

Stock Code: 1305

China General Plastics Corporation

Annual Report of 2025

Website of the Annual Report:

CGPC website: <https://www.cgpc.com.tw>

M.O.P.S.: <https://mops.twse.com.tw>

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Title: Director, Sales & Marketing Div.
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Acting spokesperson of the Company:

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II. Address and telephone numbers of the head office and plant:

Name	Location	Tel
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Toufen	No. 571, Minzu Road, Toufen City,	(037)623-391(Representative line)
Main Plant	Miaoli County, 351, Taiwan (R.O.C.)	

III. Name, address, website and telephone number of the institution handling stock transfer:

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Address: 6F, No. 17, Lane 120, Sec. 1, Neihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)
USI Group website: <https://www.usig.com/USIGStockHome.aspx>
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IV. Certified Public Accountant for the annual financial statements of the most recent year:

Names of CPAs: Chang, Cheng-Hsiu and Liu, Yi-Ching
Name of CPA firm: Deloitte Taiwan
Address: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei City 110, Taiwan (R.O.C.)
Website: <https://www2.deloitte.com/tw/tc.html>
Tel: (02)2725-9988

V. Name of the exchange where overseas marketable securities are listed for trading and the means of inquire for such securities: None.

VI. Company website: <https://www.cgpc.com.tw>



China General Plastics Corporation

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I. Letter to Shareholders

Dear Shareholders,

Thank you for your support to the Company over the years. The business report is provided here for your reference.

1. Business Report of 2025

In 2025, the Company's consolidated net sales totaled NT\$9.221 billion, achieving 77% of the annual budget and representing a decrease of NT\$1.866 billion compared to the same period last year. The combined operating loss amounted to NT\$1.26 billion, reflecting a decline of NT\$417 million compared to the same period last year. The consolidated net loss after tax was NT\$982 million, representing a decline of NT\$231 million compared to the same period last year. The portion of the consolidated net loss attributable to the Company's shareholders was NT\$919 million, a decline of NT\$210 million compared to the same period last year.

In terms of raw materials:

Ethylene: In 2025, geopolitical tensions and the effects of increased OPEC+ production led to fluctuating declines in crude oil/naphtha prices throughout the year. Moreover, China's massive capacity expansion, along with the overflow of excess capacity and the rise of trade barriers, has led to weak global demand for petrochemicals and downstream plastic derivatives. This has resulted in reduced profit margins for ethylene producers in Northeast Asia, facing losses. Asian cracking plants are initiating feedstock structure modifications and scaling down production to cope with the changes.

EDC: In the first half of the year, chlor-alkali plants operated stably, while high ethylene prices supported the EDC market in Asia. Following the U.S. initiation of a tariff war and delays in Indian PVC policy, the downstream PVC demand weakened, and the influx of overseas supplies into Asia caused EDC prices to rapidly decline, reaching their lowest level since 2008. The profit margins for alkali plants have generally narrowed, prompting production adjustments and tightening supply. However, with weak end-user demand, EDC fluctuated slightly within the break-even range.

In terms of products:

PVC/VCM: The prolonged downturn in China's real estate market has led to a decline in China's domestic trade demand for PVC. Along with the significant introduction of new production capacity, the supply-demand balance is severely disrupted. Surplus production was exported at competitive prices, with annual export volumes exceeding 3.82 million metric tons, which depressed the global PVC market and compressed PVC profit margins. Upstream VCM manufacturers were forced to extend maintenance periods or reduce operating rates in response; however, they still struggled to prevent the market from declining. Following the year-end cancellation of ADD/BIS in India, PVC prices further declined, and VCM prices fell to a five-year low. The Company's annual PVC production capacity is 238,000 metric tons. After deducting internal usage, external sales amounted to 233,000 metric tons, reflecting decreases of 16% compared to 2024 and 23% compared to the budget projections. The key subsidiary, TVCM, recorded an annual VCM production of 290,000 metric tons. After deducting the quantity used for the production of PVC resin, external sales amounted to 50,000 metric tons, representing an increase of 85% compared to 2024 and 100% compared to the budget projections.

Chlor-alkali: The imposition of additional tariffs in North America has impacted the operating rates of traditional industries, with only the electronics and semiconductor sectors sustaining demand. Moreover, competition from low-priced Chinese products has eroded domestic market share, suppressing liquid caustic soda pricing. The Company's annual production is 64,000 dry metric tons, with sales of 58,000 dry metric tons, reflecting decreases of 1% compared to 2024 and 3% compared to budget projections.

