms to mitigate risks by diversifying the supplier base.</p> <p>2. Qualified Supplier Evaluation (Twice a Year): The company conducts performance evaluations of all suppliers in collaboration with the quality assurance department every six months. Suppliers scoring 60 points or above are considered qualified. Suppliers scoring below 60 points are categorized as "monitored suppliers" and must address deficiencies within six months. If their performance does not improve after this period, the procurement and quality assurance departments will assess whether the supplier should have their qualified status revoked.</p> <p>3. Establish Good Relationships with Suppliers: The company maintains good relationships with core and exclusive suppliers, especially those that are "irreplaceable in the short term." For these suppliers, the company aims to build a partnership rather than viewing them merely as competitors during negotiations. The goal is to establish a concept of mutual benefit and achieve a win-win outcome. Prior to procurement, thorough preparation is essential, including evaluating "advantageous items" and "risk items" to set higher targets and maintain a "low-risk procurement" status with core suppliers.</p>
Recruitment Risks	Talent Recruitment Changes in Regulations Technological Gaps.	<p>1. Elite Talent Recruitment: As the company's business expands annually and the demand for specialized professionals increases, traditional recruitment methods through platforms alone are no longer sufficient. The company's response strategies are as follows: A. Actively establish campus collaboration mechanisms to broaden recruitment channels B. Engage in industry-academia cooperation to attract top talent to the company early.</p> <p>2. Changes in Regulations: Recent amendments to the Labor Standards Act include the implementation of the "one day off per week" system, adjustments to overtime pay calculation standards, and specific vacation regulations, including the strict enforcement of a rule prohibiting consecutive work for seven days. These regulations impact the company's overtime wages and work hour arrangements, increasing related labor costs and expenses.</p>

Risk Aspects	Main Risk Point	Our Response Measures
Disaster Risks	Fire, flood, land, Earthquake, water and power outages.	<p>1. Risk Assessment – Analyze potential hazards in advance and, based on the likelihood and severity of their consequences, develop critical control points to effectively prevent the occurrence of these hazards. Every 2 to 3 years, commission a property insurance company to conduct a comprehensive risk assessment of the entire facility and recommend improvements for deficiencies.</p> <p>2. Risk Response – In the event of a hazard occurring, promptly activate crisis management and emergency response measures to eliminate the hazard and ensure the safety of the facility.</p>
New Product Development Risks	Customer needs are constantly changing. New environmental laws and regulations.	<p>1. Continuously research and develop, improve product manufacturing processes, and comply with various green regulations.</p> <p>2. Continuously invest in research and development and innovation to meet the needs and expectations of customers in the industry, strengthen the efficiency of operational processes and improve quality control, and enhance product competitiveness.</p>

2-3-6 Participation of Public Associations

YC actively participates in the activities of industry associations and societies, and through the specific action of joining the association or becoming a member of the association, we can communicate with the industry for mutual benefit. We look forward to contributing to the packaging materials and tapes industry. (The following is a list of the associations that YC joined in 2025)

Company	Association Name	Job Title
YC	Taiwan Adhesive Tape Industry Association	Executive Director
	Taiwan Synthetic Resin Adhesive Industry Association	Member
	Industrial Safety and Health Association of the Republic of China	Member
	Quality Society of the Republic of China	Member
	National Chamber of Commerce of the Republic of China	Member
	Chinese National Federation of Industries	Member
	Taipei Import and Export Association	Member
	Taipei Real Estate Development Business Association	Member
Achem	Taipei Import and Export Association	Member
	Taoyuan City Industrial Association	Member
Yem Chio Distribution	Hsinchu Computer Association	Member
Yem Chio Construction	Taiwan General Construction Industry Association	Member

2-3-7 Legal Compliance and Intellectual Property

“Integrity” is the primary business philosophy of Yem Chio CO., LTD., and corporate governance and compliance with laws and regulations is the principle of integrity and law-abiding practice; good corporate governance must be underpinned by a sound system of compliance with laws and regulations in order to operate in a sustainable manner. In order to ensure that we comply with the relevant laws and regulations, we have implemented a series of laws and policies to determine, educate and train our employees, as well as an open reporting channel, with the aim of strengthening their awareness of compliance, maintaining our corporate image, and minimizing our business risks and liabilities. In order to ensure compliance with the latest relevant laws and regulations, the Legal Affairs Department and the various organizational departments of the Company pay close attention to the latest developments in the revision of major laws and regulations and, based on this, carry out identification of laws and regulations and analysis of operations in order to revise the Company’s internal standards and procedures. The Company’s Legal Affairs Department also tracks new information on laws and regulations from time to time and notifies all business-related departments, management and executes internal audits in order to assist the Company’s internal organizations in implementing the requirements of the laws and regulations. All legal documents signed or concluded within the Group are reviewed and confirmed by a dedicated legal department to minimize possible risks or to achieve a win-win situation, ensure that every operation is carried out in accordance with Comply with domestic and international laws

and regulations as a basis for sustainable operations. In 2025, Yem Chio will have 0 incidents with Achem 5 related violations in total. (List and improvement measures The instructions are as follows)

Achem

Penalty Reference No.	Regulations Violated	Improvement Plans & Descriptions
114 Nian Fu Lao Tiao Zi No. 1140236962	Extension of working hours exceeded the statutory limits.	
114 Nian Fu Lao Tiao Zi No. 1140236961	Failure to provide employees with at least 11 hours of continuous rest when changing shifts.	Review and improvement of the working hours and shift rotation system have been conducted.
114 Nian Fu Lao Jian Zi Di No. 1140263534	Multiple violations including: Occupational Safety and Health Facilities Rules (Art. 188, 246, 116, 281), Organic Solvent Poisoning Prevention Rules (Art. 23), and Occupational Safety and Health Act (Art. 6).	
114 Nian Fu Lao Jian Zi Di No. 1140263278	Occupational Safety and Health Facilities Rules (Art. 90), Occupational Safety and Health Act (Art. 6), and Safety Rules for Boilers and Pressure Vessels (Art. 30).	Strengthened promotion of workplace safety rules in accordance with regulations and strictly implemented on-site safety measures.
114 Nian Fu Lao Jian Zi No. 1140345510	Extension of working hours exceeded the statutory limits.	

2-4 Sustainable Development Organization

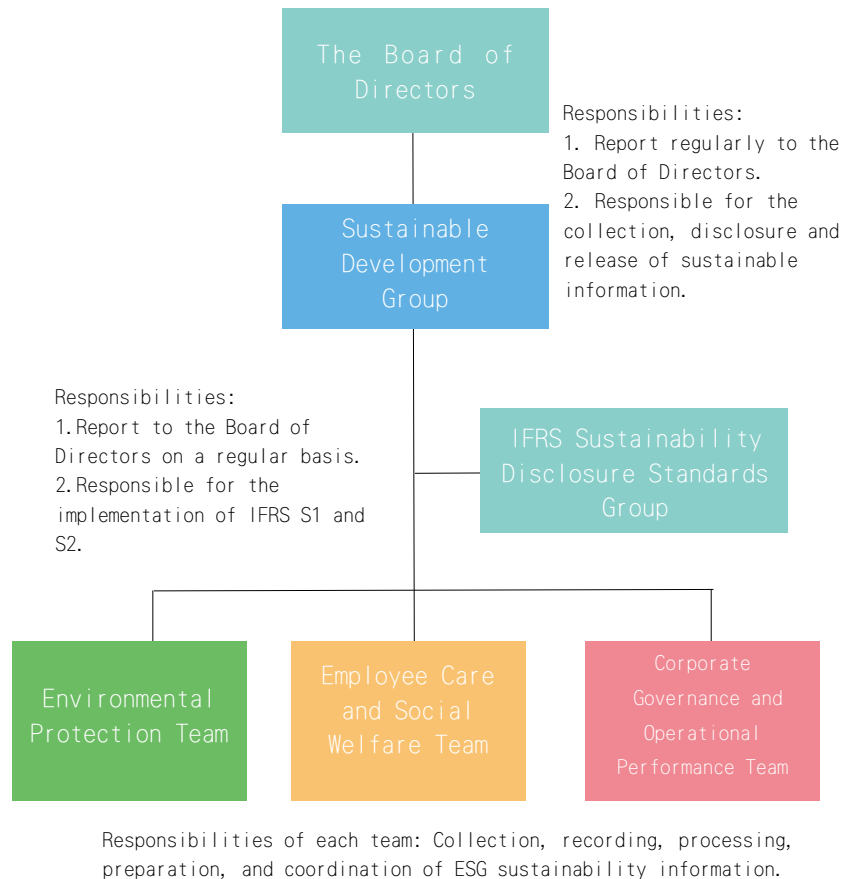
Sustainable Development Organization and Business Strategy

In the fourth quarter of 2017, YC Group formally established the “CSR Committee” (Renamed the Sustainable Development Group in January 2025), with the Chairman of the Board of Directors as the highest person in charge, instructing the heads of each organization in the Group to lead the relevant departments in the planning and execution of various corporate sustainable development strategies and projects. Through occasional discussion meetings, we have strengthened the communication mechanism among all departments. In addition, we mobilize internal and external resources to carry out project planning and management in order to continuously improve and achieve the principle of sustainable development. At the same time, the Company publishes the “Code of Practice on Corporate Social Responsibility” to fully demonstrate the Company’s dedication to social responsibility-related work. In order to achieve sustainable development and to keep abreast of domestic and international trends in the development of social responsibility, the Company provides employees with opportunities to participate in internal and external educational training and seminars in order to continually improve the Company’s internal ESG sustainability concepts.

In addition, in order to encourage the Company to actively fulfill its corporate social responsibility while engaging in business operations, in order to comply with the international trend of balancing the development of the environment, society, and corporate

governance, as well as to assume the responsibility of corporate citizenship, enhance the contribution to the national economy, improve the quality of life of employees, communities, and society, and to promote the competitive advantage based on corporate responsibility. In order to fulfill our corporate social responsibility, we respect social ethics and pay attention to the rights and interests of other stakeholders, and while pursuing sustainable management and profitability, we emphasize environmental, social, and corporate governance factors and incorporate them into our management and operations.

Sustainability Team Organization Chart



Revision date : 2025. 11. 13

2-4-1 Stakeholder Engagement and Materiality Analysis

In order to fulfill its social responsibility, Yem Chio CO.,LTD. must first accurately identify and understand the needs and expectations of its stakeholders, therefore, the principles of this report are based on the process of identifying the major themes in the GRI Guidelines. The 2025 Annual Report of Yem Chio Group was prepared by the Corporate Social Responsibility Committee based on the five principles of AA 1000 Stakeholder Engagement and discussed at the ESG Committee meeting to identify the key stakeholders for the 2025 ESG Sustainability Report. (The seven major stakeholders of YC Group after the identification by all members of the ESG Committee are shown in the figure on the right.)

The Company believes that building a bridge of communication with the society through communication with them is an important part of the Company's fulfillment of its corporate social responsibility. Therefore, we adopt an open and diversified attitude in accepting the opinions of all parties, obtaining valuable suggestions and guidance through the process of communication with stakeholders, understanding the actual needs and expectations of the

stakeholders, and identifying potential risks and management opportunities that the Company may face through the Social Responsibility Report. Through the social responsibility report, we identify the potential risks and management opportunities that the enterprise may face, and make continuous improvement in order to comply with the enterprise's sustainable management concept.



2-4-2 Stakeholder Communication and Negotiation Mechanism

Through internal communication and coordination and effective integration and assessment by management, we conducted a matrix analysis of the level of concern of different types of stakeholders and the level of immediate

or potential impact on the company, in order to understand the level of concern of stakeholders on each issue and the level of impact of each issue on the company's operations.

The Communication Channels and Issues for Stakeholders are as Follows:

Stakeholders	Communication Target	Communication Channels and Frequency	Focus on Issues
Employees	All Employees	Labor-management Meeting/Quarterly Performance Evaluation/Regular Department Meeting/Irregular Education and Training/Irregular Employee Welfare Committee/Irregular Employee Mailbox/Irregular YC Newsletter/Quarterly	Corporate Governance Operating Performance Operational Risk Management Integrity management and legal Compliance Labor-Management Relations and Employee Benefits Talent Cultivation and Education Training
Customers	Customer Contact Window	YC Group Official Website/Irregular updates Customer Satisfaction Survey/Regular Customer Service Hotline, Email/Irregular	Product Quality Operating Performance Customer Service Integrity Management and legal Compliance Environmental Management and Energy Conservation and Carbon Reduction Green Product Development
Suppliers/ Contractors	Suppliers and contractors of the Group's organizations	Supplier Assessment/Annually Manufacturer/Regular Interview/Irregular	Operating Performance Operational Risk Management Supplier Management
Shareholders	Shareholders/ Directors	Board of Directors/Regular Annual Report and Financial Report/Periodic Official Website Information/Irregular Shareholders Meeting/Yearly Corporate Briefing session/Every year	Corporate Governance Operating Performance Operational Risk Management Integrity Management and Legal Compliance
Competent Authority	Government Organization	Hotline, Email and Meeting/Irregular Official letter/Irregular Visit/Irregular	Operating Performance Integrity Management and Legal Compliance Environmental Management and Energy Conservation and Carbon Reduction Wastewater and Waste Management
Community/ Nonprofit Organization	Local Community Resident Foundation	Community Activities and Care/Irregular Activities held and Irregular Volunteer service/Irregular Community Operated by Residents/Irregular	Environmental Management and Energy Conservation and Carbon Reduction Wastewater and Waste Management
Media	Print and Electronic Media	Hotline, Email and Social Networking Site/Irregularly Press Conference/Irregular	Corporate Governance Operating Performance Environmental Management and Energy Conservation and Carbon Reduction

2025 Communication Channels, Engagement Issues, and Stakeholder Categories Report(1)

Category of Stakeholder	Issues of Concern	Communication Channels, Response Methods and Frequency of Communication	2025 Communication Performance
Competent authority	1. Compliance 2. ESG Sustainability 3. Communication with Competent Authorities	Cooperating with the competent authority in supervision and inspection. Participating in seminars, briefings, and other events organized by the competent authority on an irregular basis. Responding to letters or emails from the competent authority on an irregular basis. Establishing a contact window.	Corporate Governance Operational Performance Operational Risk Management Integrity and Legal Compliance Labor Relations and Employee Welfare Talent Development and Training
Employees	1. Employee Benefits 2. Key Talent 3. Childcare Allowance	Internal website and email announcements. Announcement changes or adjustments to employee benefits on an irregular basis. Conducting training courses. Holding labor-management meetings on an irregular basis. Holding information sessions on an irregular basis.	Provide corresponding training programs for new employees, general staff, mid-level, and senior management to achieve career development. The Group's Succession Planning Program for Key Positions took effect last year. This year, in addition to continuing to cultivate key talent through internal training, job rotation, and promotions, the company is also actively seeking relevant mid-to-senior level talent from external sources. Additionally, in August, the company conducted a 360-degree performance review and assessment through management feedback surveys to continue its talent development and cultivation efforts. The Childcare Subsidy Program took effect in July 2023. As of the end of 2025, subsidies have been provided to 30 employees and 51 children. The Group's Taiwan-based employee and children's education scholarship subsidy program has been launched. To encourage employees and their children to continue their education, employees and their children who achieved an average grade of A (80 points) and above in both academics and conduct during the 2025 academic year are eligible to apply for the subsidy. A total of 169 people received subsidies.

2025 Communication Channels, Engagement Issues, and Stakeholder Categories Report (2)

Category of Stakeholder	Issues of Concern	Communication Channels, Response Methods and Frequency of Communication	2025 Communication Performance
Shareholders	<ol style="list-style-type: none"> 1. Corporate Governance 2. Operational Performance 3. Sustainable Development 	<p>Real-time News Coverage / Major Announcements</p> <p>Annual Shareholders' Meeting</p>	<p>June 20, 2025 Shareholders' Meeting: The company communicated thoroughly with shareholders during the meeting and included the opinions of shareholders who spoke in the minutes. All material announcements were made within the required time frame.</p>
Investors	<ol style="list-style-type: none"> 1. Corporate Governance 2. Operating Performance 	<p>Holding at least one investor conference per year.</p>	<p>2025/08/28 Invited to participate in the online investor conference hosted by Cathay Securities.</p>
Customers	<ol style="list-style-type: none"> 1. Information Security 2. Customer Protection and Communication 3. Information Transparency 	<p>Providing customers with diverse communication channels.</p> <p>Providing customer service related to sales products.</p>	<p>Maintain ongoing communication with customers via video and online meetings. For instance, regular video conferences are held with key customer M every Wednesday; in 2025, a monthly video quality review meeting with Japanese customer N was added.</p> <p>Group customer complaints totaled 105 cases from January to August 2025, an increase of 6 cases compared to the same period in 2024.</p> <p>Passed the third-party RESA factory audit for customer H in August 2025.</p> <p>Customers commissioned third-party auditing firms for on-site inspections; various factories successively passed Sedex audits in 2025. Achieved a perfect annual evaluation score of 5 (on a scale of 0-5) and zero complaints from customer N in August 2025.</p> <p>Completed the annual customer satisfaction survey in October 2025.</p> <p>Collaborated with customer A in 2025 to perform supplier information security risk management, continuously identifying and monitoring risks.</p>
Suppliers	<ol style="list-style-type: none"> 1. Information Security 2. Suppliers Protection and Communication 3. Information Transparency 	<p>Actively invite suppliers to sign integrity commitment letters.</p> <p>Establishing supplier communication channels.</p>	<p>Implemented information security audits for outsourced suppliers in October 2025.</p> <p>In 2025, individual outsourcing service agreements were signed covering information security, confidentiality, information security audit rights, and intellectual property rights.</p>

2-4-3 Stakeholder Engagement and Materiality Assessment Methodology

● Stakeholder Inclusiveness

Identify stakeholders and explain how to respond to them, their reasonable expectations and interests.

● Materiality

Are the issues selected for this report sufficient to cause economic, The impacts are significant on the economy, environment and society.

● Sustainability Context

Reveal how companies affect the local or global economy and environment and social development trends to effectively improve and reduce damage.

● Completeness

The organization fully understands the perspectives of stakeholders and understands Their perspectives, needs, and expectations for organizational performance Expectations and ideas.

1. Identification of Stakeholders
Identification of Stakeholders: In accordance with the AA 1000 Stakeholder Consensus Principles, the ESG Committee discussed at the ESG Committee meeting and identified the seven major stakeholders for the 2025 ESG Sustainability Report.

2. Collection of sustainability issues:
Members of the Company's Sustainable Development Group collected and summarized a total of approximately 12 relevant issues by referring to the reference indicators issued by the GRI Standards, internal discussions among the members of the ESG Committee, and analysis of domestic and

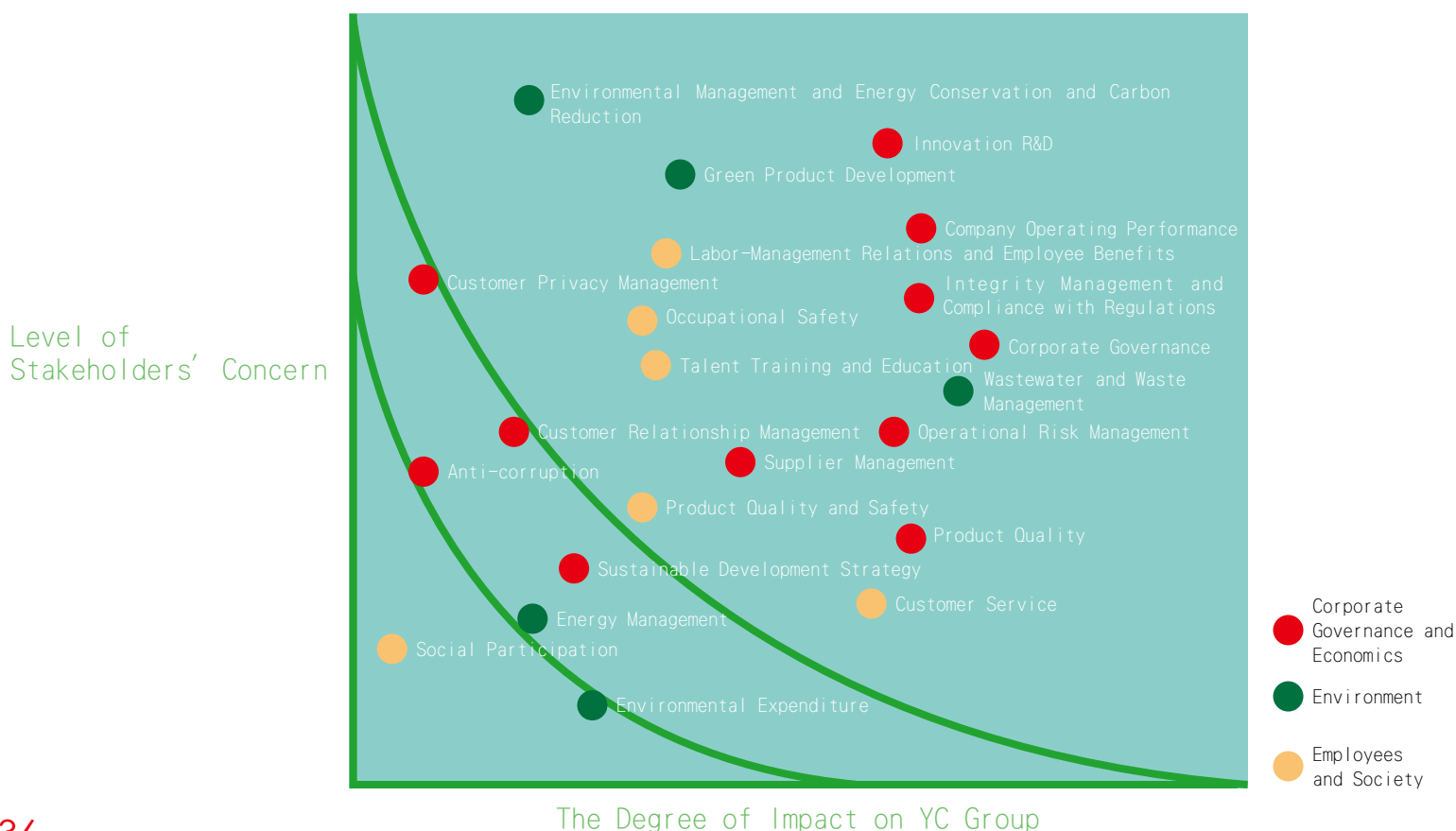
overseas industry data as the source of the Company's major sustainability issues. The Company collects and analyzes issues of interest to stakeholders of each group organization and summarizes the major issues of the YC Group for 2025.

Discussion and review: After analyzing the sustainability issues from economic, environmental, and social perspectives, the Sustainable Development Group discusses and decides on the extent of their impact on the Company, and then decides on the 12 major issues that the Company will prioritize for disclosure.