Processed Product: Construction products have been affected by domestic labor shortages in private construction, rising costs of raw materials, and the central bank's mortgage credit control policies, leading to a decline in housing market sales, project launches, and construction starts. The Company's annual production of this type of product is 14,000 metric tons, with sales also at 14,000 metric tons, reflecting decreases of 12% compared to 2024 and 24% compared to budget projections. Sheet/Film products were impacted by unclear North American tariffs, low-priced competition from China, and fire damage in the fourth quarter of 2024, with annual production of sheet/film reaching 11,000 metric tons and sales at 11,000 metric tons — a decrease of 34% compared to 2024 but an increase of 4% compared to budget projections. Leather products were also affected by the increased North American tariffs, leading to early



stockpiling in the market and a sharp decline in demand in the fourth quarter. The Company's annual leather production was 4.39 million yards, with sales of 4.66 million yards, reflecting decreases of 5% compared to 2024 and 16% compared to budget projections.

2. Outline of 2026 Business Plan

In terms of raw materials:

Ethylene: In 2026, global petrochemical growth is expected to be slow. Although Northeast Asia and Europe are reducing capacity, new production capacities in China and Southeast Asia are continuously coming online in the second half of the year, making it difficult to alleviate the imbalance in supply and demand. With the intensification of the conflict involving the U.S., Israel, and Iran in the Middle East, the closure of the Strait of Hormuz has triggered a disruption in Asia's energy and crude/light oil supply. This is expected to cause significant volume and price volatility in the first half of the year, affecting the supply and demand balance in the downstream petrochemical and plastics industries.

EDC: With the outbreak of the conflict involving the U.S., Israel, and Iran in the Middle East, the increase in light oil and energy costs led to ethylene and PVC plants reducing their loads, and chlor-alkali plants lowering their operating rates. Chlorine supply was constrained, EDC production tightened, and the EDC market surged rapidly.

In terms of PVC products: China's economy is still facing multiple pressures, and it is expected to stimulate domestic demand through proactive policies, implement anti-involution policies (cancel export tax rebates), and eliminate outdated PVC production capacity, which will help improve the operating environment for PVC. Although the Middle East conflict disrupts PVC trade flows, demand in emerging markets such as India, Southeast Asia, Africa, and Central and South America is expected to grow. The Company emphasizes the production and sales of PVC products: PVC resin production and sales plans for PVC and VCM are flexibly adjusted according to market changes, with profitability improvement as the guiding principle. At the same time, the upgrade of polymerization tanks is expected to be completed and enter trial runs, which will not only facilitate smooth mass production but also expand the production technology and sales of special products. Sales of PVC film and leather products actively engage in the development of new products to enhance added value, achieve differentiation, and diversify the market. Strategic ESG

new products include environmentally friendly materials, ISO 14021/PCR low-carbon building materials, and ISO 14021/PIR low-carbon PVC film products, demonstrating tangible operating results.

After two years of excess petrochemical capacity in China, global petrochemical prices have become disordered. Europe and Asia are facing weak demand and low-price competition pressures, forcing plant closures or reduced production. Despite the significant impact of China's petrochemical overcapacity, CGPC remains steadfast in its belief of advancing aggressively in favorable times and maintaining stability in challenging times. The Company continues to push forward organizational transformation and structural improvement, advance projects to replace outdated and energy-intensive equipment, and integrate AI and smart technologies to optimize production processes, improve energy efficiency and strengthen overall management effectiveness. In terms of energy conservation and carbon reduction, CGPC promotes ESG compliance and strengthen corporate resilience. In response to climate change, production lines will accelerate the adoption of environmentally friendly processes, reduction measures, and recycling initiatives. In 2026, China is expected to continue addressing excess capacity and disorderly pricing, while the impact of U.S. tariffs on downstream manufacturing is expected to gradually diminish. Demand for PVC in emerging markets is expected to recover, with clearer signs of a bottoming-out trend. The management team will adhere to the principles of integrity, care, discipline, and innovation in business operations, implementing workplace safety, environmental protection, and carbon reduction processes, strengthening corporate governance, and fulfilling social responsibilities, with a steadfast commitment to the goal of sustainable corporate operations.

Chairman: Wu, Yi-Gui

President: Hu, Chi-Hong

Chapter II. Corporate Governance Report

I. Information of Directors, Supervisors, General Managers, Deputy General Managers, Senior Managers, and Heads of Departments and Branches