2-4-4 Important Issues List and Important Issues Matrix

Item	Category	Important Issues
1	Economy	Operating Performance
2	Society	Occupational Safety
3	Corporate Governance	Operational Risk Management
4	Corporate Governance	Corporate Governance
5	Economy	Integrity Management and Compliance with Regulations
6	Economy	Customer Service
7	Society	Labor-Management Relations and Employee Benefits
8	Society	Talent Cultivation and Education Training
9	Economy/Society	Supplier Management
10	Society	Environmental Management and Emission Reduction
11	Environment	Green Product Development
12	Environment	Waste Water and Waste Management

Important Issues Matrix



2-4-5 YC Group's Principles and Strategies for Sustainable Management

	For	Development Principles	Development Strategy
Economy	<ul style="list-style-type: none"> ● Corporate Governance ● Integrity in Operations and Compliance With laws and Regulations ● Operational Risk Management 	All members must abide by all laws and regulations Code of Conduct.	<ul style="list-style-type: none"> ● Publish various business codes of conduct ● Improve the company's internal audit and control mechanisms. ● Comprehensive risk thinking to ensure the company's stable operation.
	<ul style="list-style-type: none"> ● Operational Performance 	Continuous innovation and progress to create company growth Kinetic energy.	<ul style="list-style-type: none"> ● Cater to market trends, continue to innovate products, and provide Diversified and environmentally friendly products. ● Develop other business groups to strengthen the group's revenue sources and overall competitiveness.
	<ul style="list-style-type: none"> ● Customer Service 	Quality first, customers first.	<ul style="list-style-type: none"> ● Provide complete and comprehensive products and high-quality services. ● Actively respond to customer needs and exceed customer expectations.
	<ul style="list-style-type: none"> ● Supplier Management 	Strengthen supply chain quality and environmental protection, etc.	<ul style="list-style-type: none"> ● Develop a comprehensive supply chain management mechanism covering There are aspects such as quality, environment, and social responsibility. Comply with industry standards.
Society	<ul style="list-style-type: none"> ● Labor-Capital Relations and Employee Benefits. ● Talent Development and Training. 	Providing a friendly workplace and creating employee safety Healthy working environment.	<ul style="list-style-type: none"> ● Provide employees with good benefits and implement and comply with labor Regulations. ● Properly plan good internal and external employee education and training.
	<ul style="list-style-type: none"> ● Social Participation and Charity Activities. 	Actively participate in charity activities and care for Socially disadvantaged groups.	<ul style="list-style-type: none"> ● Led by YC headquarters and motivated by employees Provide public welfare services to the society and care for disadvantaged groups. ● Provide community assistance and maintain sustainable local relations.
	<ul style="list-style-type: none"> ● Occupational Safety at Work. 	Strengthen occupational safety management and comprehensively improve work environment and employee safety.	<ul style="list-style-type: none"> ● By establishing regulatory cloud and chemical cloud computer software, Establish an e-system for occupational safety and internal control. ● Strengthen internal employee awareness and internal control, create Highly secure workflow and environment.
Environment	<ul style="list-style-type: none"> ● Environmental Management and Energy Efficiency & Carbon Reduction 	We are committed to promoting energy conservation and carbon reduction, and promoting green environmental protection.	<ul style="list-style-type: none"> ● Through various energy-saving measures in factories and office buildings energy conservation and carbon reduction measures to reduce environmental impact.
	<ul style="list-style-type: none"> ● Green Product Development 	In response to global regulations on hazardous substances and reduce environmental impact, actively Invest in green research and development.	<ul style="list-style-type: none"> ● Continue to develop and inspect products that comply with RoHS and other green products in various countries Products that meet product standards and meet user needs.
	<ul style="list-style-type: none"> ● Wastewater and Waste Management 	Reduce wastewater and waste generation, increase Add recovery rate.	<ul style="list-style-type: none"> ● Add wastewater recycling equipment or improve the process within the factory. Reduce water demand and waste generation.

2-4-6 Explanation of the Substantive Impact of High-Concern Topics on YC Group

Details on the relevant GRI topics, management approach, and internal and external impact boundaries are provided in the table below:

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Operational Performance	<p>1. Yem Chio Company operates with the principles of integrity, stability, innovation, and sustainability, becoming the most vertically integrated tape production and sales enterprise in the packaging materials industry.</p> <p>2. By institutionalizing and enhancing transparency in various management mechanisms, the company ensures that important information is fully disclosed and communicated to all stakeholders.</p> <p>3. Sustainable management, profit growth, and stable dividends.</p>	<p>For the full year of 2025, consolidated operating revenue was TWD 132.7 billion, a decrease of approximately TWD 263 billion compared to TWD 159 billion in 2024. The EPS after tax was TWD 0.26.</p>	<p>1. We are pursuing profitable growth and sustainable operations, and are promoting the upgrading of equipment and automation to increase the production efficiency of our existing plants.</p> <p>2. To develop the core product of various types of adhesive tapes for upstream and downstream vertical integration, from upstream raw material production, midstream tape manufacturing and processing, downstream branding, sales channels and processing and distribution centers, to establish Yem Chio as the world's only vertically integrated and the most complete production and sales of packaging materials, to create product and service differentiation, and to drive the growth of the industry.</p>
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
Business Performance	Corporate Governance	◎	<p>Shareholders</p> <p>Customers</p> <p>Suppliers and Contractors</p> <p>Regulatory Authorities</p>

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Occupational Safety at Work	<p>Implement the occupational safety management system across all facilities, fully establish a functional committee system, and enhance overall staff awareness of occupational safety. Promote participation in occupational safety and health management courses and obtain professional certifications. Strengthen employees' safety awareness, reduce workplace accidents, and create a safe working environment.</p>	<p>1. Yem Chio had zero cases of occupational diseases and major occupational fatalities in 2025.</p> <p>2. Achem Chemical's lost time injury frequency rate was 0.0.</p>	<p>1. Continuously promote zero occupational diseases and occupational accidents.</p> <p>2. Regular training and drills on disaster prevention and emergency response are conducted with full participation of all employees.</p>
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
Occupational Safety	Comprehensive Occupational Safety Management	◎	<p>Shareholders</p> <p>Regulatory Authorities</p>

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Operational Risk Management	<p>1. Through effective and accurate operational risk analysis by each department, we can help enterprises operate and grow in a sustainable and stable manner, reduce operational losses caused by various risks, and thus increase the operational efficiency and effectiveness of enterprises.</p> <p>2. Continuous attention and compliance with legal and regulatory requirements.</p> <p>3. We emphasize on the application of various technology patents to protect the privacy of our customers and safeguard intellectual property rights.</p>	<p>1. To implement operational risk management and cooperate with the regulations of the competent authorities to fully utilize the company's resources to reduce or prevent potential risks.</p> <p>2. Setting up a risk management team, standardizing the underwriting process and testing solvency through capital adequacy analysis.</p>	<p>We have established a Risk Management Committee to conduct a rigorous analysis of business risks and to strengthen the Group's operational structure to create opportunities for sustainable operations and development.</p>
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
No Applicable GRI Material Topics	Corporate Governance	◎	<p>Shareholders</p> <p>Customers</p> <p>Suppliers and Contractors</p> <p>Regulatory Authorities</p>

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Corporate Governance	<p>1. Actively improving the effectiveness of corporate governance Energy, perfect corporate governance mechanism.</p> <p>2. Enhance the stability and transparency of corporate operations, protect shareholders' rights and interests, and strengthen the functions of the Board of Directors and various committees.</p>	<p>To enhance the company's corporate image and align with international standards, we regularly disclose information related to corporate governance to advance our vision of sustainable development.</p>	<p>1. Provides compliance counseling services.</p> <p>Assist with compliance training/ inspections.</p> <p>2. Establishment of other compliance policies and codes of practice.</p> <p>3. The supervisory unit completed the internal audit and external inspection to improve the compliance deficiencies.</p>
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
No Applicable GRI Material Topics	-	◎	<p>Shareholders</p> <p>Regulatory Authorities</p>

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Integrity in Operations and Compliance with Laws and Regulations	<p>1. "Integrity and Compliance" is a core value of Yem Chio. Corporate governance and regulatory compliance are the practical guidelines for upholding this value. Strong corporate governance relies on a sound regulatory compliance system to ensure sustainable operations. To ensure adherence to relevant laws and regulations, we implement a series of legal and policy determinations, conduct training, and provide open reporting channels. These measures aim to enhance employees' compliance awareness, protect the company's reputation, and reduce operational risks and liabilities.</p> <p>2. By adhering to a principle of integrity and honesty in management, we earn the trust and respect of consumers, partners, and the wider community.</p>	<p>The Yem Chio Group has not encountered any major legal violations. In the event of a crisis, the management team has a robust reporting mechanism and effectively resolves issues through efficient cross-departmental communication.</p>	<ol style="list-style-type: none"> 1. Ensure compliance with legal requirements and the appropriateness of internal supervision procedures through ongoing confirmation, evaluation, recommendations, supervision, and reporting. Utilize risk management strategies to identify, assess, control, and monitor risks. 2. Enhance awareness of regulatory compliance by reviewing and monitoring the implementation of compliance measures. 3. Provides compliance counseling services. 4. Assist with compliance training/inspections. 5. Establishment of other compliance policies and codes of practice. 6. The supervisory unit completed the internal audit and external inspection to improve the compliance deficiencies.
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
Anti-Corruption / Socio-Economic Compliance / Environmental Protection Compliance	Corporate Governance	◎	Shareholders Customers Regulatory Authorities

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Customer Service	<ol style="list-style-type: none"> 1. Through the most comprehensive upstream, midstream and downstream cooperation, Yem Chio provides complete and innovative products according to customer attributes and industry development to fully satisfy the diversified needs of customers. 2. We conduct regular customer satisfaction surveys in each of our group companies and continue to innovate our services to provide complete solutions to our customers. 3. Protecting customers' rights and data security in the strictest manner to gain customers' trust. 	<p>Yem Chio Distribution CO.,LTD conducts regular telephone or in-person visits by its sales supervisors or personnel to understand and collect customers' opinions and satisfaction with products, transaction processes, staff services, etc., and conducts customer satisfaction surveys, all of which are in excellent condition.</p>	<ol style="list-style-type: none"> 1. Strengthen market development to increase the ratio of consumer packaging (food packaging) in ASEAN/Japan and flame film in Europe and the US, and continue to operate under the "BDSPACK" brand in Taiwan and China to enhance the company's image and visibility. 2. Continuing to promote projects that have not been traded for a long time. 3. Newly promote the deep cultivation (existing customers) project, with process optimization and new product introduction, to maintain and deepen the existing customer base. 4. Enhance customer service efficiency and reduce customer complaint incidents.
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
Marketing and Labeling	Listening to Customer Feedback	◎	Customers

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Labor-Capital Relations and Employee Benefits	<ol style="list-style-type: none"> 1. We prioritize fair treatment and benefits for employees, as talent is a valuable asset worth cherishing. 2. We are committed to caring for our employees, listening to their various needs, creating a positive work environment, and focusing on their well-being and safety. 3. We offer comprehensive and diverse benefits to create a thriving and happy workplace. 	We sincerely care for our employees, understanding and fulfilling their needs to foster internal cohesion. We provide diverse and equal promotion channels along with comprehensive employee benefits to cultivate a "Happy Enterprise" corporate culture.	<ol style="list-style-type: none"> 1. An Employee Welfare Committee has been established to implement various benefit measures. To support employee health and strengthen interpersonal bonds, budgets are allocated for annual health checkups, year-end parties (Wei-ya), family days, and sports meets. We also provide travel subsidies and funding for departmental gatherings. 2. A Sexual Harassment Prevention Committee has been established in accordance with the law to prevent and eliminate any sexual harassment incidents within the company.
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
Labor Relations/ Employment Relations/ Employee Diversity and Equal Opportunity	Employee Care	◎	-

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Talent Development and Training	<ol style="list-style-type: none"> 1. Through cultivating professional talent and improving quality, we enhance employee expertise, promote the acquisition of professional skills and certifications, and boost both employee and company market competitiveness. 2. Through long-term commitment to talent development and attentive care of employee needs, we establish strong training and development programs to enhance skills, foster employee loyalty and recognition, and increase productivity and innovation, ultimately improving company operational effectiveness. 	To formulate and improve the training mechanism, to enhance the professionalism and service awareness of employees, to promote the acquisition of professional skills and professional certificates, and to enhance the skills and market competitiveness of employees and the company.	-
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
Education and Training	Employee Care	◎	-

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Supplier Management	1. The supply chain is a crucial partner. To advance corporate social responsibility and sustainability, our group requires suppliers to adhere to various international standards, including those related to the environment and labor safety. 2. Effective supplier management is essential; by demanding quality at every stage from suppliers, we ensure the production of high-quality adhesive products.	We conduct QCDS audits of our major suppliers twice a year and require them to sign a commitment to not use hazardous substances and prohibit the use of conflict minerals. Strengthen the supplier management mechanism and establish a comprehensive supplier evaluation and improvement mechanism.	1. We will increase the number of items to be purchased and continue to improve our bargaining power by utilizing our purchasing strengths. 2. Continuously strengthen supply chain management and cooperation, promote local procurement and compliance with green regulations, promote the implementation of social responsibility management systems in the supply chain, and promote the sustainable development of the industrial chain.
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
No Applicable GRI Material Topics	Supply Chain Management	◎	Suppliers and Contractors

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Environmental Management and Energy Efficiency & Carbon Reduction	1. To protect the environment, the Yem Chio Group's Changhua and Yangmei factories have implemented ISO 14001 Environmental Management Systems and ISO 50001 Energy Management Systems, adhering to key environmental considerations and environmental regulations. 2. E-continuously improve plant processes and equipment each year to reduce per-unit carbon emissions.	1. Implementation of ISO 14001 Environmental Management System and ISO 50001 Energy Management System. 2. Continuous improvement in resource utilization recovery rate.	1. In addition to complying with legal and regulatory requirements for environmental management systems, the factory also identifies environmental considerations based on a life-cycle approach. Internal processes adhere to company pollution control standards and measures to proactively reduce environmental impact. 2. Planning for the introduction of an energy management system to enhance energy efficiency and improve production processes to minimize environmental impact.
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
No Applicable Energy/Emissions	Environment Protection	◎	Community and Nonprofit Organizations

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Green Product Development	<p>1. Focusing on the development of emerging green industries, we actively invest in research and development to provide customers with complete and diversified solutions, and become a leader in the industry.</p> <p>2. Encourage employees to develop and innovate, formulate and improve the patent application system, and protect intellectual property rights.</p>	<p>1. About \$46 million has been invested in research and development (R&D).</p> <p>2. To proactively understand and address the risks posed by climate change and to provide innovative green products.</p> <p>3. Depending on the needs of industrial customers, we develop products for the electronics industry, cultural and creative industries, and cushioning packaging materials to generate revenue.</p>	<p>1. To proactively understand and address the risks posed by climate change and to provide innovative green products.</p> <p>2. We will continue to develop our own products in the hope that we can continue to reduce greenhouse gas emissions for the planet.</p>
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
Products and Services	Innovation and Green Design	◎	Customers Suppliers and Contractors

Important Topics	Explanation and Commitment to Operational Significance	2025 Execution Results	Future Outlook and Goals
Wastewater and Waste Management	<p>Due to the nature of the industry, our processes generate a significant amount of wastewater and waste. Our manufacturing facilities are committed to rigorous wastewater treatment and waste management practices, ensuring full compliance with environmental regulations. Through a resource recycling system, we aim to reduce wastewater and waste generation. We also promote internal initiatives to strengthen source reduction efforts, thereby minimizing environmental impact.</p>	<p>100% of wastewater discharges comply with regulations, with no instances of non-compliance.</p>	<p>1. Enhancing waste reduction at source.</p> <p>2. Implementing waste separation.</p> <p>3. Strengthening education and publicity for all staff.</p> <p>4. Implement penalties for non-compliance and merit unit recognition.</p>
Relevant GRI Material Topics	GRI Management Approach	Impact Boundaries	
		Internal (Company Employees)	External
Waste/Products and Services	Environmental Protection	◎	Community and Nonprofit Organizations Regulatory Authorities Customers

2-5 Sustainable Development Goals (UN)

In 2015, the United Nations adopted 17 Sustainable Development Goals (SDGs) and 169 targets, establishing a clear vision and priorities for sustainable development and mobilizing global efforts to achieve goals such as ending poverty, addressing inequality, and responding to climate change by 2030. In response to the United Nations' 2030 Sustainable Development Goals, YC Group has aligned its operations with the "United Nations Sustainable Development Goals Business Action Guide (SDGs Compass)." We have assessed the risks and opportunities associated with our operational activities across the value











chain in relation to the SDGs, and have incorporated both positive and negative impacts into the scope of our operational goals and outlook. We have identified 17 SDG targets and listed 11 sustainability indicators relevant to Yem Chio, which serve as the vision for our sustainability strategy. We aim to substantively embody the spirit of the SDGs by integrating them into our actual operational processes, setting related targets, and regularly tracking SDG performance through our ESG Committee, with the goal of improving global sustainability issues.

SUSTAINABLE DEVELOPMENT GOALS



Yem Chio Distribution Co., Ltd. – 10 SDGs Sustainability Goals

SDGs Indicators Important Issues Related to YC The company's Actual Actions in 2025 and the Corresponding Chapters in the Report

	<ul style="list-style-type: none"> ● Labor Relations and Employee Welfare 	<ul style="list-style-type: none"> ◎ Employee Care– See Chapter: Employee Care
	<ul style="list-style-type: none"> ● Talent Development and Training 	<ul style="list-style-type: none"> ◎ Employee Care– See Chapter: Employee Care
	<ul style="list-style-type: none"> ● Labor Relations and Employee Welfare 	<ul style="list-style-type: none"> ◎ Employee Care– See Chapter: Employee Care
	<ul style="list-style-type: none"> ● Corporate Governance ● Operational Performance 	<ul style="list-style-type: none"> ◎ Corporate Governance– See Chapter: Corporate Governance
	<ul style="list-style-type: none"> ● Innovative R&D ● Green Product Development 	<ul style="list-style-type: none"> ◎ Green Consumption– See Chapter: Green Consumption
	<ul style="list-style-type: none"> ● Customer Relationship Management ● Innovative R&D ● Green Product Development 	<ul style="list-style-type: none"> ◎ Corporate Governance– See Chapter: Corporate Governance ◎ Green Consumption– See Chapter: Green Consumption ◎ Energy Conservation & Carbon Reduction– See Chapter: Energy Conservation & Carbon Reduction
	<ul style="list-style-type: none"> ● Green Product Development 	<ul style="list-style-type: none"> ◎ Green Consumption– See Chapter: Green Consumption
	<ul style="list-style-type: none"> ● Green Consumption 	<ul style="list-style-type: none"> ◎ Environmental Protection– See Chapter: Environmental Protection ◎ Green Consumption– See Chapter: Green Consumption ◎ Energy Conservation & Carbon Reduction– See Chapter: Energy Conservation & Carbon Reduction
	<ul style="list-style-type: none"> ● Operational Risk Management 	<ul style="list-style-type: none"> ◎ Corporate Governance– See Chapter: Corporate Governance
	<ul style="list-style-type: none"> ● Social Engagement and Public Welfare 	<ul style="list-style-type: none"> ◎ Social Engagement– See Chapter: Social Participation

2-6 Customer Service

Corresponding "Important Issues"	Customer Service
Significance to YC	To meet customer needs, we not only provide products, but also provide a full range of services to enhance customer satisfaction.
Specific Plans for 2024	We provide a full range of customer service experience through our own channels and our own brand "Bao Da Shi". We provide customers with one-stop purchasing services through group production and extensive external supplier management.
2024 Fiscal Year Goals	<ul style="list-style-type: none"> ◎ Overall satisfaction must be maintained above the standard. ◎ No major customer complaints. (Note 1)
Invest Resources	<ul style="list-style-type: none"> ◎ Conduct satisfaction surveys on four aspects: quality, delivery time, service, and hazardous substances. ◎ Integrate and analyze customer responses.
Evaluation Mechanism	<ul style="list-style-type: none"> ◎ Evaluated by the number of customer complaints. ◎ Sales personnel report development results regularly every week, and the headquarters assigns a dedicated person to track and summarize the project execution status.
Specific Performance in 2024	<ul style="list-style-type: none"> ◎ The average customer satisfaction survey score for the year was higher than the annual target. ◎ Customer opinions and feedback were handled immediately. ◎ No major customer complaints occurred. (Note 1)
Medium and Long Term Goals	<ul style="list-style-type: none"> ◎ Maintain overall satisfaction at a high standard, provide proactive customer care actions, understand customers' potential needs and expectations, and actively improve them. ◎ Strengthen the service expertise of sales personnel and the efficiency of service processes. ◎ Business objectives and future prospects.

(Note 1): Definition of major customer complaints: Cases where a customer complains and returns a product with a value of more than NT\$1 million.

YC has always held the view that the formation of a world-class enterprise requires the mastery of the three spirits of "mastering core technology, creating own brands, and globalization". We believe that the satisfaction survey is an invaluable tool for us to gain a deeper understanding of our customers' satisfaction with the company's performance in various aspects. This survey is intended to serve as a basic guideline for future performance enhancement and improvement, with the aim

of jointly creating the company's overall competitiveness and operational efficiency. The survey was conducted by business units through e-mails, telephone interviews or other means. In order to ensure the most representative sample, customers who have reached a certain amount of transaction amount in 2025 were selected. In addition, customer satisfaction surveys were conducted on four major topics: quality, delivery, service, and environmental regulations.

Compared with the previous year, the scores of all items are mostly the same or higher. The highest level of satisfaction was for sales staff and after-sales service. Customers suggested implementing regular customer visits and providing complete product descriptions or educational training. Many customers indicated that they would like to see more information on new products and product demonstrations in the future. In the future, the company will move toward increasing the number of product seminars and experiential marketing as a way to bring customers closer together and pass on information about new products.

Yem Chio Construction ,Providing High Quality Living Environment, Warm Service and Customer-Oriented.

‘A home with peace of mind’ is an important part of maintaining the emotional and living relationship of each resident. Under the Yem Chio Group, the core value and goal of the customer service team is to provide customers with proactive, comprehensive, and excellent quality customer service. Although it is difficult to set up standardised SOP processes for human communication and interaction, our customer service team has been recognised and appreciated by our customers for its sincerity, thoughtfulness, flexibility, flexibility and efficiency in designing, constructing, delivering and after-sales services, as well as solving all kinds of problems according to customers’ needs.

We are committed to providing the highest quality products, and at the same time, we also strive to provide comprehensive, thoughtful, diversified and customised services. We hope that through our considerate and professional

All suggestions for improvement made by customers will be tracked and adjusted by the responsible sales staff on a regular basis. In addition to the highest principle of confidentiality of confidential information related to business dealings with our customers, in addition to the employee code of conduct, which stipulates that all confidential information related to the company must be kept confidential, the ethical and moral code of the factory is also stipulated that confidentiality mechanisms must be implemented to ensure that all confidential information is not leaked out.

service staff, supplemented by warm and understanding hearts, we can help each customer find the right product for him or her and build their dreams. In addition, Yem Chio Construction will also provide after-sales service with a sincere attitude, hoping to be the best support behind every dream.



3. Green Manufacturing

Corresponding "Important Issues"	Environmental Management and Energy Conservation and Carbon Reduction, Air Pollution and Waste Management
Significance to YC	To protect the environment, Yem Chio continues to implement various environmental management regulations based on key environmental considerations and regulatory requirements, and continuously improves the factory's environmental management system and culture every year.
Specific Plans for 2025	<ul style="list-style-type: none"> ● Promote waste reuse programs to enhance resource utilization efficiency. ● Continuously implement and publicly announce environmental, health, and safety (EHS) policies annually. ● Continuously improve waste recycling rates.
2025 Fiscal Year Goals	<ul style="list-style-type: none"> ● Maximize resource recovery and utilization rate of waste. ● Ensure VOC emissions comply with regulations, with zero fugitive emission incidents. ● Continuously improve the quantity of waste generated during manufacturing processes and increase recycling rates.
Invest Resources	<ul style="list-style-type: none"> ● Establish a comprehensive waste classification and recycling system; optimize waste management processes. ● Continuously perform facility improvements and equipment updates/ construction within plants.
Evaluation Mechanism	<ul style="list-style-type: none"> ● Entrust qualified contractors for waste treatment and reuse. To ensure contractors manage waste properly according to contracts and legal obligations, strict qualification audits are conducted before collaboration. ● Audit contractors at least once a year to verify if the actual treatment process meets legal and contractual requirements. ● Monthly statistics on waste transportation and disposal data. Continuously undergo external ISO certifications.
Specific Performance in 2025	<ul style="list-style-type: none"> ● Waste resource conversion rate reached 61% of total plant waste. ● Zero VOC fugitive emission incidents in 2025. ● Continuously managed waste recycling.
Medium and Long Term Goals	<ul style="list-style-type: none"> ● Review the product life cycle and formulate measures to reduce waste generation. Collaborate closely with upstream and downstream supply chain partners to jointly promote waste reduction strategies and establish a more complete recycling system. ● Through the establishment of environmental management systems, thoroughly execute environmental impact assessments. In addition to meeting legal requirements, introduce life cycle thinking to control environmental aspects. Factory processes will align with various pollution prevention regulations and measures to proactively reduce impact on the Earth.

3-1 Environmental Protection

Environmental Protection Policy and Commitment

In addition to continuous innovation and R&D, YC is also committed to reducing the impact of its products on the environment. In the research and development of new products, the concept of green design is introduced from the beginning of the customer's product demand, and the related R&D units work together to develop designs that enhance product quality, reduce production energy demand, and comply with chemical and hazardous substance laws and regulations, as well as to use renewable and recyclable materials as much as possible, and through continuous improvement and evaluation, YC's products are moving towards the direction of sustainable management. Currently, the Company and its subsidiaries are also actively involved in activities related to the green industry, actively introducing and developing more environmentally friendly operations and products from processes, products, services and concepts to satisfy the laws and requirements of customers and countries of sales on Rohs and toxic chemicals as a guideline for continuous improvement and sustainable management, with a view to achieving the ultimate goal of a green industry.

YC promises to continue to improve the promotion of energy conservation and carbon reduction in its factories, to actively invest in the design and

development of green industries, to produce green products, to reduce the energy demand of products and services, to reduce greenhouse gas emissions, to strengthen the environmental and green management of suppliers, and to reduce the impact of its products on the earth. Both YC Changhua Factory and Achem Co., Ltd. Yangmei Factory strictly implement environmental management. YC's environmental policy is based on 'compliance with laws and regulations, resource conservation, energy saving and waste reduction, proactive monitoring and prevention, continuous improvement and sustainable management, green design and environmentally friendly products', which is the highest principle of the company's environmental protection policy, and we adopt the concept of the whole life cycle, starting from designing at the source, to reduce wastage and continuous monitoring at the back-end. To strengthen the performance of management, no major environmental hazards or leakage incidents occurred in 2025. Our Changhua and Yangmei plants are not located in environmentally sensitive areas and have no significant impact on the biodiversity of the surrounding environment, and we are committed to minimising the impact of our daily operations on the surrounding ecosystems and doing our part to protect the earth.

Total Wastewater Treatment Capacity (Tons):

Factory	2025	2024
YC Changhua Plant	24,366	18,733
Achem Yangmei Plant	159,163.81	174,652.96

Our company uses tap water, which has less impact on the local environment. As the fluctuations in water abundance and drought become increasingly extreme, the risks of water shortage and floods are becoming increasingly apparent. Therefore, water resource management and water conservation measures have become more important. It is important to implement water conservation measures in the future.

Water Consumption Within the Changhua Film Plant

Years	2025	2024
Water Consumption (Tons/Year)	26,490/Tap Water	18,329/Tap Water
Proportion of Water Consumption (%)	100	100

Water Consumption Within the Changhua Tape Plant

Years	2025	2024
Water Consumption (Tons/Year)	14,679.8/Tap Water	15,663/Tap Water
Proportion of Water Consumption (%)	100	100

3-1-1 Pollution Control

Air Pollution Prevention (Tons)

Factory Area	Year	Sulfur Oxides	Nitrogen Oxides	Granular	Volatile Organic Matter	Total
YC Changhua Plant	2025	0	5.98	0.62	21.07	27.67
Achem Yangmei Factory	2025	0.080	23.350	4.610	1479.630	1507.67

The main air pollutants generated during the production process of the Company's YC Changhua Plant and Achem Yangmei Plant are volatile organic compounds (VOCs), sulphur oxides (SO_x), nitrogen oxides (NO_x), and particulate matter (Pare), with VOCs accounting for the majority of the air pollutants. For each pollutant, the Company adopts the best practicable control technology in accordance with the Air Pollution Prevention and Control Act in the spirit of lawfulness, and uses activated carbon adsorption and desorption system for solvent recovery to reduce the emission of volatile organic compounds (VOCs), and the total emissions from stationary sources of the two group manufacturing plants in 2025 are shown in the table above.

The sources of VOC air pollution in the production process of the Achem Yangmei Factory include the plastic manufacturing section and tape manufacturing. We have

installed air collection facilities in the coating and drying area of the plastic manufacturing unit and tape manufacturing, and the organic solvent vapour is collected through the air collection equipment, connected to the preventive equipment for treatment, and then discharged to the atmosphere through the pipeline to avoid the escape of VOCs. In addition, organic solvents are an important chemical substance used in large quantities in the oily tape industry, however, organic solvents also have a certain degree of pollution and hazards to the environment and living organisms. Therefore, each of our factories has a comprehensive recycling system for the different organic solvents used, through which the organic solvent waste generated from coating is recycled and reused. The increase in recycling efficiency helps to reduce air pollution and the amount of waste gas to be disposed of.

◎ Air Pollution Reduction Measures

The Yem Chio Changhua Plant has achieved the goal of reducing the impact of air pollution by reducing the amount of raw materials, switching to cleaner gas boilers, cooperating with the government's Environmental Protection Bureau in downgrading and reducing emissions from related processes, and upgrading and improving sewage equipment. The Achem Yangmei Plant, on the other hand, has

promoted energy conservation and carbon reduction, as well as the development of the green energy industry, by installing recharging facilities in the plant and purchasing electric bicycles.

In addition, the Achem Yangmei Factory has installed charging facilities and purchased electric bicycles in order to minimize the production of exhaust gas.

◎ Water Pollution Prevention

In order to facilitate solvent recycling, the company has invested in a large number of wastewater treatment facilities at the Yangmei plant of Achem Technology Corporation to enhance its treatment efficiency through the process wastewater diversion strategy. The source of wastewater in the plant mainly comes from the organic wastewater generated from the distillation and recovery of volatile organic compounds (VOCs) from the air pollution prevention and activated carbon adsorption and desorption system, which is treated by an anaerobic and aerobic system to meet the discharge standard and then

discharged after careful operation and maintenance by the wastewater operation team. Since there is no process wastewater in the Changhua plant, there is only general domestic wastewater in the plant. The process wastewater of Changhua Plant No. 2 is properly collected and treated, and the wastewater of both plants is piped to the wastewater treatment plant in the Changbin Industrial Park for centralized treatment, which is in full compliance with laws and regulations. In 2025, there were no leakage incidents at either of the two plants of Yem Chio Changhua Plant or at the Yangmei Plant of Achem Co., Ltd.

3-1-2 Properly Handle Factory Waste and Increase Resource Recycling Rate

Wastes generated from the Company's manufacturing processes mainly consist of waste plastics, waste paper, and waste iron from the Changhua Plant, while the industrial wastes from the Achem Yangmei Plant mainly consist of waste plastics, waste activated carbon, and sludge, which are properly disposed of or treated by incineration, landfill, thermal treatment, and physical treatment depending on the nature of the wastes.

In recent years, the Company's manufacturing plants have been actively improving their manufacturing processes and internal procedures, continuously striving to enhance the efficiency of resource utilization, and using recycled materials that have a low impact on the environment. The Company has achieved excellent results in promoting in-plant recycling and out-of-plant recycling and has developed an in-plant awareness of the importance of recycling.

In-plant Resource Recycling Volume							
Year	Waste Plastics		Waste Paper		Waste Iron		Total
Factory	YC Changhua	Achem Yangmei	YC Changhua	Achem Yangmei	YC Changhua	Achem Yangmei	
2025 年 (Tons)	365.4	868.61	269.7	577.64	3.5	68.12	2152.97
Proportion (%)	57.2	57.36	42.3	38.14	0.5	4.50	100.0%

Waste Treatment Volume at Changhua Film Plant						
Year	2025			2024		
	Incineration	Physical Treatment	Reuse	Incineration	Physical Treatment	Reuse
Non-hazardous (Tons/Year)	43.39	2.57	6477.94	44.57	13.11	7020.307
Hazardous (Tons/Year)	0	0	0	3.134	0	0
Total Treatment (Tons/Year)	43.39	2.57	6477.94	47.704	13.11	7020.307
Treatment Proportion (%)	0.67	0.04	99.29	0.7	57.36	99.1

Waste Treatment Volume at Changhua Tape Plant		
Year	2025	2024
Treatment Method	Incineration	Incineration
Non-hazardous (Tons/Year)	46.00	44.10
Hazardous (Tons/Year)	0	0
Total Treatment (Tons/Year)	46.00	44.10



3-1-3 Environmental Protection Expenditure

YC Group's manufacturing plants continue to adhere to their original maintenance schedules for air, water, and exhaust gas systems, while also optimizing system performance. In recent years, the company has further enhanced its efforts to improve systems and reduce environmental impact. In 2025, the Changhua plant invested approximately 3.09 million NTD, while the Yangmei plant invested 118.29 million NTD in environmental protection equipment expansion and maintenance. The total environmental protection expenditure for 2025 reached 121.38 million NTD.



Item	Expenditure Items	2025 (10,000 NTD.)		
	Factory Area	Yem Chio Changhua Plant	Achem Yangmei Plant	Total
1	Pollution Control Equipment Operation and Maintenance	5.45	4,254.9	4,260.35
2	Environmental Testing	107.7	531	638.7
3	Payment of Pollution Prevention (control) Expenses	134.56	5,136.6	5,271.16
4	Other Environmental Improvement Costs	61.72	1,906	1,967.72
Annual Total (10,000 NTD.)		309.43	11,828.5	12,138

Estimated Environmental Capital Expenditures and the Impact of Improvements

Item	2025	2026-2027
Pollution control (treatment) to be purchased equipment or expenditure content.	1. Installation of continuous automatic parameter monitoring system for pollution control equipment.	1. Replacement of recovery carbon tanks and thermal insulation works.
	2. Repair and maintenance of distillation towers.	2. Renewal of natural gas pipelines throughout the entire plant area.
	3. High-Efficiency Vacuuming, Mop-Washing, and Carbon-Removal Procurement	3. Reinforcement engineering for distillation towers.
	4. Environmental testing and monitoring fees.	4. Environmental testing and monitoring fees.
	5. Maintenance fees for pollution control equipment and permit modification fees.	5. Maintenance fees for pollution control equipment.
	6. Maintenance of resource recycling facilities.	6. Maintenance of resource recycling facilities.
Expected Improvement	1. Real-time detection of equipment failure for immediate emergency repair.	1. Reduction of energy loss.
	2. Improve solvent recovery efficiency and reduce VOCs in wastewater.	2. Renewal of corroded natural gas pipeline sections to avoid affecting solvent recovery.
	3. Reduction of pollutant emissions.	3. Maintaining normal operations.
	4. Perform resource recycling for sustainable circular use.	4. Reduction of pollutant emissions.
Capital Expenditure Amount	NTD. 27 million	Estimated to be approximately NTD. \$33 million.
Impact of Improvement on Net Profit	Reduce solvent usage, lower operational costs for pollution control equipment and mentand production costs, reduce pollutionrelated expenses, and avoid fines.	Reduce solvent usage, increase raw material recovery rates, lower manufacturing costs, reduce pollution emissions, reduce pollution-related expenses, and avoid fines.
Impact of improvements on Competitive Position	1. Exceeding environmental regulations and sustainable management.	1. Comply with environmental regulations.
	2. Fulfill corporate social responsibility.	2. Fulfill corporate social responsibility.
	3. Enhance corporate image and increase shareholders and Customer. confidence.	Enhance corporate image and increase shareholders and Customer confidence.

3-1-4 Compliance with Environmental Regulations

The Yem Chio Changhua Plant and Achem Yangmei Plant continue to invest in and improve process air pollution prevention equipment and wastewater treatment facilities, strengthen self-audits, and meet the needs of laws and regulations as well as continue to promote the revision of related operational standards to confirm compliance with environmental management system regulations. 2025 saw no violation of environmental protection laws and regulations and no fines, which demonstrates the Company's commitment to and attention to environmental protection.

3-2 Climate Change Response

3-2-1 Climate Governance

Following the conclusion of the 2025 COP30 UN Climate Change Conference, global progress in phasing out fossil fuels remained stalled. The year 2025 became the hottest year on record. As global warming intensifies, extreme weather events like torrential rain and droughts have become more frequent, posing significant challenges to corporate operations. Climate governance is now a critical issue that businesses cannot ignore.

As a global citizen, our company will actively confront the potential risks brought by climate change. We will formulate management strategies and actions to handle extreme weather, thereby enhancing our climate resilience. Furthermore, to mitigate climate change, we plan to transition our operations toward a low-carbon model.

◎ Board and Management Supervision and Governance over Climate-Related Risks and Opportunities

The Board of Directors serves as our highest governance body for climate change, responsible for driving and deciding strategic directions while supervising overall climate action. On January 15, 2025, the company established the Sustainability Information Management Regulations, approved by the Audit and Risk Management Committee and resolved by the Board, which led to the creation of the Sustainability Development Task Force.

This task force identifies sustainability disclosure items and manages the collection, recording, processing, compilation, reconciliation, disclosure, and publication of sustainability information. Heads of each group company lead their respective departments to plan and execute sustainability strategies and projects. Each year, the team reviews peer sustainability reports and CDP climate questionnaires, briefs plants and departments on climate risks, and interviews units to gauge potential impacts. The identified key climate risks and opportunities are reported to the task force, which regularly briefs the Board on ESG performance, impact assessments, and goal progress.

- Cross-Departmental Task Force: Established a cross-departmental climate risk task force to identify climate risks and assess impacts within their scopes.
- Highest Management Leader: The Chairman leads first-tier executives in implementing climate management and reports to the Board.
- Green Operations Convener: The head of the business group serves as convener to promote green operations, control environmental risks, discuss solutions with business units, and report to the Board.

3-2-2 Impact of Identified Climate Risks and Opportunities on Business, Strategy, and Financials (Short, Medium, Long-Term)

To formulate key climate strategies, the Sustainability Development Task Force has, since 2025, gathered specific climate topics based on listed company disclosures, peer reports, and global trends. Through discussions with various units, the task force identifies how climate issues impact business, strategy, and financials across different time horizons.

Impact on Business and Strategy		
Business Dimension	Risks	Opportunities
Short-term	Marketing disruptions, supply chain imbalances.	Develop green solutions (manufacturing, energy, products) and increase material recycling rates.
Medium-term	Shifts in product standards, regulations, and carbon pricing.	
Long-term	Completing infrastructure required for low-carbon transition of products and services.	

Impact on Business and Strategy		
Strategic Dimension	Risks	Opportunities
Short-term	Net-zero carbon reduction for business transformation to increase resilience; apply for ESG certifications.	Promote or jointly develop green products with customers.
Medium-term	Use renewable energy, adopt low-carbon tech, reduce water consumption, and lower solvent emissions.	Seize government or institutional net-zero strategies to expand ecosystem partnerships.
Long-term	Deploy solutions under transitional and physical risks.	

Impact of Climate Risks and Opportunities on Financials

Our company has formulated response plans for identified risks. For instance, carbon fees are expected to increase operating costs and lower profits. Consequently, we set a net-zero emissions target and push carbon reduction initiatives to mitigate potential financial impacts.

Four Strategic Directions

1. Energy Saving,
2. Environmental Protection,
3. Customer Service,
4. Product Innovation



- 1. Differentiated Applications:** Focus on electrical, protection, and wiring harness products for hardware, construction, and automotive industries.
- 2. Eco-Friendly Products:** Accelerate green product development to comply with ROHS/REACH regulations.
- 3. Integration & Automation:** Strengthen supply chain and system integration to shorten lead times, stabilize quality, and lower costs.
- 4. Talent Development:** Build excellent teams through enhanced training and external recruitment to boost professional skills.
- 5. Key Accounts:** Increase sales volume to key customers.

3-2-3 Financial Impact of Extreme Weather Events and Transition Actions

Operating sites face power outages, traffic disruptions, and equipment damage from extreme weather like typhoons, torrential rains, and floods. This can cause supply chain breaks, affecting operations and customer rights. Assuming extreme weather halts operations for one day and considering future revenue growth, the potential financial impact is estimated at approximately 0.41% of annual revenue.

Conversely, transitioning to low-carbon and green energy industries increases operating costs due to capital investments in green initiatives and circular economy chains. Based on a one-time investment calculation, this potential financial impact is roughly 0.15% of annual revenue.

3-2-4 Integration of Climate Risk Identification, Assessment, and Management into the Risk Management System

- **Identification & Prioritization:** The management team tracks market, regulatory, technical, and physical climate trends to list potential risks and opportunities. These are evaluated by impact and probability, converted into financial metrics, and prioritized by severity to formulate countermeasures. High-risk items undergo climate scenario analysis to calculate potential financial impacts based on current operations.

- **Governance & Oversight:** After identifying primary risks, management discusses responses with business units. Risk assessments are submitted to the Audit and Risk Committee for oversight, and the committee convener reports results regularly to the Board.

- **System Integration:** Climate change impacts are incorporated into corporate sustainability plans as critical risk items (p. 3). Risk management plans are executed to implement countermeasures across operations, products, and supply chain management.

3-3 Greenhouse Gas Inventory and Energy Saving and Carbon Reduction

3-3-1 Establish an Energy Conservation & Carbon Reduction Team

More and more companies and manufacturers are willing to disclose information about the carbon footprint and carbon neutrality of their products. A carbon footprint is the total amount of greenhouse gas emissions (measured in terms of carbon dioxide impact) caused by a person, event, organization, service or product, and is used to measure the impact of human activities on the ecosystem. Carbon neutrality refers to the total amount of carbon dioxide or greenhouse gas emissions produced directly or indirectly by a country, enterprise, product, activity or individual within a certain period of time. By using low-carbon energy to replace fossil fuels, planting trees and forests, saving energy and reducing emissions, etc., we can offset the carbon dioxide or greenhouse gas emissions produced by ourselves and realize positive and negative offsets, so that we can achieve relative “zero emissions”. In our daily life, we can choose products with smaller carbon footprints to urge manufacturers to reduce the carbon emissions required for the production of goods. We can also walk more, drive less, and consume local seasonal fruits and vegetables or products to reduce the carbon emissions generated by our own habits. Certainly, personal behaviors can help reduce carbon emissions.

Of course, although individual actions can also reduce the burden on the earth, it is most important for all industries to work together to reduce carbon emissions in order to maximize the effect. With this in mind,

the Group set up an Energy Conservation and Carbon Reduction Team on May 19, 2021, with the goal of reducing resource consumption by 30% within five years from the beginning of 2021 and reduce energy use by 3% annually from 2026 onwards, against a 2025 baseline. We hope that each and every one of us will contribute to the reduction of carbon emissions. We hope that each and every one of our staff members can contribute to the improvement of the environment with their own efforts and small actions.

In addition to setting up an energy saving and carbon reduction team to systematically promote energy saving and carbon reduction, we have also invited consultants to give lectures to the company. At the same time, we have inventoried the more energy-consuming electrical appliances and equipments in our factories and replaced them, and the energy-saving and carbon reduction supervisors in each factory have also actively promoted energy-saving and carbon reduction in their areas of responsibility. For more information, please refer to the website of YC Group / ESG page / E (Environment).

3-3-2 Organization Chart and Executive Instructions of the Energy Conservation & Carbon Reduction Team

The Energy Saving and Carbon Reduction Team is convened by the Chairman of the Board of Directors, Mr. Lee, Shu-Wei. With the support of the energy-saving supervisors of each business group and plant, we hope to promote the spirit of energy saving and carbon reduction to the daily behavior of each employee from top to bottom, and then achieve the goal of reducing energy consumption by 30% within five years, and reduce energy use by 3% annually from 2026 onwards, against a 2025 baseline. The duties and responsibilities of each member of the Energy Saving and Carbon Reduction Team are listed below:

Convener / Vice Convener/Project Leader:

1. Chair energy management.
2. Convene regular meetings to track progress and performance.
3. Assist departments in promoting energy management (information, management and technology).

4. Analyze energy usage and daily inspections, and report abnormalities in a timely manner.

Business Group Energy Program Supervisor:

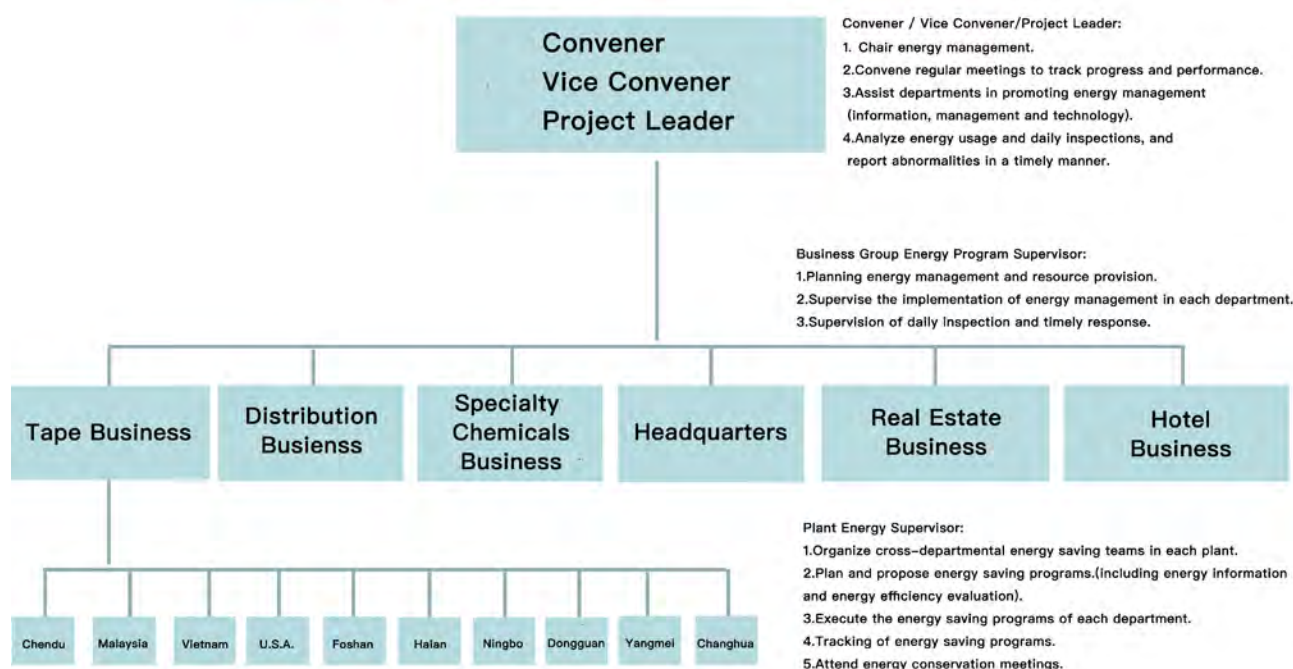
1. Planning energy management and resource provision.
2. Supervise the implementation of energy management in each department.
3. Supervision of daily inspection and timely response.

Plant Energy Supervisor:

1. Organize cross-departmental energy saving teams in each plant.
2. Plan and propose energy saving programs. (including energy information and energy efficiency evaluation).
3. Execute the energy saving programs of each department.
4. Tracking of energy saving programs.
5. Attend energy conservation meetings.

Energy Conservation & Carbon Reduction Team

Goal: Reduce resource consumption by 30% within five years from the beginning of 2021.
Reduce energy use by 3% annually from 2026 onwards, against a 2025 baseline.



▲ Organization Chart of the Group's Energy Saving and Carbon Reduction Team

3-3-3 Disclosure of Group Greenhouse Gas Information

Greenhouse gas emissions can be categorized into Scope 1, Scope 2 and Scope 3, with Scope 1 being direct emission sources owned or controlled by the Company, such as emission pipelines, manufacturing processes, and transportation owned by the Company; Scope 2 being indirect emission sources, such as purchased electricity;

and Scope 3 being indirect emissions from sources not under the Company's ownership or control.

The 2025 greenhouse gas emission statistics for each plant, along with the summary of initial inventory data by scope, are presented in the table below.

Yem Chio Group GHG Emissions Statistics by Company (Unit: Ton CO₂e/Year)

Company	Scope 1	Scope 2	Scope 3	Scope 4~6	2025 Total Emissions	Percentage	2024 Total Emissions
	Subtotal of Direct Emissions	Energy Indirect Emissions	Other Indirect Emissions				
Headquarters	2,5406	113,3140	22,9110	32,0033	170,7689	0.05%	183,9537
Changhua Film I	710,1623	2,754,9824	192,7699	8,391,0083	12,048,9230	3.66%	30,620,6340
Changhua Film II	3,630,4136	10,181,9975	949,8930	61,014,9134	75,777,2180	23.05%	74,536,7440
Changhua Tape	1,495,7406	1,290,9104	173,7497	7,877,5337	10,837,9340	3.30%	14,711,1410
Achem	37,869,2278	15,130,2954	11,677,7187	92,388,5366	157,065,7790	47.77%	163,653,7180
King Sun Tech.	10,7538	22,7121	37,9418	6,5862	77,9939	0.02%	77,9939
Yem Chio Construction	0,0000	15,6464	8,5157	0,7107	24,8728	0.01%	24,8728
Yem Chio Distribution(HQ)	3,0107	12,4241	2,8472	5,2971	23,5791	0.01%	26,3818
Yem Chio Distribution(Pack Master)	1,0291	9,5307	0,3113	0,3024	11,1740	0.00%	11,1740
Chendu	16,2704	27,8102	1,6600	4,6001	50,3410	0.02%	50,3410
Foshan Inder	1,398,3985	1,442,6811	3,5252	345,0176	3,189,6220	0.97%	3,189,6220
Jiansu Haian	24,075,8255	22,780,5127	14,4965	181,7786	47,052,6130	14.31%	47,052,6130
Ningbo	68,5214	1,894,4862	1,5014	33,9522	1,998,4610	0.61%	1,998,4610
Dongguan	8,924,8339	4,988,5966	5,2602	2,159,3231	16,078,0140	4.89%	16,078,0140
Malaysia	25,0255	20,9834	12,3753	5,1115	63,4960	0.02%	63,4960
Vietnam	2,567,9839	1,324,1350	31,7525	207,1538	4,131,0250	1.26%	4,131,0250
USA	35,1395	59,9331	82,1218	38,7063	215,9010	0.07%	215,9010
Total	80,834,8771	62,070,9513	13,219,3512	172,692,5349	328,817,7157	100%	356,626,0862

◎ Energy Saving, Carbon Reduction, and GHG Emissions Disclosure

Yem Chio Group prides itself on being an environmentally friendly enterprise by comprehensively promoting and implementing improvement initiatives, including upgrading energy-saving facilities, enforcing daily office energy-saving measures, and reducing waste. Both at our Taipei headquarters and across all production plants, we fully execute four major green living actions for energy efficiency: water conservation, electricity saving, energy conservation, and green procurement. Through continuous efficiency improvements and exploring various carbon reduction methods, we aim to conserve natural energy throughout our operations. Our concrete actions include practicing green procurement, establishing cloud-based offices, upgrading to LED lighting systems, tracking long-term electricity consumption and carbon emissions, and precisely managing water usage data. We strive to lead by example in implementing environmental responsibility, serving the public while actively protecting the earth.

Greenhouse Gas Emissions by Category at Changhua Film Plant						
Year	2025			2024		
Emission Proportion by Scope	Scope 1	Scope 2	Scope 3~6	Scope 1	Scope 2	Scope 3~6
GHG Emissions (Metric Tons CO2e/Year)	4,340.5759	12,936.9799	70,548.5846	4,647.9172	17,1223.8302	83,385.6304
Percentage of Total Emissions (%)	4.94	14.73	80.33	4.42	16.28	79.30

Greenhouse Gas Emissions by Category at Changhua Tape Plant						
Year	2025			2024		
Emission Proportion by Scope	Scope 1	Scope 2	Scope 3~6	Scope 1	Scope 2	Scope 3~6
GHG Emissions (Metric Tons CO2e/Year)	1,495.7406	1,290.9104	8,051.2834	2,046.1794	1,737.3996	10,927.5619
Percentage of Total Emissions (%)	13.8	11.91	74.29	13.91	11.81	74.28

3-3-4 Greenhouse Gas Inventory and Certification

◎ Disclosure of GHG Inventory Information

The following details our company's greenhouse gas emissions (metric tons of CO2e), emission intensity (metric tons of CO2e/million TWD), and data coverage for the past two years.

Greenhouse Gas Emissions by Category at Changhua Film Plant		
Year	2025	2024
GHG Emissions (Metric Tons CO2e/Year)	87,826.1410	105,157.3780
Intensity	29.7817 (Metric Tons CO2e / Million TWD)	19.6079 (Metric Tons CO2e / Million TWD)
Data Coverage Scope	Scope 1 & Scope 2, Scope 3 to 6	Scope 1 & Scope 2, Scope 3 to 6

Greenhouse Gas Emissions by Category at Changhua Tape Plant		
Year	2025	2024
GHG Emissions (Metric Tons CO2e/Year)	10,837.9340	14,711.1410
Intensity	3.6751 (Metric Tons CO2e / Million TWD)	2.7431 (Metric Tons CO2e / Million TWD)
Data Coverage Scope	Scope 1 & Scope 2, Scope 3 to 6	Scope 1 & Scope 2, Scope 3 to 6

◎ Greenhouse Gas Verification Information

According to the "Sustainable Development Roadmap for TWSE/TPEX Listed Companies" issued by the Financial Supervisory Commission (FSC) in March 2022, our company falls under the category of companies with a paid-in capital of NTD 5 to 10 billion. We are subject to the Phase 2 implementation of the greenhouse gas inventory (i.e., completing the inventory by 2025 and completing the verification by 2027). In accordance with the reference guidelines and relevant regulations issued by the competent authority, we continue to report to the Board of Directors on a quarterly basis.

Completed ISO 14064-1 external verification in November 2025.

2023 – Yangmei Plants 1, 2, and 3 obtained DNV external verification for GHG inventory.

2023 – Changhua Membrane Plant obtained AFNOR ASIA external verification for GHG inventory.

Certificate link on the corporate website: https://www.ycgroup.tw/esg01_1.php

GHG Verification Report Statement Opinion No. THGHG18178-00, Serial No: TH18-178 (December 12, 2025)

2. Yangmei Plant (Achem) :

a. Yangmei Plant 1: Verification Statement Opinion No: C797240-2024-AP-TWN-TAF (September 04, 2025)

b. Yangmei Plant 2: Verification Statement Opinion No: C803883-2024-AP-TWN-TAF (September 04, 2025)

c. Yangmei Plant 3: Verification Statement Opinion No: C803883-2024-AP-TWN-TAF (September 11, 2025)

3. ISO 14001 Certification Obtained and Validity Period

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

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

◎ GHG Reduction Goals, Strategies, and Implementation Status

Adhering to the philosophy of sustainable management and continuous improvement, and in order to effectively utilize resources and fulfill corporate social responsibility, our company has implemented the following energy-saving and carbon-reduction strategies for GHG reduction:

1. Implement energy conservation, setting a challenging target of a 3% electricity reduction relative to 2025; annual energy-saving proposals are launched across all plant areas.
2. Hold regular monthly energy-saving meetings to update energy conservation project progress, and review monthly power consumption, monthly power savings, and power consumption per unit of output.
3. Use energy-saving proposals from different plants as benchmarks for mutual learning and growth.
4. Promote energy conservation practices, such as turning off lights and computers when leaving work, to reduce energy waste.
5. Periodically review contract capacity, air conditioning zoning, and lighting circuits to enhance energy efficiency.
6. Sign equipment maintenance contracts to maintain optimal operating efficiency of equipment and minimize energy loss.

Comparison of GHG Intensity with the Base Year for Changhua Plants (Unit: Metric Tons CO2e / Million TWD)

Item	Changhua Film Plants	Changhua Tape Plants
Base Year (2020) Intensity	15.984	6.408
2025 Intensity	29.7817	3.6751
2025 vs. Base Year	▲ 86.32%	▼ 42.65%
2024 Intensity	19.6043	2.7426
2024 vs. Base Year	▲ 22.65%	▼ 57.20%

3-4 Supply Chain Management

Corresponding "Important Issues"	Supplier Management
Significance to YC	Our company attaches great importance to the cooperative relationship with suppliers. In order to promote corporate social responsibility and sustainable development, our company has established quality, environmental, occupational safety and social management mechanisms based on a number of international standards and specifications, so that partners can better meet the expectations of customers and society for social responsibility and achieve the goal of stable supply chain quality, and work together to contribute to society.
Specific Plans for 2025	<ul style="list-style-type: none"> ◎ Suppliers sign corporate social responsibility commitment. ◎ Suppliers sign environmental safety notice. ◎ Suppliers sign the environmental information survey form. ◎ Suppliers sign anti-terrorism statement and commitment.
2025 Fiscal Year Goals	Supplier Anti-Terrorism Statement, requiring suppliers to work together to fight terrorism in order to promote economic and social security and sustainable development
Invest Resources	Our company has R&D/Purchasing/Quality Assurance and other departments responsible for evaluating and managing suppliers.
Evaluation Mechanism	Supplier assessments are carried out regularly every year, and on-site audits are conducted on major manufacturers.
Actual Performance in 2025	<ul style="list-style-type: none"> ◎ Supplier Corporate Social Responsibility Commitment Letter signed completion rate: 87.4% ◎ Supplier Environmental Safety Notice signed completion rate: 82.3% ◎ Supplier Environmental Information Survey Form signed completion rate: 82.3% ◎ Supplier Anti-Terrorism Statement Commitment Letter signed completion rate: 83.4%
Medium and Long Term Goals	<ul style="list-style-type: none"> ◎ The quality of supplied goods continues to meet the requirements ◎ Suppliers have signed more than 95% of their commitment documents on the environment, corporate social responsibility, anti-terrorism statements, etc.

◎ Major Domestic and Overseas Procurement Suppliers and Procurement Ratios in 2025 (Based on Total Procurement Amount)

To promote the development of local industries and the local economy in Taiwan, our company gives absolute priority to local suppliers in all procurement activities. By leveraging the more economical supply conditions and delivery efficiency of local suppliers, we aim to contribute to the economic development of Taoyuan and Changhua. (The table on the right shows the proportion of domestic and international procurement.)

Region	Domestic Procurement Ratio	Foreign Procurement Ratio
YC Changhua Plant 1	46%	54%
YC Changhua Plant 2	100%	0%
Achem Yangnei Plant	74%	26%

3-4-1 Evaluation and Introduction of Suppliers

Suppliers must comply with the investigation and evaluation criteria in all aspects, including material selection, incoming material management, equipment scale, supply capacity, quality assurance systems, and related inspection equipment, to ensure that the quality, delivery schedule, and service of the supplied products meet the requirements of Restriction of Hazardous Substances (ROHS), thereby ensuring smooth production operations and procuring materials at reasonable prices to actively create company profits.

(1) Conduct monthly performance evaluations of primary raw material suppliers to assess delivery quality, timeliness, and coordination. Suppliers failing to meet requirements will be notified to implement improvements. If improvements are not made, the second backup supplier will be substituted.

(2) For critical raw material suppliers, actively require them to obtain ISO 9001 quality management system certification.

(3) Through the procurement and quality assurance departments, arrange annual on-site audits of suppliers.

1 . IQC incoming material inspection defect rate

2 . IQC material inspection lot return rate.

3 . Number of rejections of defective batches

4 . Amount of deduction for defective quality

5 . Actual delivery and promised delivery rate.

6 . Supplier service efficiency, etc.

Item	Supplier Category	Assessment Sessions
1	PVC Outsourcing	3
2	Paper	9
3	Solvents	12
4	Resins	49
5	Rubber	32
6	Monomer	20
7	Original Fabric	19
8	Additives	57

3-4-2 Signing of The Corporate Social Responsibility and Integrity Commitment

Since 2015, Yem Chio and Achem have been gradually requesting our major suppliers to sign a CSR commitment with us to fully comply with the relevant governmental legal requirements when operating their business, and to follow the latest social responsibility standards issued by overseas public/private organizations, which should cover five major aspects, including labor, health and safety, environmental protection, ethical norms and management systems. We will do our best to fulfill our social responsibility in order to promote the balanced and sustainable development of economy, society, environment and ecology; if any non-compliance occurs, we will try our best to complete the improvement in accordance with the customer's requirements in order to eliminate the risk and to avoid the loss of the company and the customer due to the non-compliance.

In addition, in order to prevent the relevant personnel from violating the integrity, honesty and confidentiality of suppliers in the course of their business activities, since the end of 2015, we have been requiring important suppliers with large purchase amounts to sign an undertaking on honesty and confidentiality. We also continue to require new suppliers to sign the pledge.



S

Social Responsibility
(Sustainable Development)

Employee Care, Social Participation, Environmental Protection,
Energy Conservation and Carbon Reduction

Q Quality

Focus on
Quality and
Continuous
Improvement

C Cost

Competitive
Pricing Cost
Control

D Delivery
Date

On-time
Delivery
Quick
Response

S Service

Service
Efficiency
Business
Partners

3-4-3 Contractor Management

1. Safety and health: Before construction, the contractor is required to enter the factory and hold a “Safety and Health Agreement Organization Meeting” to inform the contractor of the hazards in the factory and the construction regulations, etc., and to confirm what related operations will be carried out by the contractor in the construction and to remind the contractor of possible hazards, and to sign a contract on project safety and health management, a commitment to safety and health for the construction of the contractor, a notification form for the contractor to designate a safety and health manager, a form for the

notification of hazards for the contracted operations, and a record of the Safety and Health Agreement Organization Meeting. Safety and Health Agreement Organization Meeting Minutes.

2. Education and training: Every year, we regularly invite contractors to implement education and training on environmental safety and health laws and regulations, as well as awareness training and two-way communication.

3. Management Achievements: In the past two years (2024, 2025), no accidents have occurred on-site for both the contractor and the outsourced contractor.



3-5 Innovative R&D and Green Design

Corresponding "Important Issues"	Green Product Development
Significance to YC	<ul style="list-style-type: none"> ◎ Monitor emerging green industries like EVs and semiconductors, actively invest in R&D to provide comprehensive solutions, become an industry leader. ◎ Encourage employee innovation and establish patent application systems to protect intellectual property rights.
Specific Plans for 2025	<ul style="list-style-type: none"> ◎ BOPP Technology Upgrade: Develop high solid content coating technology and optimize manufacturing processes in collaboration with ITRI. ◎ Low-Carbon Material Application: Develop 100% PCR PET film and 60% PIR BOPP film hot melt adhesive tape. ◎ PVC Process Innovation: Build solvent-free system PVC tape process. ◎ Fluorine-Free Transformation: Develop PFAS-Free PE protective film. ◎ Develop and promote PIR related products.
2025 Fiscal Year Goals	<ul style="list-style-type: none"> ◎ Environmental Certification Acquisition: Hot melt rubber kraft paper tape obtained. ◎ Acquired CNS Mark and MIT Smile Logo. ◎ Energy Consumption & Emission Reduction: PVC new process energy consumption expected -50%. ◎ VOC content expected to decrease by 80% compared to traditional processes. ◎ Compliance & Patents: Complete fluorine-free system validation. Obtain electrical tape patents and UL/CSA certifications. PIR related products revenue share target: 5%.
Invest Resources	<ul style="list-style-type: none"> ◎ Invested R&D expenses exceeding NTD 46 million. ◎ Conducted industry-academic cooperation with ITRI and academia.
Evaluation Mechanism	<ul style="list-style-type: none"> ◎ Hold monthly new product meetings to track project progress. ◎ Evaluate project performance during these meetings.
Specific Performance in 2025	<ul style="list-style-type: none"> ◎ Successfully developed high solid content coating technology. ◎ Achieved goals of environmental protection and energy saving. ◎ PVC solvent-free process passed VDA 278 testing. ◎ VOC emissions significantly outperform traditional processes. ◎ Expanded recycled material product lines. ◎ Successfully introduced PCR and PIR materials into tape production. ◎ PE protective film successfully completed fluorine-free system development. ◎ Obtained third-party verification for PE film. ◎ PIR product revenue share reached 6.10%.
Medium and Long Term goals	<ul style="list-style-type: none"> ◎ Fully promote solvent-free and fluorine-free product applications to achieve greening of all product lines. Continuously increase the use of renewable energy and recycled materials. ◎ Implement circular economy practices. ◎ Strive for more international environmental labels and patents. Consolidate leadership position in green packaging materials. ◎ Raise PIR product revenue share to 8%.

3-5-1 Environmental Protection Policy and Commitment

“Continuous innovation to satisfy customer needs” is the company’s most important core value of innovation, and is also the driving force for the continuous growth of enterprise technology and sustainable operation. In order to meet the public’s demand for “environmentally and socially sustainable” management, the company continues to research, develop, and innovate toward the goal of sustainable development in the economic, environmental, and social dimensions. We emphasize the protection of the earth’s environment, energy resource management, and personal health and safety during the entire life cycle from raw materials, production, to recycling, and care for the earth through green design, enhanced process efficiency, and improvements to minimize the impact on the environment. In addition to continuous self-research and development, YC Group also combines external forces and cooperates with upstream and downstream to minimize the impact of products on the environment. In the research and development of new products, the concept of green design is introduced from the beginning of the customer’s product demand, and the R&D unit invests in R&D resources to improve product quality, reduce production energy demand, and comply with chemical and hazardous substance laws and regulations, etc. The use of renewable and recyclable materials is also introduced. Through continuous evaluation and improvement, we ensure that the quality of products and environmental requirements after mass production comply with the relevant management rules and regulations to ensure that products continue to comply with the relevant requirements and regulations



after mass production, so that Yem Chio’s products can move forward in the direction of sustainable management. Currently, the Company and its subsidiaries are actively involved in activities related to the green industry, actively introducing and developing more environmentally friendly operations and products from processes, products, services, and concepts to satisfy the laws and requirements of customers and countries of sale regarding Rohs and toxic chemicals, as a guideline for continuous improvement and sustainable management, with the goal of achieving the ultimate green industry. YC promises to continue to improve the promotion of energy saving and carbon reduction in the factory, actively invest in the design and development of the green industry, green production, reduce greenhouse gas emissions, strengthen the environmental and green management of suppliers, and minimize the impact of products on the earth.

3-5-2 Research and Development of Green Products

Achem under YC Group specializes in “coating technology” as the company’s core competitiveness, through professional research and development and production of pressure-sensitive adhesive tapes, depending on the type and system of substrate, adhesive and surface treatment, the products are mainly oily acrylic BOPP packaging tapes, oily acrylic double-sided tapes, rubber PVC tapes, release papers, release films, rubber PE protective tapes and hot melt BOPP packaging tapes. OPPP Packaging packaging tapes.

In order to reduce the environmental impact of volatile organic gases (VOC) escaping from the manufacturing process, solvent recovery and pollution prevention equipment has been introduced since

© BOPP Packaging Tape

The BOPP packaging tapes at Achem’s Yangmei Plant currently use solvent-based acrylic adhesives as their primary coating. Although solvent-based acrylic adhesives utilize ethyl acetate as a solvent, a high-efficiency solvent recovery system captures the solvent during the manufacturing process to prevent environmental pollution. Meanwhile, the recovered solvent features high purity and low moisture content, allowing it to be directly recycled and reused. All products fully comply with EU RoHS and REACH Substances of Very High Concern (SVHC) regulations. In terms of product raw material composition, biaxially oriented polypropylene (BOPP) film accounts for approximately 46% to 60%, with the remainder consisting of solvent-based acrylic adhesive. The residual solvent content in the final finished product is

the 1980s, and solvent recovery is now available for ethyl acetate, toluene, and hexane. While continuing to innovate in product development and increase profit growth, Achem Technology Corporation also strives to develop environmentally friendly green products and continue to improve and reduce the environmental impact of its existing products. The following is a description of each green product.



strictly controlled below 0.5%. In addition to the existing high-efficiency solvent recovery system, the company further extended its current acrylic adhesive synthesis technology in 2025, successfully developing “high-solid-content coating technology.” Through active technical cooperation with the Industrial Technology Research Institute (ITRI), the coating process was optimized, achieving a balance between environmental protection, energy



conservation, and carbon reduction while simultaneously boosting production efficiency. In recent years, international environmental regulations have become increasingly stringent. In response to trends emphasizing environmental friendliness, low VOCs, and low odor, the company began planning a solvent-free hot-melt adhesive system in 2012. Since 2014, the Group has officially invested in the production of hot-melt adhesive BOPP tapes. Hot-melt adhesive is a 100% solid-content adhesive that contains no water, no solvents, and no volatile organic compounds (VOCs). Compared to general adhesives, it offers distinct advantages in environmental friendliness, health, and safety, alongside benefits such as ease of storage and suitability for highly automated production. Regarding raw material composition, the BOPP film accounts for about 46% to 51%, while the pressure-sensitive adhesive portion consists of synthetic rubber, tackifying resins, processing oils, antioxidants, and other additives. Notably, the raw materials used comply with relevant FDA 21 CFR 175.105 (Adhesives) regulations. In 2025, the "hot-melt rubber kraft paper tape" produced by our company demonstrated exceptional R&D results and quality stability, officially obtaining the national standard "CNS Mark" certification and the "MIT Smile Logo". These two iconic honors not only validate our company's persistence in product safety and quality but also strengthen the competitiveness of our green products in both domestic and international markets. In 2025, the company also successfully developed hot-melt tapes made with 100% Post-Consumer Recycled (PCR) PET film, as well as tapes featuring 60% Post-Industrial Recycled (PIR) BOPP film, demonstrating our firm commitment to carbon reduction.

◎ PVC Tape

PVC tape is made with flexible polyvinyl chloride (PVC) film as the substrate, coated on one side with a rubber-based pressure-sensitive adhesive. To meet varying customer needs, it is categorized into electrical, insulating, protective, pipeline, and packaging tapes. As these products are marketed worldwide, Wanzhou tapes have successfully completed national certifications including Germany's VDE, the United States' UL, Canada's CSA, and Japan's JIS. Furthermore, to reduce the environmental harm of volatile organic compounds (VOCs), a solvent recovery and reuse system is utilized. The facility was previously selected by the Taiwan Environmental Protection Administration (EPA) as a demonstration factory for VOC reduction, achieving an average overall recovery efficiency of 85.55% in 2014, with residual toluene solvent content in the finished products controlled below 0.5%. Driven by rising global environmental awareness and concern over substances hazardous to human health, developing eco-friendly flexible PVC tapes that comply with EU RoHS (regulating heavy metals) and REACH Substances of Very High Concern (SVHC, organic solvents category) has been a key focus in recent years. Currently, a total of 31 products comply with EU RoHS and REACH SVHC regulations, and 6 products comply with EU REACH hazardous substances standards. In recent years, the company has also actively developed solvent-free, environmentally friendly water-based primers and topcoats. The eco-friendly water-based primer is already implemented in most products, and the in-house water-based topcoat development was completed in 2017, with small-batch

orders and shipments currently serving the domestic market, aiming to further contribute to environmental protection and VOC reduction. A major breakthrough in the green PVC manufacturing process was achieved in 2025 with the establishment of a brand-new "solvent-free system PVC tape process." This process completely eliminates the use of traditional organic solvents, which not only slashes related energy consumption by 50% but also reduces VOC content by 80% compared to traditional solvent-based processes, according to VDA 278 testing, successfully

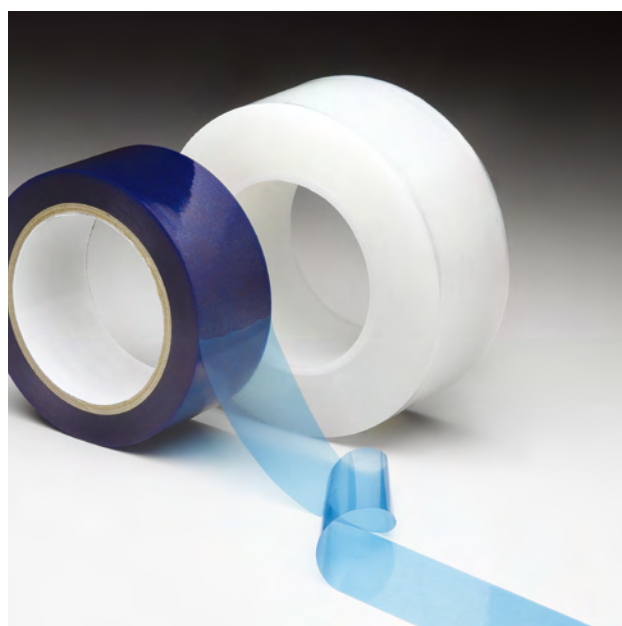
◎ PE Protective Tape

PE protective tape is a finished product made by coating a polyethylene (PE) film with a pressure-sensitive adhesive. The thicknesses of both the PE film and the pressure-sensitive adhesive can be configured into a wide variety of combinations depending on the product type. It is primarily used to protect substrates, preventing damage during manufacturing or transportation processes. While standard PE film is transparent, colorants can be added during film manufacturing to meet specific color requirements. The primary components of the pressure-sensitive adhesive are rubber and tackifying resins, with ratios adjustable based on application and physical property needs. This process also utilizes a well-designed solvent recovery system for recycling, achieving a recovery efficiency of up to 98%. Furthermore, the company is actively developing eco-friendly water-based acrylic protective tapes. Additionally, efforts are underway to substitute more environmentally friendly PE substrates

merging environmental friendliness with product safety. The corresponding electrical tape products have smoothly obtained UL and CSA certifications as well as patent certificates, becoming a benchmark achievement in the Group's green manufacturing initiatives.



for certain applications that originally utilized PVC films. In 2025, the company made a significant stride toward its fluorine-free goals by successfully developing "PFAS-Free" products, which have already obtained relevant third-party verification to ensure compliance with the latest international environmental trends.



◎ Double Sided Tape

Double-sided adhesive tape is made by coating both sides of the substrate with a high adhesive pressure-sensitive adhesive and adding a layer of easy-to-peel release material, which is used to connect two objects, and can be used instead of adhesives such as adhesive, paste, etc. It is suitable for a variety of special applications such as racket ball, tennis ball, and other sports activities. Suitable for various special applications such as racket handles, automobile trim, footwear, telephone line fixing, hooks and so on.

It has the advantages of strong adhesion, uniform thickness, odorless, easy to control the adhesive surface, soft adhesive film and instantaneous adhesion.



◎ Green Tape

In response to recent environmental issues, we have developed a variety of environmentally friendly tapes, including recyclable kraft tape, OPP/PET hot melt adhesive tape, etc., which are suitable for a variety of packaging applications. With environmentally friendly acrylic glue, hot melt adhesive or solvent-free rubber, they are environmentally friendly and recyclable, with good adhesion and RoHS/REACH, GRS and FDA tests.



4. Friendly Workplace and a Better Society

Corresponding "Important Issues"	Occupational Safety
Significance to YC	YC focuses on corporate sustainable development and is committed to enhancing employee loyalty and creating a safe and comfortable working environment. Through annual regular occupational safety risk identification and the implementation of a safety inspection mechanism before new equipment goes online, we avoid accidents that impact employee health and safety and affect the company's continued operations.
Specific Plans for 2025	<ul style="list-style-type: none"> ◎ Strengthened management and revalidation of ISO 45001 occupational safety management system. ◎ Strengthen chemical management and classification. ◎ Establish a complete safety and health license management system. ◎ Establish and implement the four major health hazard prevention plans stipulated in Article 6 and 5 of the Occupational Safety Law. ◎ On-site medical and healthcare consultation.
2025 Fiscal Year Goals	0 occupational diseases and major occupational safety accidents.
Invest Resources	The Company has established an occupational accident reporting mechanism and an online education and training system, which are reviewed and managed by responsible personnel.
Evaluation Mechanism	Monthly statistics of occupational injury cases.
Actual Situation in 2025	There were 0 cases of occupational diseases and major occupational safety accidents at the YC Changhua Plant and Achem Yangmei Plant.
Medium and Long Term Goals	<ul style="list-style-type: none"> ◎ Continue to promote the elimination of occupational diseases and major occupational safety deaths. ◎ In the direction of full participation, regularly carry out disaster prevention and emergency response education, training and drills. ◎ Establishment of safety and health management information system and revalidation of occupational safety management system.



4-1 Comprehensive Occupational Safety Management

In order to protect the safety of our employees, to provide a safe and healthy working environment and to avoid adverse impacts on the environment caused by loss of property or equipment, the company strictly controls all operations. In terms of industrial characteristics, YC does not have high-risk or high incidence of specific diseases, in addition, the Company has also launched an occupational

safety management system introduction program. Through this management system, we carry out risk assessment and identification of the working environment to eliminate and reduce occupational hazards. Through the P(Plan)-D(Do)-C(Check)-A(Action) framework for continuous improvement, to reduce the occurrence of occupational hazards, to protect the health and safety of employees.

4-1-1 Environmental Safety and Health Organization Structure

In order to strengthen the environmental protection and industrial safety management functions and to promote environmental safety and hygiene, the Company has established the “Safety and Hygiene Section”, “Environmental Protection Section” and “Occupational Safety and Health Section” in Wanzhou and Yezhou, respectively, to co-ordinate the safety, hygiene and environmental protection management of the plants and to organize dedicated personnel to be

responsible for auditing, abnormalities tracking and improvement of the entire plant, and to deploy environmental safety and hygiene management personnel in the factories to supervise and co-ordinate the environmental safety and hygiene business. In addition, there are also environmental safety and health management personnel in each plant to supervise and coordinate various environmental safety and health services.

4-1-2 Environmental & Safety Policies and Quantitative Targets

In 2019, our company successfully passed the certification of Environmental Protection Management System (EPMS) ISO-14001:2015 Edition. We have been developing and producing various kinds of adhesives, adhesive tapes and release materials in response to customers’ needs and environmental changes. Since the factory is a chemical factory, organic solvents and toxic chemicals are used in the production process, causing air pollution and hazardous waste. The factory is a chemical factory, which uses organic

solvents and toxic chemical substances in the production process, causing air pollution, producing hazardous waste and affecting the safety and health of the employees.

In order to implement environmental and safety and health management and fulfill the corporate environmental protection and safety and health responsibilities, we will continue to improve the performance requirements of environmental protection, safety and

health, and prevent the impact on the environment and the injuries and diseases of the personnel, so as to achieve safety and health.

In order to achieve the concepts of safety first, disaster zero and pollution prevention, we provide appropriate protective equipment. We provide appropriate protective facilities, equipment and operational controls. We provide appropriate protective facilities, equipment and operation control and strengthen contracting management to minimize noise, entrapment, fall, fire, explosion, leakage and chemical hazards. chemical hazards. Based on the concept of sustainable development of the enterprise, all colleagues of the organization will work together to commit to and implement the following policies.

The following policies are the commitments and practices of the organization:

1. Compliance with laws and regulations and other requirements: Maintaining labor safety and health, and preventing environmental pollution.

To maintain the safety and health of laborers and to prevent environmental pollution.

2. Cherish resources, save energy and reduce waste: Reduce the consumption of raw materials and energy, and enhance the recycling of end-of-pipe. We will minimize the consumption of raw materials and energy, and enhance end-of-pipe recycling.

3. Proactive supervision and prevention: Pay attention to abnormal

changes in environmental safety and implement corrective prevention. We will take the initiative to monitor and proactively prevent environmental safety anomalies and implement corrective measures.

4. Continuous Improvement and Sustainable Management: Cooperate with the trend of sustainable development to demonstrate management performance. We will continue to improve and operate in a sustainable manner to meet the trend of sustainable development and demonstrate management performance.

5. Green design and environmentally friendly products: Environmentally friendly controlled substances to meet global trends. We are in line with the world trend of environmentally restricted substances.



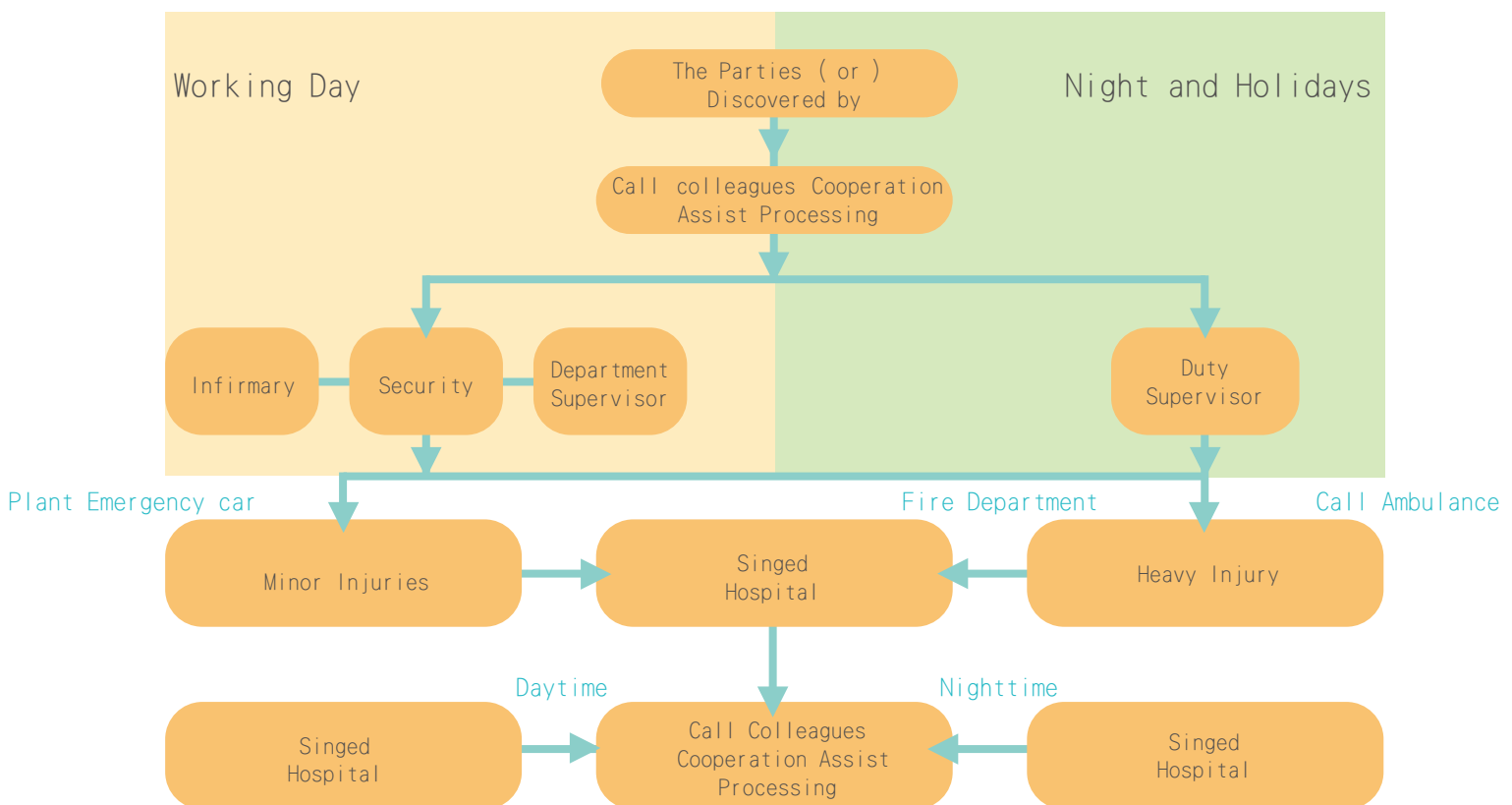
2025 Annual Management Objectives

Item	Management Objectives	Management Plan
1	Fire Emergency Response	Fire Drill
2	Fire Equipment Maintenance	Ensure the Availability of Fire Safety Equipment
3	Mechanical Equipment Safety Maintenance	Defect Inspection and Improvement Tracking
4	Safety Awareness, Enhance Hazard Cognition	Full participation
5	Maintenance of fire fighting equipment to ensure the safety of employees at work.	Replacement of Rusted Plant Framework
6	Assist Units with Abnormal Electrical Equipment Maintenance to Ensure Plant Safety.	Inspect and Maintain Related Electrical Equipment

Item	Management Objectives	Management Plan
7	Repackage Damaged Insulation Cotton to Prevent Personnel from Being Burned by Steam Pipelines During Inspection	Steam Tower Insulation Project
8	The 12 Support Legs of VIC11 Have Corroded, and the Carbon Bed is Damaged with Risks of Collapse and Leakage	Corrosion Repair for Hot Coal Oil Brackets in the Furnace Area and Large Cooling Tower Brackets
9	Due to the Humid Environment, Parts of the Base Have Rusted Over Time, Posing a Risk of Insufficient Support and Requiring Repair	Solvent isolation to avoid air pollution in the working environment.
10	Solvent Isolation to Prevent Air Pollution in the Working Environment	4F Glue Manufacturing Area Exhaust Room

Emergency Response

To enhance employees' safety awareness and prevent occupational hazards, our company regularly conducts hazard identification and risk assessments throughout its plants. Implement risk control measures to eliminate potential hazards, prevent occupational accidents, continue to promote safety and health prevention within the factory, and publicize workplace safety incidents. We will follow the standard operating procedures to prevent accidents in advance and minimize the occurrence of workplace safety incidents. If a major abnormal incident occurs, we will activate the reporting system immediately to report and respond to relevant units and group headquarters.



Disaster Prevention and Response Drill Performance

Our core value is "People First," and we operate under the following principles to achieve our goals of zero incidents and zero injuries:

1. **Self-Defense Training and Unannounced Toxic Disaster Drills:** At the YC Changhua and Achem Chemical plants, we conduct self-defense fire drills and unannounced toxic disaster tests every six months in compliance with fire safety and hazardous materials regulations. These drills are personally supervised and commanded by plant managers. Each year, we select a high-risk hazard theme (such as static electricity, leaks, fires, explosions, etc.) based on hazard assessments, and plan comprehensive fire and toxic disaster response exercises to enhance overall disaster response capabilities. Post-training or drill debriefing meetings are held to review performance and identify areas for improvement, with records submitted to regulatory authorities and archived for reference.

2. **Environmental Bureau Inspections:** The Environmental Bureau conducts 1 to 2 unscheduled inspections and unannounced toxic disaster tests annually. To date, no violations of regulations have been recorded.

3. **Joint Disaster Drills:** Every 2 to 3 years, we organize joint disaster response drills with the local fire department. These exercises train senior management in initial response command and the transition of command authority. They also help the fire department become familiar with plant layouts, the locations of

hazardous chemicals, and proper vehicle positioning. Regular interactions foster strong relationships with the fire department.

4. **Review and Update of Disaster Response Equipment:** We review the adequacy and functionality of disaster response equipment annually, making necessary purchases or updates to replace outdated items.

● Technology

Develop management based on personnel health and safety Strategy and production technology.

● Safety & Health Culture

Through setting goals and motivating everyone, everyone can participate in safety organize activities to continuously improve safety and health management performance protection

● Responsibility

Comply with applicable safety and health regulations and other requirements to prevent disasters (injuries) and occupational diseases It is not only the social responsibility of enterprises, but also the responsibility of every Employee responsibilities and obligations.

● Communication

Through education and training, safety and health meetings and management, Let all employees deeply understand and implement safety Comprehensive health work.

4-1-3 Occupational Safety and Health Management and Training

The company spares no effort in providing employees with a safe working environment. Following occupational safety and health regulations, each plant has established an Occupational Safety and Health Committee or designated dedicated personnel (departments). The Occupational Safety and Health Committee meets quarterly, with labor representatives comprising more than one-third of the members. These meetings primarily discuss the execution of safety and health tasks within the plants and confirm improvement performance, thereby strengthening labor-management communication and supervisory functions. To enhance the company's execution of management systems and internal audit capabilities, a sound internal audit management system is utilized to ensure the effectiveness of various ISO management systems in achieving goals, while providing auditees with opportunities for continuous improvement (PDCA). Consequently, internal audits of the management systems are conducted at least twice (or more) a year. The first internal audit must be completed before May, and the second (or subsequent) internal audits must be completed one month prior to that year's management review meeting.

Since the company's primary manufacturing processes belong to the chemical and manufacturing sectors, its occupational safety and health system extends from the hazardous characteristics of raw materials, working environment safety during operations, and occupational disease prevention and improvement tracking, to the consideration of health risks to the local community. This

system has been expanded to encompass core initiatives of "Safety, Health, Environment, and Greening" to meet industry standards and community/societal expectations. In 2019, the company successfully completed the certification body transition for the ISO 14001:2015 Environmental Management System and sustained the implementation of the Occupational Health and Safety Management System (jointly certified under OHSAS 18001:2007). To pursue the goal of zero disasters and zero injuries, the company continuously seeks project guidance resources from industry, government, and academia each year, commissioning experts and scholars to provide free hazard guidance and improvements regarding manufacturing processes and various chemicals used.

To understand the actual conditions of workplaces with special hazards and evaluate employee exposure levels, the company complies with regulations by commissioning government-certified environmental monitoring institutions every quarter and half-year to conduct workplace sampling, measurement, and analysis. This ensures the implementation of environmental hazard prevention, as well as the review and improvement of post-testing deficiencies. Based on the hazard levels identified through hazard identification and risk assessment, various types of personal protective equipment (PPE) (such as earplugs, masks, safety shoes, and protective goggles) are distributed to operators in accordance with the established "Work Instructions for PPE Distribution and Management."

Education and training are also conducted to add an extra layer of protection for safety and health at work. Due to industry product characteristics requiring the use and storage of various flammable organic solvents and monomer chemical substances, the company enforces all provisions of hazard communication laws based on its "Chemical Substance Control Operating Procedures" to ensure effective chemical grading management and disaster prevention. Information on chemicals under priority management and controlled chemicals is reported to the competent authority on schedule before the end of September each year. Major milestones completed in 2025 include: (1) Applying to deregister Plant 1 as a Category A hazardous workplace, eliminating annual reviews by labor inspection authorities. (2) Completing the implementation and reporting of chemical grading management for the entire plant. (3) Conducting annual health checks for all employees. (4) Implementing and recording the four major health hazard prevention plans required by Articles 6-2 and 31 of the Occupational Safety and Health Act. (5) Assisting all plants in expanding surveillance systems to enhance real-time safety monitoring efficiency. (6) Implementing automated inspection plans. (7) Implementing health checks, health management, and health promotion. (8) Conducting safety and health education and training. (9) Completing new regulatory requirements and reviews under the Fire Services Act ahead of schedule (including the chemical layout map, machinery and equipment layout map, and public hazardous materials layout map for the entire plant). The company values the enhancement of hazard awareness for every employee. Pre-employment safety and

health education and training are held on schedule for new hires to give them a foundational understanding of the plant environment and potential hazards. For current employees, various professional safety and health training sessions are held periodically to reinforce operational safety awareness. Furthermore, employees engaged in specialized hazardous operations are sent to external training programs in compliance with legal regulations to obtain relevant qualified operating licenses (such as forklift operators, slinging operators, and organic solvent operations supervisors).

4-1-4 Occupational Injury Statistics and Analysis

Aiming to reduce workplace injury rates and achieve a zero-accident environment is a primary goal for our company. We conduct quarterly statistics and analysis of occupational injuries, implementing preventive and corrective measures as needed. The indices have shown a significant decrease, reflecting our commitment to corporate social responsibility.

In 2025, the main types of occupational injuries included cuts, traffic accidents, and being caught or rolled. In response to these incidents, each unit has strengthened related communication efforts and enhanced the safety protection and upgrading of machinery and equipment. Additionally, continuous employee safety training and awareness programs within the plant have significantly improved employee safety consciousness.

▼ 2025 Occupational Accident Statistics (YC Changhua Plant and Achem Yangmei Plant)

Year	Factory	Work Injury Report (cases)	Lost Days	Frequency Rate of Disabling Injuries (FR)	Severity Rate of Disabling Injuries (SR)	Frequency Severity Index (FSI)
2025	YC Changhua (Film)	7	15	22.45	48	1.03
	YC Changhua (Tape)	3	0	0	0	0
	Achem Yangmei	0	0	0	0	0

▼ Number of Work-Related Injuries in 2025 – by Injury Type (YC Changhua Plant and Achem Yangmei Plant)

Year	Factory	Cutting	Accident	Electric	Being hit	Sprain Pull	Trapped	Impact
2025	YC Changhua (Film)	0	2	0	2	2	1	0
	YC Changhua (Tape)	1	0	1	0	0	0	0
	Achem Yangmei	4	5	0	0	0	4	1

Year	Factory	Fall	Object Flying	Collapse	Burns	Chemistry	Fall Over	Other	Total
2025	YC Changhua (Film)	0	0	0	1	0	0	1	9
	YC Changhua (Tape)	0	1	0	0	0	0	0	3
	Achem Yangmei	1	0	0	1	1	0	0	16

Note: Minor injuries classified by injury category are excluded from occupational disaster reporting.

Occupational Safety and Health Education and Training Status at Achem Yangmei Plant and Yem Chio Changhua Plant

Achem Yangmei Factory			
Item	Course Title	Hours	Number of people
1	New Employee Orientation (Local)	3	23
2	New Employee Orientation (Foreign)	6	41
3	Occupational Safety Training (Enhance OSH Awareness, Reduce Work Injuries)	1	201
4	Occupational Safety and Health Awareness Promotion	1	314
5	First-Aid Personnel In-Service Training (Refresher)	3	38
6	General Safety & Health Training – Hazard Communication (Local) (Refresher)	6	312
7	General Safety & Health Training – Hazard Communication (Foreign) (Refresher)	6	220
8	Organic Solvent Operations Supervisor (Initial)	18	18
9	Oxygen Deficiency Operations Supervisor (Initial)	18	1
10	Forklift Operators (Local)	18	3
11	Forklift Operators (Foreign)	24	2
12	Class I Pressure Vessel Operators In-Service Training (Refresher)	3	1
13	Respiratory Protection Fit Testing Training (Including Physiological Evaluation)	3	78
14	Slinging Operators (Foreign) (Initial)	23	2
15	How to Relieve Stress: Psychological Etiology and Functions	3	39
16	Workplace Unlawful Infringement Prevention Briefing	1.5	225
17	Stroke and Myocardial Infarction Awareness Promotion	1.5	121
18	Anti-Drug and Hypertension Prevention Promotion	1.5	118

YC Changhua Plant			
Item	Course Title	Hours	Number of people
1	New Employee Safety and Health Education and Training	1	2 (Local)
2	Production Line Safety Regulations – Standard Operating Procedure for Hollow Pipe Oil Dismantling and Cleaning (Chinese, English, Vietnamese)	1	52 (Migrant Workers)
3	Safety Disclosure and Communication Skills – Unlawful Infringement Lecture	3	16 (Local)
4	Health Education on Rehabilitation and Care for Ergonomic Musculoskeletal Disorders	3	45 (Local/Migrant Workers)
5	In-Service Training for Stationary Crane Operators (3 Metric Tons and Above)	6	5 (Local)
6	Class B Boiler Operators In-Service Training	3	6 (Local)
7	Organic Solvent Operations Supervisor In-Service Training	6	1 (Local)
8	First-Aid Personnel In-Service Training	3	5 (Local)
9	Aerial Work Platform Operators In-Service Training	3	2 (Local)
10	Forklift Operators In-Service Training	3	15 (Local)
11	Occupational Safety and Health Administrator In-Service Training	12	1 (Local)
12	New Employee Safety and Health Education and Training	6	13
13	Occupational Safety and Health Operations Supervisor (Refresher)	6	3
14	Operators of Forklifts with a Load Capacity of 1 Metric Ton and Above (Refresher)	3	1
15	Class B Boiler Operators (Initial)	50	7
16	Organic Solvent Operations Supervisor (Refresher)	6	1
17	Security Supervisor (Refresher)	8	1
18	Professional Applied Personnel for Toxic and Concerned Chemical Substances – Technical Level (Refresher)	8	2
19	Professional Applied Personnel for Toxic and Concerned Chemical Substances – Operational Level (Refresher)	4	1

4-2 Employee Care

Corresponding "Important Issues"	Labor-Employment Relations and Employee Benefits, Talent Development and Education and Training
Significance to YC	<p>◎ The company is committed to establishing a harmonious labor-employment relationship to improve the company's overall operating performance.</p> <p>◎ Innovation and speed are the company's main strategies. We are well aware that only through comprehensive education and training, and employee development, can we improve the company's overall innovation and speed.</p> <p>◎ YC regards its employees as the company's greatest asset and provides them with compensation and benefits that exceed legal and market standards.</p>
Specific Plans for 2025	<p>◎ The company communicates internal policies and important information to employees promptly through emails, bulletin boards, the internal EIP system, and departmental meetings, ensuring that employees' thoughts and actions are aligned with the company's objectives.</p> <p>◎ New employees are supported with an employee handbook and an onboarding program to help them quickly become familiar with the company's culture and operational procedures.</p> <p>◎ To maintain harmonious labor relations, the company assists employees in addressing any dissatisfaction or issues related to their work. An employee mailbox and a complaint mailbox are available for this purpose. Additionally, a designated team investigates and addresses complaints in a timely manner to fully protect employee rights.</p> <p>◎ The company continuously promotes a variety of welfare measures to comprehensively care for employees' physical, mental, and emotional well-being. These measures include:</p> <ol style="list-style-type: none"> 1. The Employee Welfare Committee actively develops and implements various welfare programs, such as travel subsidies, holiday and birthday bonuses, wedding gifts, childcare subsidies, and condolence payments. Facilities include a library, KTV singing area, fitness and rhythm area, billiards recreation area, and a coffee and snacks corner for creative thinking. A cafeteria and affiliated stores offer affordable dining and goods, and various employee social activities are organized periodically. 2. Compliance with all labor, employment, and health insurance requirements, with additional group insurance for employees to ensure job security. 3. Conducting safety and fire drills, health checks, health promotion activities, and providing free registration at designated clinics to maintain a healthy and safe working environment. 4. Recognizing that employee growth and development are crucial to the company's sustainable success, the company continuously enhances employees' professional knowledge and skills in line with talent development principles and long-term business needs. Career development plans are made with employees to improve business operations and support mutual growth. 5. Organized a company family day, which included hiking, barbecuing outdoors, renting a movie theater and outdoor pottery activities, actively creating a positive atmosphere and fostering a sense of unity, accelerating the realization of our vision of a people-oriented, happy company.

Corresponding "Important Issues"	Labor-Employment Relations and Employee Benefits, Talent Development and Education and Training
2025 Fiscal Year Goals	<ul style="list-style-type: none"> ◎ Simplify processes and utilize e-tools/AI skills to enhance the group's overall integration and effectiveness. ◎ Enhance professional and management capabilities through a series of specialized, technical, and managerial training programs, expand perspectives, and increase organizational competitiveness. ◎ Establish and revise relevant management systems, and integrate these systems and plans to enhance the group's overall effectiveness and talent development.
Invest Resources	Human Resources Department manpower.
Evaluation Mechanism	<ul style="list-style-type: none"> ◎ Number of employee complaints. ◎ Number of classes offered and completion rate. ◎ Training course satisfaction survey and activity satisfaction survey. ◎ Training course attendance rate and activity attendance rate.
Specific Performance in 2025	<ul style="list-style-type: none"> ◎ Conducted 14 training courses, with a total attendance of 545 people. ◎ Organized a large-scale corporate family day event for the entire Taiwan region, with nearly 800 employees and dependents attending.
Medium and Long Term goals	<ul style="list-style-type: none"> ◎ Short-term: Revise the internal instructor management regulations. Long-term: Have at least five permanent internal instructors. ◎ Continuously refine systems to enhance management effectiveness. ◎ Continuously expand the forward-looking vision, strategic planning, and leadership skills of mid-to-senior executives; leverage practical training exercises to improve training effectiveness. ◎ Build a professional and highly efficient operational team.

4-2-1 Human Resources Structure

YC Group's 2025 Human Resources Structure

Category	Group	Male		Female		Group Subtotals and Ratios
		859		342		
Position	Supervisor	99	76%	31	24%	130
	R&D Position	13	81%	3	19%	16
	Marketing	37	52%	34	48%	710
	Technical Positions	663	85%	118	15%	781
	Administrative/Other	47	23%	156	77%	203
	Subtotal	859	72%	342	28%	1201
Age Structure	Under 30 Years old	112	82%	24	18%	136
	30-50 Years old	584	72%	222	28%	806
	50 Years Old and Above	163	63%	96	37%	259
Employee Education	PhD	5	100%	0	0%	5
	Master	45	73%	17	27%	62
	College	312	58%	229	42%	541
	High School or Vocational School (inclusive) or Below	497	84%	96	16%	593
Employment Type	General Employees	859	72%	342	28%	1201
	Temporary Employees (Remark)	0	0%	0	0%	0
Disabilities	People With Disabilities	8	62%	5	38%	13
Nationality of Employees	Taiwanese	541	61%	348	39%	889
	Non-Taiwanese	311	100%	1	0%	312

Note: The Group's temporary employees are mainly on-site workers in the Yangmei and Changhua plants.

YC Group is Classified by Company Personnel Structure

Company	Male	Female	Total
Yem Chio	215	98	313
Achem	510	127	637
Yem Chio Distribution (Include VICTORY UNION IN)	106	91	197
Yem Chio Construction	11	2	13
Yem Chio Hotel	2	3	5
KING SUN NEW TECH CO., LTD.	16	20	36

Employee Compensation

We view our employees as the company's most important business partners and are committed to offering competitive compensation and benefits to attract and retain top talent. All employees receive salaries that exceed the statutory minimum wage and adhere strictly to gender equality, ensuring no gender-based discrepancies in basic compensation.

Yem Chio Group conducts annual salary adjustments based on market compensation surveys to continuously maintain competitive pay levels. At the same time, the company values employees' hard work and contributions and is dedicated to creating a high-quality work environment where every member can fully engage in their work and enjoy life.

Yem Chio Group 2024 Annual Statistics on New Employees and Departed Employees

Year	Classification	By Age	Male		Female		Total
			People	Rate	People	Rate	People
2024	New Employees	30	38	23.8%	15	9.4%	53
		31 ~ 50	46	28.8%	42	26.2%	88
		Over 51	12	7.5%	7	4.3%	19
	Departed Employees	30	24	10.9%	16	7.2%	40
		31 ~ 50	76	34.4%	49	22.2%	125
		Over 51	39	17.6%	17	7.7%	56

Information About Salary of Full-time Employees Who Are Not In a Managerial Position Yem Chio (Unit: Year)

Average Amount of Employee Salary (NTD '000/ person)		Median Amount of Employee Salary (NTD '000/ person)	
2024	2025	2024	2025
593	591	541	559

4-2-2 Supportive Parenting Environment and Parenting Policies

We encourage female employees to breastfeed after childbirth. Our Taipei headquarters features a dedicated breastfeeding room for female employees, which includes specialized refrigeration for breast milk and strict access controls, ensuring a private, secure, and comfortable space that safeguards privacy and safety.

Employees who have been with the company for at least six months are eligible to apply for unpaid parental leave under the "Gender Equality in Employment Act" and the "Parental Leave Policy" before their child turns three, for a maximum period of two years. Upon

completion of the parental leave, the company will facilitate their return to their original department and position.

We aim to help employees achieve a balanced approach to their physical and mental well-being, work, and family life. In compliance with current regulations, we strive to create a warmer, more harmonious, and high-quality work environment. YC Group's Taiwan Region Childcare Assistance Program took effect in July 2023. The company held four information sessions in northern, central, and southern Taiwan. As of December 31, 2025, 30 employees and 51 children have received assistance payments.

2025 Parental Leave Application Statistics

Project	2024 (Male)	2024 (Female)
Number of Employees Utilizing Parental Leave	According to the Labor Law	According to the Labor Law
Number of Applicants For Parental Leave	3	7
Number of People Who Applied For Parental Leave and Returned to Work	1	3
Retention Rate of Employees Returning to Work in the Current Year	33.3%	42.9%
Retention Rate after Returning to Work for More Than 12 Months	0%	0%
Number of Employees who Have Applied for Parental Leave and Have Been Reinstated for More Than 12 Months.	0	0

Remarks:

1.Reemployment Rate Calculation = Number of employees who actually return from parental leave in the current year / Number of employees projected to return from parental leave in the current year (2024) * 100%.

2.Retention Rate Calculation = Number of employees who continued working for one year after returning from parental leave in the previous year / Number of employees who actually returned from parental leave in the previous year * 100%.

Workplace Diversity, Gender Equality Policies, and Implementation

Yem Chio success is built on the mutual trust and respect established between employers and employees. The company fully respects the dignity of every employee, listens openly to concerns and suggestions, and embraces differing viewpoints with an open mind.

We strive to provide employees with high-quality welfare benefits, adhering to corporate ethics, fulfilling our social responsibilities, and ensuring transparency.

Yem Chio complies with the labor laws established by the Republic of China (Taiwan) and aligns with the United Nations Sustainable Development Goal 5, which aims to achieve gender equality and empower all women and girls. We also adhere to the principles of the United Nations Universal Declaration of Human Rights, the European Convention on Human Rights, the Charter of Fundamental Rights of the European Union, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Our human rights policy is designed to promote equality and fairness.

In 2025, the total number of employees across Yem Chio, Achem, Yem Chio Coustruction, Yem Chio Distribution, and Yem Chio Hotel was 1,201. The workforce composition includes 72% male and 28% female employees. Due to the nature of our manufacturing and intensive industry, there is a notable gender disparity. All senior management positions are held by nationals.

Our key principle is to create a non-discriminatory work environment and maintain high cultural standards. We do not discriminate against employees based on race, politics, faction, religion, sexual orientation, ethnicity, skin color, disability, pregnancy, political affiliation, association membership, or marital status in our recruitment and employment practices, including promotions, rewards, or training.

All management policies are in compliance with local regulations, with timely updates and adjustments as needed. We provide equal and diverse employment opportunities for individuals with disabilities. Support from senior management to departmental supervisors ensures that job roles and assistance for disabled employees are appropriately designed to create a friendly working environment. This allows disadvantaged groups to apply their skills effectively and build confidence. Additionally, to give back to the community, Yem Chio Group actively recruits local employees, contributing to local development.



4-2-3 Employee Care: Providing Comprehensive Employee Benefits

We place great importance on ensuring that our employees receive adequate care and support at Yem Chio. Through various communication channels, recognition and motivation programs, assistance and support, diverse activities, and updates on regulations, we strive to offer not only high-quality facilities but also fulfillment and engagement in both personal well-being and team interactions. Our goal is to ensure that employees work with peace of mind under the motto "Healthy and Happy Work, Blissful and Fulfilling Life." We aim to provide comprehensive employee care and support,

allowing employees to balance their hard work with health and a happy family life. In addition to legally mandated labor and health insurance, maternity benefits/parental leave, and retirement fund contributions under both the new and old labor pension systems, we offer comprehensive group insurance coverage for all employees. Yem Chio strictly adheres to and provides internal welfare policies that exceed the standards of the Labor Standards Act, ensuring the safety and well-being of employees in their work and personal lives, and allowing for timely and appropriate relaxation and rest.

Employee Benefits

- Healthy Dining Employee Cafeteria

To ensure the health of our employees' diets, our Taipei headquarters, as well as our Yangmei and Changhua factories, are equipped with employee cafeterias. These cafeterias offer a diverse range of dining options at preferential prices. To maintain a healthy eating environment, we conduct regular quarterly audits of the cafeteria's conditions and address any issues to ensure that employees can eat healthily and with confidence.

- Fitness Center

Excellent performance stems from both a positive work attitude and a healthy physique. We value not only our company's operational performance but also the physical and mental well-being of our employees. We believe that healthy employees contribute to the strong performance of Yem Chio. In our corporate family, we advocate for a healthy and active lifestyle. Our Taipei headquarters features a high-standard indoor fitness center in the

building's basement. Facilities include a pool table, treadmills, stationary bikes, weight training machines, and a recreational area. Regular fitness programs are held, including yoga classes, aerobic exercise classes, and various sports competitions. Every employee is an important partner, working together to exercise and build a healthy workplace culture at Yem Chio. In addition, family days are held annually to provide employees with opportunities for internal communication and physical fitness.



• Bonuses and Benefits

In addition to offering competitive salaries, the company provides various bonuses and allowances. Besides year-end bonuses, holiday bonuses, and gifts, we also offer birthday gifts, marriage allowances, maternity gifts, and bereavement subsidies. For retired employees, we provide retirement appreciation bonuses to thank them for their hard work and contributions to the group.

• Employee Insurance Plan

We comply with the law by providing labor insurance, national health insurance, and comprehensive group insurance for each employee. The cost of the comprehensive group insurance, which includes regular life insurance, accident insurance, severe burn insurance, injury medical limit insurance, hospitalization medical insurance, cancer medical insurance, occupational hazard insurance, and critical illness advance payment, is fully covered by the company. This plan ensures extensive protection for employees' health.

• Employee Travel Allowance

Based on length of service, we offer travel subsidies for domestic and international trips to employees.

• Commuting and Parking Benefits

To reduce commuting time, Achem Technology Corporation provides shuttle services in the Taoyuan area, addressing the challenges of commuting and enhancing employee safety. This also helps to reduce carbon emissions from personal vehicles, contributing to energy conservation and environmental protection. Employees can benefit from discounted motorcycle parking and low-cost indoor/outdoor car parking facilities. Special parking spaces are also provided for pregnant employees and those with disabilities.

• Safe and Comfortable Employee Dormitories

The group's factories provide dedicated employee dormitories, offering a comfortable and safe living environment for expatriate employees and local employees from outside the area.



• Encouraging Employee-Led Clubs

The company supports employees in forming their own leisure clubs, allowing all staff members to apply for the establishment of various types of clubs, such as aerobics, calligraphy, hiking, karaoke, and softball. An increase in club participation not only indicates that employees maintain good physical health but also enhances work performance and strengthens their sense of belonging to the company.

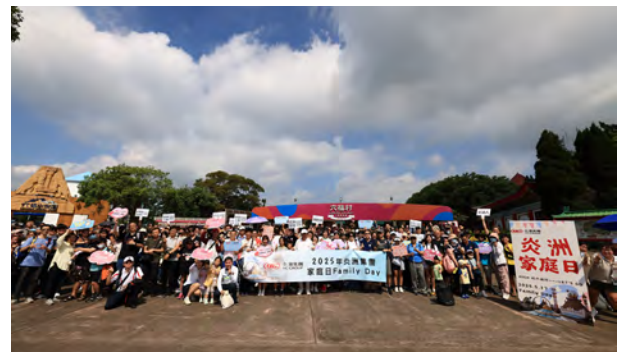
• Employee Club Activities

1. KTV Room: Our KTV room is an excellent venue for departmental gatherings and inter-departmental social events. It provides a space for singing competitions, and we have also established a Karaoke Club to allow singing enthusiasts to enjoy themselves fully.

2. Yoga classes are held at a fixed time each week after work. Professional external instructors are hired to lead employees through exercises and stretching in the B1 rhythm classroom. This enhances cardiopulmonary function and metabolism, while improving flexibility and body sculpting.

3. The Mountain Hiking Club organizes suburban hiking activities on Saturdays. This allows employees to enjoy the pleasure of embracing nature outside of work hours, sweating out toxins, and building up physical stamina for the upcoming work week.

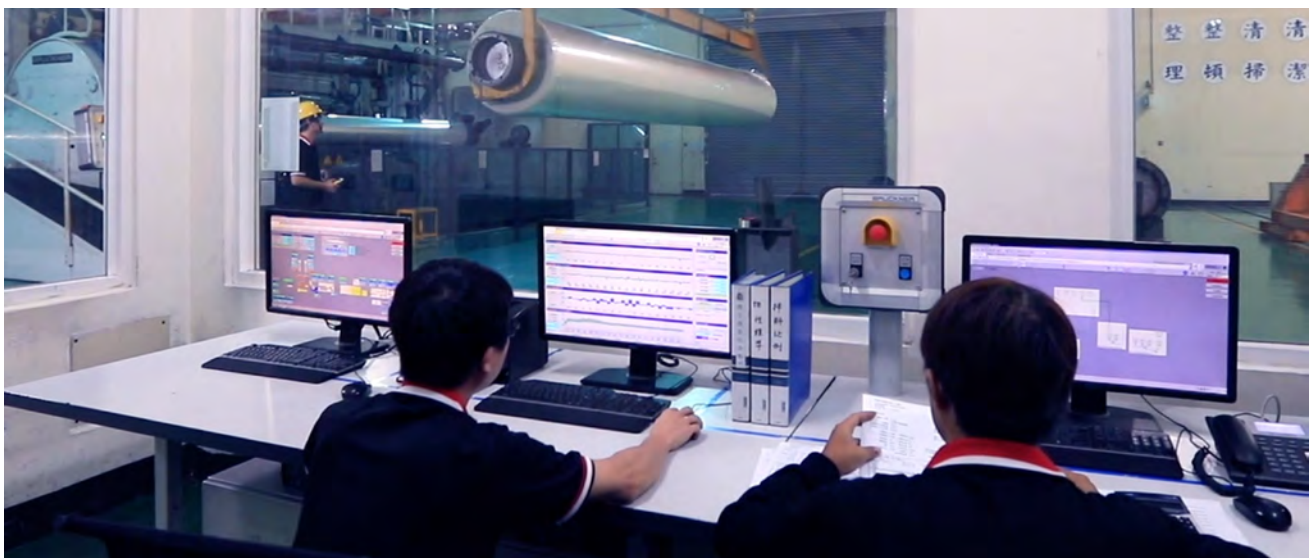
4. A large-scale nationwide Family Day event was held at Leofoo Village Theme Park on May 17, 2025. Nearly 800 people attended, promoting cross-company and cross-regional communication while boosting colleagues' cohesion and sense of belonging.



4-2-4 Talent Development and Human Resource Management

Talent is the most critical asset for any organization. In today's rapidly changing international environment and with the Group's swift expansion, talent training and development are fundamental to building corporate assets and enhancing organizational competitiveness and adaptability. At YC, we focus on employee education and balanced development, guided by our philosophy of "learning and growing together through mutual support and innovation." We offer a diverse range of development channels and excellent internal and external training resources for employees to choose from. Additionally, we collaborate with upstream and downstream partners through joint training programs, addressing the needs of both management and front-line staff to implement comprehensive talent development and skill enhancement plans. From the first day of employment, new hires are assisted by the Human Resources department to become familiar with company policies, procedures, and the work environment. In addition, our manufacturing plants utilize a mentor system to help new employees understand the entire product line process and the complete

development cycle. This approach enables new hires to quickly grasp the company's R&D processes, production procedures, and quality verification, facilitating their rapid integration into the company culture and reducing the adjustment period to maximize their potential. The 2025 Annual Training Plan has adopted a focused training approach, designing a series of courses tailored for senior management and management trainees within the Group. Emphasis has been placed on the progressive and continuous nature of the training programs, with ongoing tracking of feedback and outcomes post-training. In 2025, we have prioritized communicating with various departments within the group to identify their training needs and develop tailored courses. The goal is to enhance the alignment between training programs and departmental professional development and performance improvement. This initiative has been implemented through a manager-led training program, which has been approved and supported by department heads. We have established clear links between training activities and departmental work processes and communication channels.



Comprehensively Promote Internal Training Across the Group

Define the Required Managerial and Functional Competencies According to the Responsibilities of Each Organizational Level

Tier Layer	Capacity Development	Planning Highlights	Demand Capacity
Executive Director	<ul style="list-style-type: none"> ★ Vision ★ Concept ★ Organization ★ Decision-making ★ Delegation 	<ul style="list-style-type: none"> ★ Enhance Integration Skills for Business Environment Analysis ★ Build Consensus on Leadership in Business Strategy ★ Improve Organizational Effectiveness ★ Increase Decision-Making Quality 	<ul style="list-style-type: none"> ★ Global Vision and International Perspective ★ Strategic Planning ★ Leadership and Management ★ Decision-Making Ability ★ Organizational and Team Development ★ Business Environment Analysis Capability ★ Human Resource Development
Middle Stage Supervisor	<ul style="list-style-type: none"> ★ Plan ★ Coordination ★ Tracking control ★ Authorization 	<ul style="list-style-type: none"> ★ Enhance Management Practices to Ensure Task Completion ★ Strengthen Information Integration and Analytical Skills ★ Improve Change Management to Enhance Team Efficiency and Effectiveness 	<ul style="list-style-type: none"> ★ Leadership ★ Process Improvement ★ Goal Management ★ Meeting Management ★ Performance Evaluation ★ Communication and Coordination ★ Counseling and Coaching ★ Mentoring
Primary Supervisor	<ul style="list-style-type: none"> ★ Plan ★ Execution ★ Tracking control ★ Improvement 	<ul style="list-style-type: none"> ★ Enhance the efficiency and effectiveness of managing people and things ★ Enhance the ability to train subordinates ★ Improve work quality 	<ul style="list-style-type: none"> ★ Project management capabilities ★ Project planning ★ Problem analysis and problem solving ★ Tracking and control capabilities ★ Communication and coordination ★ Ability to assign tasks ★ Meeting management ★ Work improvement ★ Presentation ★ Interview ★ Leadership
Technical Support Staff	<ul style="list-style-type: none"> ★ Improvement ★ Communication ★ Teamwork 	<ul style="list-style-type: none"> ★ Take the initiative to complete the tasks assigned by superiors ★ Ability to work with others to complete tasks ★ Ability to manage and improve oneself 	<ul style="list-style-type: none"> ★ Problem Identification ★ Improvement ★ Team Consensus Building ★ Interpersonal Communication ★ Self-Awareness ★ Task Delegation and Reporting ★ File Management ★ Professional Competence

Goals of the Group's Internal Education and Training Program

By consolidating internal resources within the group and integrating the competitive advantages of various units within the industry, we aim to establish benchmark learning practices. Through a training-sharing mechanism, our goal is to enhance the industry and create a more competitive environment.

With YC Group as the core, and recognizing the importance of industry integration, the “Unified Training Program” will guide upstream, midstream, and downstream vendors towards “Innovation and Sharing.” This initiative aims to disseminate internal knowledge across

the industry, from internal improvements to broader industry competitiveness. The goal is to achieve mutual prosperity and growth within a well-structured training program, enabling employees to advance professionally and foster a learning environment.



▲ Group Strategy Meeting, featuring lectures by external speakers in July, 2025

Key Focus Areas for Talent Development and Corporate Management Talent Management

1. Equip managers with the ability to guide employees and discuss future development plans.
2. Provide leadership and management courses to enhance the leadership capabilities of managers and prepare future leaders.
3. Implement key talent training to continuously attract, develop, and retain the talent needed for the organization's current and future requirements.
4. Offer management development training programs to improve leadership skills among senior employees.
5. Support medium- and long-term talent development plans to achieve phased goals, enabling talent to contribute their strengths in an equitable and visionary work environment.

Strengthen Professional Exchanges Across Upstream, Midstream, and Downstream Sectors

With a mission to “Develop Professional Technical Exchange” and “Knowledge Innovation,” we aim to increase the international competitiveness of the plastic manufacturing, packaging, and construction industries. Through the Unified Training Program, management and relevant personnel from participating units will have opportunities to engage in joint learning mechanisms, share experiences, and observe each other. This will enhance industry management skills, improve relationship marketing effectiveness, and elevate the quality of operations across the supply chain.

1. Share critical technical capabilities.
2. Enhance professional skills to boost industry competitiveness.
3. Establish foundational industry knowledge.
4. Strengthen industry-specific knowledge and skills.
5. Address and resolve industry technical issues.
6. Foster ongoing willingness and capability for professional technical learning.

Professional Internal Trainer Development and Seed Trainer Team

Sustainable business operations rely on a group of professional core talents. Through lifelong learning and education, these key talents continuously develop their skills, enhancing their personal competitiveness while becoming internal coaches (trainers) who impart practical experience and elevate employee performance, thereby reducing performance gaps.

1. After receiving professional training, trainers can impart practical knowledge more comprehensively. This

facilitates easier absorption and understanding by learners, helps them break free from outdated thinking patterns, improves inter-departmental communication and coordination, and assists in creating a shared vision within the organization.

2. Successful project implementation and quality enhancement: Internal trainers can assist in advancing projects, ensuring smooth team operations.

Expected Internal Benefits and Quantitative/Qualitative Indicators

Through the talent development program for participating units, combined with employee recruitment, evaluation, competency, and career advancement within the organization, we aim to achieve a consolidated human resource education and training system, enhancing professional knowledge and technical skills.

1. Promote technological policies for the plastic manufacturing industry, fostering innovative talent in plastic manufacturing and sales.

2. Enhance Taiwan's international plastic manufacturing industry to improve overall industry competitiveness.

3. Ensure the transfer of critical technologies and the continued development of talent within the plastic manufacturing industry.

4. Develop cross-departmental knowledge and innovative capabilities.

5. Understand practical expertise across departments, transform organizational administrative processes, streamline operations, and reduce costs.

6. Foster continuous professional technical learning willingness and capability.

7. Establish foundational knowledge and concepts for international plastic manufacturing industries.

8. Enhance international competitiveness of trainees through specialized international business learning.

2025 Education and Training Implementation Data

● Annual Education and Training Hours Statistics

Category	Male			Female			Total		
	Number	Hours	Average Hours	Number	Hours	Average Hours	Number	Hours	Average Hours
Management	299	1,794	6	92	552	6	391	2,346	6
General colleagues	1,010	6,060	6	350	2,100	6	1,360	5,440	6
Subtotal	1,309	7,854	6	442	2,652	6	1,751	10,506	6

※Average Training Hours: Total training hours for the category / Number of employees in the category at the end of February of the current year.

Statistics on Training Related to Labor, Human Rights, and Ethical Business Practices

To uphold labor and human rights and ensure that employees understand their various rights, our company planned and executed multiple labor and human rights training programs in 2023. The proportion of personnel who received human rights-related training reached 100%. The course statistics are listed below:

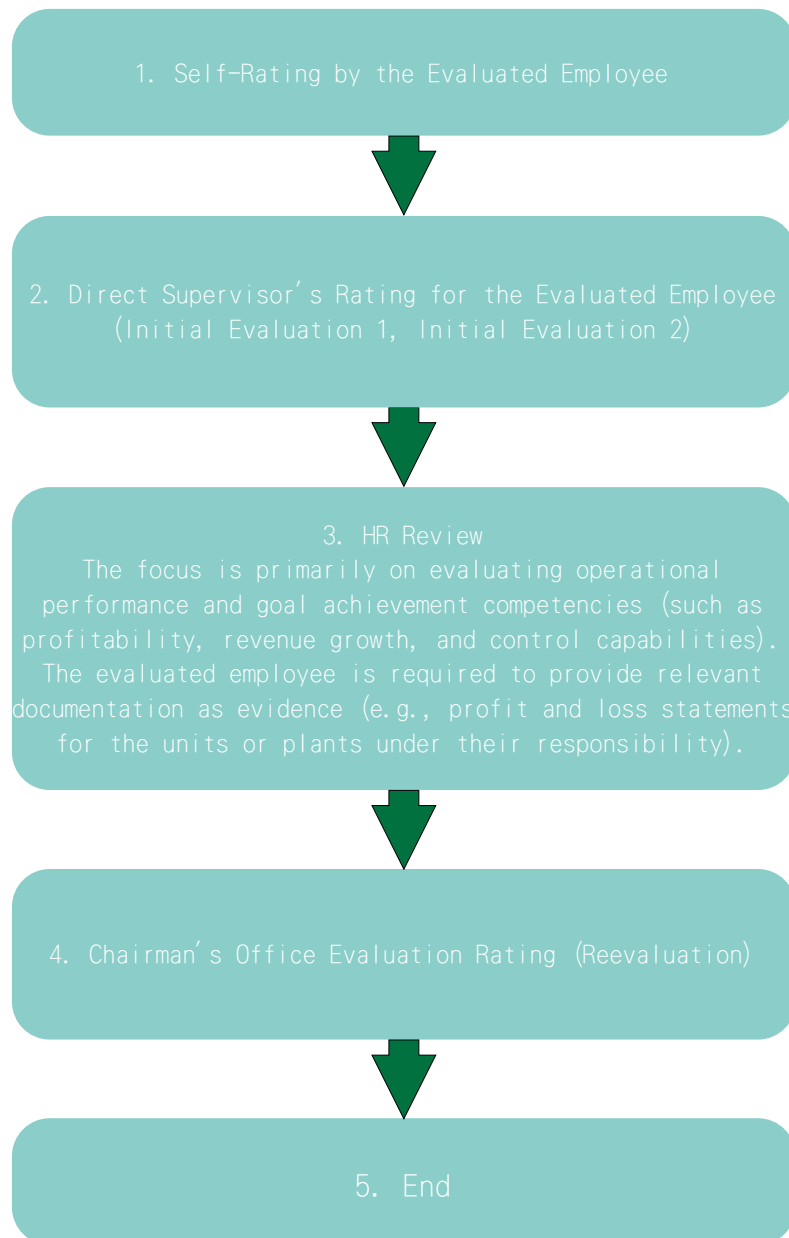
Course Title
New employees' information includes human rights education and training
New Employee Learning Guide
Integrity management and anti-corruption training
Explanation of the amendment to the Labor Law and its response

Complete Performance Evaluation System

YC integrates the company's vision and strategic goals with individual employee objectives through the goal performance management feature in its HR system. The purpose of performance evaluations is to review and improve past performance while developing future goals and performance outcomes. For

employees with suboptimal performance, we use coaching and communication to collaboratively address and improve the situation. Supervisors assist in creating improvement plans, working together to enhance employee performance and, consequently, boost overall company productivity and competitiveness.

Assessment Process



Proportion of Employees Subject to Goal Performance Evaluation, Classified by Gender and Employee Category

The results of the performance management system are integrated into the promotion and reward systems, ensuring that performance evaluations are effectively utilized in human resources management. All local employees, except for division-level managers and expatriates, are required to undergo performance evaluations after completing a three-month probationary period. In 2025, 793 employees underwent performance evaluations, representing 100% of the employees eligible for evaluation across the company.

Project	Number	Proportion
Conduct Performance Appraisal	793	100%
No Performance Appraisal	0	0%
Total	793	100%

4-2-5 Employee Communication and Care



In addition to caring about employee rights, YC also emphasizes providing proper care and attention to employees. The company offers multiple communication channels to enhance internal communication efficiency, establish positive labor-management relations, and encourage employees to submit various suggestions. While addressing complaints, we strive to meet reasonable demands and trace the root causes of issues to reduce the recurrence of similar problems, thereby increasing employees' sense of recognition and engagement with the company.

For example, communication channels include an employee communication email, a dedicated hotline, and a physical suggestion box in the cafeteria. Additionally, we use employee bulletin boards and HR systems to provide the most timely information and responses to employees, ensuring that

they have access to support and guidance. Employees are a crucial asset to the company. By enabling them to be more engaged in their work and enjoy a balanced life, we aim to provide greater care and support, thereby fostering employee loyalty and commitment.

Regular labor-management meetings are held to discuss and coordinate labor relations, promoting harmonious labor-management relationships. In the event of significant operational changes that may affect employees' job rights and changes in labor conditions, we fully comply with Article 16 of the Labor Standards Act, ensuring that the shortest notice period for terminating labor contracts is adhered to, and employees are informed promptly and thoroughly.

Employee Complaints:

While caring for our employees, Yem Chio not only strives to address the reasonable demands of complainants but also traces the root causes of issues to reduce the recurrence of similar problems. In 2025, there were no human rights-related complaints formally filed, processed, or resolved through the formal complaint mechanism. To protect employees from workplace sexual harassment, the company is committed to implementing various measures. In addition to enhancing awareness during new employee training, we also periodically post workplace protection posters explaining sexual harassment prevention, reporting channels, and case examples to ensure a friendly and safe working environment.

4-2-6 Comprehensive Employee Health Management

Employee Health Care

Providing a safe and healthy work environment is the company's responsibility, and offering high-quality medical services is part of our commitment to employee care. At the Achem Yangmei Plant, we have set up a well-equipped medical room to provide employees with extensive medical resources and diverse, professional services. This ensures that employees can work comfortably within a comprehensive healthcare environment. The medical room not only offers basic wound care and simple medical consultations but also provides a comfortable space for employees to relax and relieve stress. Employees can also interact with healthcare staff to share and receive the latest health information. The medical room is equipped with a health journal area, a healthcare bulletin board,

and facilities for wound care, blood pressure and blood sugar measurements, consultations, and rest areas.

Additionally, the company maintains a long-term collaboration with a local hospital's Family Medicine Department to provide regular on-site services. This comprehensive health management includes health consultations not only for employees but also for their family members and friends. Services include medical consultations, injury and illness prevention, assessments and recommendations for job placement and return-to-work, support for health promotion activities, assistance with health management operations and follow-up, medical referral assistance, and factory inspections for hazard identification and assessment.

Employee Assistance Programs (EAPs)

To enhance the company's focus on employee mental health and emphasize the importance of workplace mental health for both the organization and employees, since 2014, Achem Technology has partnered with the Taoyuan City Lifeline Association to develop customized employee assistance programs tailored to the company's specific needs. Through EAPs and educational workshops, the company promotes awareness of the importance of workplace mental health and well-being among employees, and encouraging employees to recognize their own mental health needs and seek assistance proactively.

In 2025, the Yangmei Plant conducted psychological counseling for 38 employees. The statistical chart of the main issues raised during employee psychological consultations is shown in Figure 1, with the primary category being "personal issues." Personal physical and mental health often intertwine with work, leading employees to experience absenteeism and leave issues due to health concerns. The secondary category is "workplace interpersonal relationships," workplace issues that arise between colleagues and between superiors and subordinates, which can lead to management issues and workplace harassment.

● "Guarding Your Health" Joint Health Promotion GO

Employee physical and mental well-being is a core focus of the company. To prioritize our colleagues' health, the company hosts a wide variety of health promotion activities to prevent diseases, enhance personal and family life quality, and boost organizational productivity. Aligning with Taoyuan City's initiatives, this year's themes included lung cancer screenings, cardiovascular prevention seminars, blood donations, intraocular pressure tests, physical fitness assessments, lung CO tests, as well as flu and Moderna vaccine inoculations. These events successfully drew enthusiastic participation, reaching a total of 2,902 attendees this year, allowing colleagues to maintain their physical and mental health while at work.

● Health Examinations for Specially Hazardous Operations

Every year, health examinations for specially hazardous operations are arranged for personnel working in special environments. In 2025, a total of 123 employees at the Yangmei Plant underwent these checkups, achieving a 100% completion rate. Health management grading was implemented based on the results: Noise-exposed Operations: 88 employees were examined. Level 2 Management: 32 employees received personalized health education guidance. Level 3 Management: 5 employees were scheduled for hospital follow-ups. After reassessment, they were reclassified into Level 2 (2 employees) and Level 4 (2 employees). All relevant individuals were scheduled for interviews with occupational physicians. Occupational physicians and safety personnel also conducted on-site risk identification

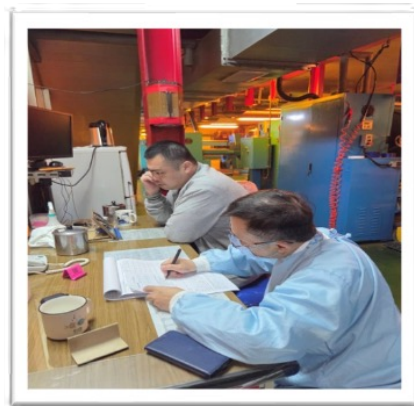
after follow-up examinations at the hospital, the re-grading results were 6 individuals in the second-level category and 7 individuals in the fourth-level category. All individuals were arranged for occupational physician visits and interviews, on-site hazard identification and assessment by occupational safety personnel, and engineering improvement recommendations related to the work environment were proposed.



▲ June 2025 Yangmei Factory Physical Fitness Assessment



▲ June 2025 Lung CO Test



▲ Physician Interviews with High-Risk Employees

and assessments. For cases linked to the work environment, engineering improvement recommendations were proposed.

● **Prevention of Musculoskeletal Disorders Induced by Repetitive Operations (Art. 6-2 of the Occupational Safety and Health Act)**

Each month, the medical room proactively tracks employees who request muscle pain relief ointments or protective gear, or who report musculoskeletal pain. By leveraging employees' proactive requests for help and medical assistance, we compile musculoskeletal survey statistics. For employees with diagnosed conditions or facing potential hazards in 2025, the company arranged on-site visits by factory physicians and safety personnel to conduct ergonomic hazard assessments and provide improvement recommendations for the work areas.

● **Prevention of Diseases Induced by Abnormal Workloads**

To address potential diseases induced by abnormal workloads—such as shift work, night shifts, and extended working hours—employers must properly plan occupational safety and health measures to ensure comprehensive employee healthcare and well-being. During the 2025 health examinations, a burnout scale assessment was conducted. The results were categorized into health management levels: Low Risk, Medium Risk (Levels 1 & 2), and High Risk (Levels 3 & 4). Statistical analysis by department and gender was conducted for employees in High Risk Levels 3 and 4 (as shown in Figure 1). For employees whose interviews were not completed in 2025, appointments with resident physicians will continue in 2026. This enables colleagues to identify their high-risk factors, receive medical

referrals, adhere to regular medication schedules early, and lower the risk of other complications.

● **Workplace Maternal Health Protection Management**

The Yangmei Plant implements maternal protection interviews for female employees during pregnancy and within one year postpartum. **First Phase:** Occupational safety personnel conduct on-site environmental hazard risk assessments and propose recommendations. **Second Phase:** Factory physicians conduct maternal health protection interviews and issue work fitness arrangement recommendation forms. If working conditions pose a hazard to maternal health, duties are temporarily adjusted to ensure that protected employees enjoy physical and mental well-being along with



▲ Migrant Worker Drug Awareness Campaign on August 4, 2025, and Emerging Drug Education and Training on December 19, 2025



▲ December 17, 2025 Educational Training on Blood Sugar Control and Liver Protection

workplace safety guarantees. (In 2025, a total of 2 employees were under maternal protection management: 1 prenatal and 1 postpartum).

● Health Management for Work Assignment and Return-to-Work

For new hires with abnormalities in their physical/health examinations, or employees with abnormalities in specially hazardous operations exams due to occupational or non-occupational injuries/illnesses, occupational nurses provide health care and follow-up tracking. Before occupationally injured workers return to their posts, the company arranges for factory/occupational physicians to conduct return-to-work interviews and workplace risk assessments. For migrant workers, brokers are requested to assist with translation. If an injury or illness leaves physical functions unrecovered, referrals for rehabilitation assessment and treatment are made as necessary to assist employees in gradually returning to their positions.

● Health Management for Middle-Aged and Senior Workers

Middle-aged and senior workers (aged ≥ 45) account for 36.8% of the workforce at the Yangmei Plant. Considering their fitness for workloads, eligible employees completed the Work Ability Self-Assessment Questionnaire for Middle-Aged and Senior Workers. The initial statistical results were classified into four management levels: Excellent (Level 1: 30 people), Good (Level 2: 76 people), Fair (Level 3: 70 people), and Weak (Level 4: 28 people), with factory physicians conducting interviews for Level 4 employees. A subsequent adjusted analysis indicated: Good (Level 2: 70 people), Fair (Level 3: 77 people),

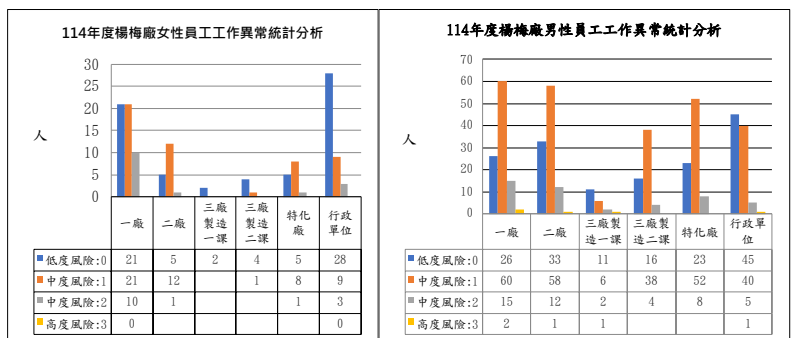
and Weak (Level 4: 16 people). Further department and gender statistical analyses were performed for Level 4 management, and these Level 4 employees were interviewed by factory physicians for follow-ups.

● Special Operation Health Examinations

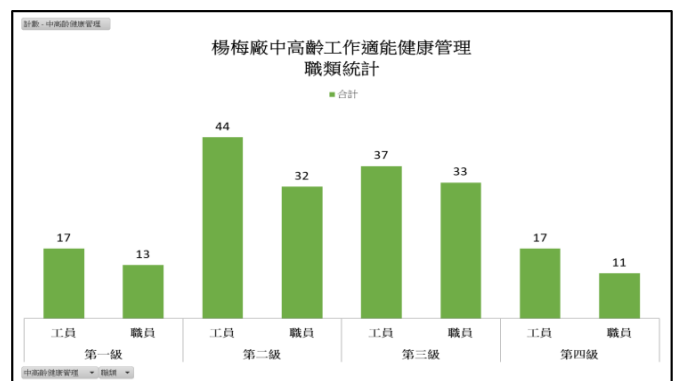
To prevent occupational diseases among workers engaged in specially hazardous operations, applications for occupational disease health examinations are submitted annually in accordance with legal regulations.

● Substance Abuse Prevention

Emerging illicit drugs change rapidly. Employees who abuse drugs for temporary euphoria risk long-term dependence and addiction. Brain damage can cause hallucinations and lethargy, making



▲ 2025 Statistical Analysis of Abnormal Workload Grading



▲ July 31, 2025 Statistical Classification of Middle-Aged and Senior Employee Management

affected employees prone to occupational accidents and interpersonal conflicts during operations. To prevent drugs from infiltrating the workplace, two training sessions on drug hazard awareness were conducted.

● **Prevention of Occupational and Related Diseases**

In response to health hazards at the Yangmei Plant's operational sites, annual analyses of abnormal health examination items are conducted based on regulatory standards. This serves as a mechanism for employee health monitoring, enabling early detection, early treatment, and the prevention of occupational and related diseases. Based on the specific characteristics of each plant, educational training sessions were

organized, such as "Controlling Sugar to Eliminate the Root of All Diseases" and "Say No to a Exhausted Liver."

● **Anti-Harassment and Unlawful Infringement Seminars**

To protect all employees from physical or mental unlawful infringements during the execution of their duties—which can lead to psychosomatic illnesses—the company organized a seminar titled "Perspectives on Workplace Violence." A clinical/counseling psychologist was specially invited to speak on issues surrounding workplace bullying.

● **Group Health Education for Rehabilitation and Care of Common Ergonomic Musculoskeletal Issues**

How to relieve tense and tight muscles.

AED Training and Number of Devices Installed



▲ To ensure that employees can effectively respond to emergencies and save lives in the event of an incident, the company has installed a total of 10 AEDs across all plant locations. These devices are regularly inspected by a company technician. We conducted 11 CPR+AED training sessions across all factories, with over 70% of employees participating in each session. We successfully renewed our "Safe Workplace" certification by the end of the year. We are committed to establishing emergency response awareness and providing skill training for employees to create a safe and secure work environment.

4-3 Social Engagement

To establish a healthy lifestyle for the general public and promote the physical and mental well-being of workers, Achem Technology has actively improved workplace environments and enhanced individual health. Since 2017, the company has consistently maintained the Healthy Workplace Certification and Health Promotion Label. The Health Promotion Label encompasses four key areas: “physical work environment,” “social and psychological work environment,” “personal health resources,” and “corporate community participation.” It also emphasizes “leadership commitment from the company/organization” and “employee participation” as core values of the program. The certification process follows eight steps: initiation, integration, needs assessment, prioritization, planning, implementation, evaluation, and improvement, continuously repeating the cycle. We hope

to assist our company in promoting health in the workplace, providing comprehensive health resources for individuals, comprehensively assessing and improving the physical and social-psychological work environment, and extending corporate social participation to employees’ families and the community, thereby fulfilling corporate social responsibility and working together to create a healthy workplace and establish a supportive work environment. This certification aims to assist the company in promoting workplace health, providing comprehensive personal health resources, and improving both the physical and social-psychological work environments. It also extends to corporate social engagement with employees’ families and the community, fulfilling corporate social responsibility, and creating a supportive and healthy work environment.

4-3-1 Industry-Academia Collaboration

1. YC "Career Experience Program"

Campus Promotion Project By allowing interns to practically plan and execute campus promotion projects, they experience organizational division of labor, project planning, marketing strategies, and event execution through hands-on learning. This provides interns with a comprehensive concept of project management processes and sharpens their meeting skills. It enables our interns to understand the competency requirements for fresh graduates from an enterprise perspective, while cultivating the right workplace attitude.

2. Product Marketing Projects

Interns have the opportunity to participate in various marketing projects aligned

with the company’s product launches and promotional activities. Through the planning and execution of product launch events and the company’s internal “Marketing Competition,” interns experience real planning workflows and execution details. Instead of merely submitting a proposal for a competition, they can work collaboratively in teams to turn their proposals into actual execution, with guidance provided by Yanzhou Group employees throughout the process.

3. Departmental Project Planning

Based on departmental needs and intern capabilities, department managers assign various projects to interns for planning and execution. This grants interns the

opportunity to participate in managing or directing an entire project, while hiring managers provide the necessary guidance to achieve departmental work goals.

4. Departmental Team Activities Upon entering the YC Group Student Program, every intern is assigned to a specific departmental team from day one. During the annual departmental team activities, interns not only deepen their friendships and find partners for mutual support at work, but also tackle different challenges through mutual care and collaboration within team-planned projects—such as operational planning and training seminar organization. Ultimately, the sense of achievement from successfully executing projects and the deep camaraderie forged among team members become unforgettable, beautiful memories for the interns.

Program Summary

Within this project plan, the company provides comprehensive competency training seminars and specialized job training, with durations available for two months, half a semester, or a full semester, through industry-academia collaborations with prestigious schools. By leveraging an experience-sharing system led by direct seniors and integrating YC's mentorship culture, young talents can fully acquire valuable knowledge and build a stronger sense of identity with the company during their internship, significantly contributing to the development of their future careers.



5-1 Comparative Table of Disclosure Items (GRI Standards 2021)

General Disclosures				
Disclosure Item	GRI Standard Category	Disclosure Content	Disclosed	Explanation / Section
General Disclosures	GRI 2-1	Organizational Details	V	1-1
General Disclosures	GRI 2-2	Entities included in the organization's sustainability reporting	V	1-1
General Disclosures	GRI 2-3	Reporting period, frequency and contact point	V	1-1
General Disclosures	GRI 2-4	Restatements of information	V	1-1
General Disclosures	GRI 2-5	External assurance	V	1-1
General Disclosures	GRI 2-6	Activities, value chain and other business relationships	V	1-1
General Disclosures	GRI 2-7	Employees	V	4-2-1
General Disclosures	GRI 2-8	Workers who are not employees	V	4-2-1
General Disclosures	GRI 2-9	Governance structure and composition	V	2-2
General Disclosures	GRI 2-10	Nomination and selection of the highest governance body	V	2-3-1
General Disclosures	GRI 2-11	Chair of the highest governance body	V	2-3-1
General Disclosures	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	V	2-3-1
General Disclosures	GRI 2-13	Delegation of responsibility for managing impacts	V	2-3-1
General Disclosures	GRI 2-14	Role of the highest governance body in sustainability reporting	V	2-3-1
General Disclosures	GRI 2-15	Conflicts of interest	V	2-3-1
General Disclosures	GRI 2-16	Communication of critical concerns	V	2-4-2
General Disclosures	GRI 2-17	Collective knowledge of the highest governance body	V	2-3-1
General Disclosures	GRI 2-18	Evaluation of the performance of the highest governance body	V	2-3-1
General Disclosures	GRI 2-19	Remuneration policies	V	2-3-3
General Disclosures	GRI 2-20	Process to determine remuneration	V	2-3-3
General Disclosures	GRI 2-21	Annual total compensation ratio	V	4-2-1
General Disclosures	GRI 2-22	Statement on sustainable development strategy	V	1-1
General Disclosures	GRI 2-23	Policy commitments	V	1-1
General Disclosures	GRI 2-24	Embedding policy commitments	V	1-1

General Disclosures				
Disclosure Item	GRI Standard	Disclosure Content	Disclosed	Explanation / Section
General Disclosures	GRI 2-25	Mechanisms for remedying negative impacts	V	2-4-7
General Disclosures	GRI 2-26	Mechanisms for seeking advice and raising concerns	V	2-4-3
General Disclosures	GRI 2-27	Compliance with laws and regulations	V	2-3-7
General Disclosures	GRI 2-28	Membership associations and participating organizations	V	2-3-6
General Disclosures	GRI 2-29	Approach to stakeholder engagement	V	2-4-3
General Disclosures	GRI 2-30	Collective bargaining agreements	V	2-4-3

Governance				
Disclosure Item	GRI Standard	Disclosure Content	Disclosed	Explanation / Section
Governance structure	GRI 2-9 / 2-12	Establishment of Audit and Risk Committee, and Remuneration Committee	V	2-3-3
Compliance	GRI 2-27	Regulatory compliance system and internal control	V	2-3-5
Procurement Practices	GRI 204-1	Supply chain management mechanism	V	3-2-2
Anti-corruption	GRI 205-2	Anti-corruption policies and training	V	4-2-4

Environment				
Disclosure Item	GRI Standard	Disclosure Content	Disclosed	Explanation / Section
Materials	GRI 301-3	Green packaging and material transformation	V	3-3
Energy	GRI 302-1 / 302-5	Regulatory compliance system and internal control / Energy efficiency improvement	V	3-3-1
Water and Effluents	GRI 303-1 / 303-2	Water resources management	V	3-1
Emissions	GRI 305-1 / 305-2	Carbon emissions management	V	3-2
Waste	GRI 306-3	Waste management	V	3-1-2
Compliance	GRI 307-1	Environmental compliance	V	3-1-4

Social				
Disclosure Item	GRI Standard	Disclosure Content	Disclosed	Explanation / Section
Occupational Health and Safety	GRI 403-1 ~ 403-7	Establishment of a comprehensive health and safety management system	V	4-1
Employment / Benefits	GRI 401-2	Provision of comprehensive benefit systems and care measures	V	4-2-3
Labor/Management Relations	GRI 402-1	Establishment of transparent communication and notice periods	V	4-2-5
Training and Education	GRI 404-1	Promotion of ESG and professional skills training	V	4-2-4
Local Communities	GRI 413-1	Active investment in public welfare and community development	V	4-3

5-2 Comparative Table of Disclosure Items (SASB Standards)

Table 1. Sustainability Disclosure Topics & Metrics

Disclosure item	SASB TOPIC	CONTENT	Disclosure or Not	Additional Notes
CODE	TOPIC	ACCOUNTING METRIC		
RT-CH-110a.1	GHG Emissions	Gross global Scope 1 emissions, percentage covered under emissionslimiting regulations	V	
RT-CH-110a.2	GHG Emissions	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	V	
RT-CH-120a.1	Air Quality	Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	V	
RT-CH-130a.1	Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self-generated energy	V	
RT-CH-140a.1	Water & Wastewater Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	V	
RT-CH-140a.2	Water & Wastewater Management	Number of incidents of non-compliance associated with water quality permits, standards and regulations	V	Not Occured
RT-CH-140a.3	Water & Wastewater Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	V	
RT-CH-150a.1	Hazardous Waste Management	(1) Amount of hazardous waste generated, (2) percentage recycled	V	
RT-CH-210a.1	Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	V	
RT-CH-320a.1	Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	V	
RT-CH-320a.2	Workforce Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	V	
RT-CH-410b.2	Safety & Environmental Stewardship of Chemicals	(1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	V	
RT-CH-410c.1	Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	V	Not Occured
RT-CH-530a.1	Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	V	
RT-CH-540a.1	Operational Safety, Emergency Preparedness & Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR) 2	V	Not Occured
RT-CH-540a.2	Operational Safety, Emergency Preparedness & Response	Number of transport incidents	V	

Table 2. Activity Metrics

Disclosure item	SASB TOPIC	CONTENT	Disclosure or Not	Additional Notes
CODE	TOPIC	ACCOUNTING METRIC		
RT-CH-000.A	Activity Metrics	Production by reportable segment	V	

5-3-1 Yem Chio Group ISO 14064-1 Greenhouse Gas Verification Report Opinion Statement

afaq Certificate

報告編號: (TH18-178 / 第 1 版)

溫室氣體查驗報告意見書

THGHG18178-00

查驗範圍: 炎洲股份有限公司
台北市內湖區行春路 397 號
[] 涵蓋其他場域範圍和附屬公司

查驗準則: ISO 14064-1:2018

查驗日期: 依據 ISO 14064-1:2018 標準, 確認上述無碳之溫室氣體聲明(溫室氣體查驗報告) 確實符合 ISO 14064-1 查驗準則之查驗要求, 並提供公正之立場及原則相關性、完整性、一致性、準確性、透明性執行查驗。

數據期間: 2024 年 01 月 01 日至 2024 年 12 月 31 日 (除稅的數據為歷史性質)

查驗結果: 直接溫室氣體排放量(類別 1): 85,966.1161 公噸 CO₂e
間接溫室氣體排放量(類別 2): 69,756.0088 公噸 CO₂e
間接溫室氣體排放量(類別 3-4): 200,903.9609 公噸 CO₂e

全球暖化潛勢值(GWP): 採用 IPCC 第 6 次評估報告, 2021 年
查驗依據: 本意見書依據下列文件作為一個整體以進行解釋說明。
溫室氣體查驗報告(版本: 1; 日期: 2025 年 10 月 03 日)
溫室氣體聲明(版本: 1; 日期: 2025 年 10 月 03 日)

查驗標準: 95% (類別 1 及類別 2)

查驗聲明: 符合查驗意見 不符合查驗意見(請見附頁) 放棄查驗

查驗結論: 確認組織提供之溫室氣體聲明之要求符合溫室氣體查驗意見, 並公正地呈現溫室氣體數據及相關資訊, 與雙方協議的查驗範圍、準則和準則一致。
意見書查驗數據之合理保證等級為類別 1 及類別 2; 有保證保證為類別 3 及類別 4。

本文件核發日期: 2025 年 12 月 12 日

APPROVED BY
Dr. August Tsai
Director for Certification
ON BEHALF OF
AFNOR ASIA

第 1 頁 / 共 6 頁
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報告編號: (TH18-178 / 第 1 版)

多場址範圍之地理位置:

廠區 / 公司	活動範圍地址
炎洲總公司	台北市內湖區行春路 397 號
炎洲通達-總公司	台北市內湖區行春路 397 號 5 樓
炎洲化學股份有限公司	台北市內湖區行春路 397 號 7 樓
炎洲開發股份有限公司	台北市內湖區行春路 397 號 7 樓
炎洲-博羅二廠	彰化縣鹿港鎮工業區二廠西六路 16 號
炎洲-博羅二廠	彰化縣鹿港鎮工業區二廠西六路 18 號
炎洲-彰濱廠	彰化縣鹿港鎮工業區東三路 12-13 號
鴻嘉斯-總公司	新竹縣竹北市嘉豐十一路一段 100 號 4 樓之 1
邑天(上海)材料科技有限公司	上海市嘉定區江橋城西路 168 號
炎洲-博羅廠	桃園市楊梅區成康里成康路二段 199 巷 15 號
炎洲-中壢所	台中市大雅區神林路 1 段 175 號
炎洲-中壢所	台南市仁德區工業路 51 號
萬州科技(成都)有限公司	四川省成都市武侯區成都港務經濟開發區騰飛三路 488 號
炎洲(越南)	廣東省佛山市城區張槎鎮林路 222 號
炎洲(海南)	江蘇省海鹽縣華豐鎮廣興路 1 號
宇波-炎洲船舶製品有限公司	寧波市北區區華山西路 201 號
東莞市德洲船舶製品有限公司	廣東省東莞市太平鎮鎮道新街 157 號
炎洲(越南)	越南胡志明市新加坡, 新加坡工業區 II-A, 第 15 路, 1 號
炎洲(美國)	美國加州聖地亞哥大道 4250 號, 郵箱 92835
炎洲(馬來西亞)	44,46 及 48, Jalan Jasa Merdeka 1, Taman D.T.Chik Karim, Batu Berendam, 75350 Melaka

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各類別排放量數據:

類別	內容說明	溫室氣體排放量 (公噸 CO ₂ e)	備註
(類別 1) 直接溫室氣體排放	固定式燃燒爐、移動式燃燒爐、製程排放、逸散性排放	85,966.1161	
(類別 2) 輸入能源之間接溫室氣體排放	電力、蒸氣	69,756.0088	所在地基準
(類別 3) 運輸之間接溫室氣體排放	原料物料運輸、產品下游運輸、員工通勤	11,394.8027	
(類別 4) 組織使用的產品之間接溫室氣體排放	購買產品、使用的服務、廢棄物處理	189,509.1582	
(類別 5) 購買組織的產品之間接溫室氣體排放	NA	NA	
(類別 6) 其他來源之間接溫室氣體排放	NA	NA	

生質燃燒排放: 0.0000 公噸 CO₂e

註: 本意見書之數據小數點取四捨五入, 故所有數據之總和與查驗結果之定義不符; 如未定義, 則依據 ISO 14064-1 查驗準則之規定, 各類別排放量之數據均取四位。

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炎洲總公司	2,3264	129,2381	52,3882	184,0027
博羅一廠	1,851,2501	5,788,1088	23,181,2750	25,820,6339
博羅二廠	2,996,6671	11,335,7214	60,204,3054	74,536,6839
彰濱廠	2,046,1174	1,737,3996	10,927,5619	14,711,0729
炎洲化學	42,145,9116	18,165,0880	103,342,7188	163,653,7184
鴻嘉斯	10,7538	22,7121	44,5280	78,0039
炎洲開發	0.0000	15,4644	9,2264	24,6908
炎洲通達-總公司	0.0000	13,4244	12,9574	26,3818
炎洲通達-邑天	1,9291	9,5307	0.6137	11,4735
彰濱廠	16,2704	27,6102	6,2601	49,1407
博羅通達廠	1,398,3985	1,442,6811	348,5428	3,189,6224
江蘇海鹽廠	24,075,8255	22,780,9127	196,2751	47,153,0133
宇波廠	68,5214	1,894,4862	35,4536	2,038,4612
東莞廠	8,924,8339	4,988,5966	2,164,5833	16,078,0138
馬來西亞廠	25,0255	20,9834	17,4868	63,5957
越南廠	2,567,9839	1,324,1350	238,9063	4,120,0252
美國廠	35,1395	59,9331	120,8281	215,9007

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其他相關聲明資訊

組織邊界設定: 營運控制制

溫室氣體類型: 二氧化碳(CO₂)、甲烷(CH₄)、氧化亞氮(N₂O)、氟氯化物(HFCs)、全氟化碳(PFCs)、六氟化硫(SF₆)、三氟化氮(NF₃)

預期使用目的: 自願性溫室氣體排放狀況報告及減量策略依據。
(本聲明書僅適用於上述預期使用目的, 不適用於其他任何目的。)

引用 2025 年 04 月 14 日國際標準之 2024 年度電力係數

名稱	來源	單位	值
中國	根據中國公共數據庫 2024 ¹⁾	g CO ₂ e / kWh	83.70
中國	中國電力局 2023 年全國電力平均排放係數 ²⁾	g CO ₂ e / kWh	83.70
中國	中國電力局 2023 年全國電力平均排放係數 ³⁾	g CO ₂ e / kWh	83.70
美國	根據 EIA 的 2023 年 12 月 31 日公共數據庫 ⁴⁾	g CO ₂ e / kWh	83.70
馬來西亞	根據馬來西亞 2023 年 12 月 31 日公共數據庫 ⁵⁾	g CO ₂ e / kWh	83.70

電力係數: 中國: 83.70 g CO₂e / kWh; 美國: 83.70 g CO₂e / kWh; 馬來西亞: 83.70 g CO₂e / kWh

國代係數: 引用 2022 年 01 月 05 日之中國產品全生命週期溫室氣體排放係數

數據來源: 組織數據來源於現場管理資訊的數據庫。
 類別 3-5 排放量計算係使用估算數據。
 其他說明:

查驗方法: 現場查驗 遠端稽核(ICT)

保留意見: 無

其他: 無

查驗作業日期: 2025 年 09 月 18, 19, 22, 23, 25, 26 日
2025 年 10 月 03 日

報告日期及版本: 2025 年 11 月 20 日, 第 01 版。

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查驗員: 吳麗宜
查驗員: 傅瓊厚
查驗員: 黃學恩
獨立審事者: 呂本茂

查驗程序
請於風險評估方法或管制系統、組織管理系統、現場稽核、現場稽核人員、現場稽核人員之文件稽核、評估稽核計畫、評估稽核計畫、確認稽核數據的真實與準確、產出與風險評估之分析, 並確認所參考的協議及是否被適當管理。

角色與職責
受查組織負責依據查驗準則規定, 負責提供與查驗相關之所有資料, 包括查驗計劃、實施及維護與查驗相關之數據管理系統、溫室氣體數據來源和維護報告等。
查驗團隊負責依據查驗準則規定, 負責提供與查驗相關之所有資料, 包括查驗計劃、實施及維護與查驗相關之數據管理系統、溫室氣體數據來源和維護報告等。

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5-3-2 ISO14001, 50001 Certification



▲ YC's ISO 14001 certification, valid from Aug. 2023.

▲ Achem's ISO14001 certification, valid from Dec. 2023.



▲ YC's ISO 50001 certification, valid from Jan. 2023.

▲ Achem's ISO 50001 certification, valid from Jan. 2023.





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