(I) Board of Directors members

1. Information of Board of Directors members

2026/03/28 Unit: shares

Title (Note 1)	Nationality or Registered Address	Name	Gender Age (Note 2)	Date of Election (Appointment)	Term of Office	Date of Initial Election (Note 3)	Number of shares held at the time of election		Number of shares currently held		Shares currently held by spouse and minor children		Holding shares in the name of others			Main Experience (Education) (Note 4)	Currently holding positions at the Company and Others	Other supervisors, directors, or supervisors with a spouse or a relative within the second degree of kinship			Note
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name			Title (Note 1)	relationship		
Chairman and CEO	Republic of China (R.O.C.)	Union Polymer Int'l Investment Corp. Representative: Wu, Yi-Gui	Male 71~75 years old	2025.5.27	3 years	2001.6.12	145,079,236	24.97%	145,079,236	24.97%	-	-	-	-	Chairman of USI Corporation	(Note 6)	No		Note 5		
						1997.2.27	-	-	-	-	-	-	-								
Director and General Manager	Republic of China (R.O.C.)	Union Polymer Int'l Investment Corp. Representative: Hu, Chi-Hong	Male 66~70 years old	2025.5.27	3 years	2001.6.12	145,079,236	24.97%	145,079,236	24.97%	-	-	-	-	Department of Business Administration, Fu Jen Catholic University, Experience (Note 7)	(Note 8)	No				
						2025.5.27	-	-	-	-	-	-	-								
Director	Republic of China (R.O.C.)	Asia Polymer Corporation Representative: Wu, Pei-Ji	Male 56~60 years old	2025.5.27	3 years	2022.5.30	46,886,185	8.07%	46,886,185	8.07%	-	-	-	-	Experience (Note 9)	(Note 10)	No				
						2022.9.23	-	-	-	-	-	-	-								
Director	Republic of China (R.O.C.)	Representative of Asia Polymer Corporation: Tung, Han-Lin	Male 56~60 years old	2025.5.27	3 years	2022.5.30	46,886,185	8.07%	46,886,185	8.07%	-	-	-	-	Ph.D. in Chemical Engineering from National Tsing Hua University, Experience (Note 11)	(Note 12)	No				
						2025.5.27	-	-	-	-	-	-	-								



Title (Note 1)	Nationality or Registered Address	Name	Gender Age (Note 2)	Date of Election (Appointment)	Term of Office	Date of Initial Election (Note 3)	Number of shares held at the time of election		Number of shares currently held		Shares currently held by spouse and minor children		Holding shares in the name of others		Main Experience (Education) (Note 4)	Currently holding positions at the Company and Others	Other supervisors, directors, or supervisors with a spouse or a relative within the second degree of kinship		Note
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Name	Title (Note 1)	
Director	Republic of China (R.O.C.)	USIFE Investment Co., Ltd. Representative: Wu, Hung-To	Male 41~45 years old	2025.5.27	3 years	2022.5.30	550,722	0.09%	550,722	0.09%	-	-	-	-	Graduated from Global Tech Institute in the USA and Central Maine College in the USA, Lazy Wu Co., Ltd. President and CEO.	(Note 13)	No		
						2019.6.21	-	-	-	-	-	-	-						
Independent Director	Republic of China (R.O.C.)	Li, Zu-De	Male 76~80 years old	2025.5.27	3 years	2016.6.13	-	-	-	-	-	-	-	Bachelor's degree in Dentistry from Taipei Medical College, Experience (Note 14)	(Note 15)	No			
Independent Director	Republic of China (R.O.C.)	Hsu, Chen-I	Male 56~60 years old	2025.5.27	3 years	2022.5.30	-	-	-	-	-	-	-	Master's degree in Business Administration from the Swiss Business School, Experience (Note 16)	(Note 17)	No			
Independent Director	Republic of China (R.O.C.)	Chang, Chen-Ming	Female 66~70 years old	2025.5.27	3 years	2024.5.28	-	-	-	-	-	-	-	Department of Design, Hong Kong Polytechnic University, Experience (Note 18)	(Note 19)	No			
Independent Director	Republic of China (R.O.C.)	Wang, Ding-Chang	Male 71~75 years old	2025.5.27	3 years	2025.5.27	-	-	-	-	-	-	-	Ph.D. in Materials Science and Engineering from National Taiwan University, Experience (Note 20)	(Note 21)	No			

Note 1: Corporate shareholders should separately list the name of the corporate shareholder and the representative (for corporate shareholder representatives, the name of the corporate shareholder should be indicated), and fill out Table 1.

Note 2: Please list the actual age, and it can be expressed in a range, such as 41~50 years old or 51~60 years old.

Note 3: Fill in the date when first appointed as a company director or supervisor. If there is any interruption, a note should be provided.

Note 4: Relevant experience related to the current position, including the title and duties if employed at the audit-certified accounting firm or its affiliated enterprises during the aforementioned period.

Note 5: If the company's Chairman and President or equivalent position (the highest managerial officer) are the same person or if they are spouses or first-degree relatives, the reasons, rationality, necessity, and response measures (such as increasing the number of independent directors, with more than half of the directors not concurrently serving as employees or managerial officers, etc.) should be explained:

The Chairman of the company also serves as the CEO, considering overall operational efficiency, leveraging the Chairman's outstanding management vision to actively participate in company operations, implement strategic decisions, and enhance operational effectiveness.

Currently, more than half of the company's directors do not concurrently serve as employees or managerial officers. The company is audited by a large accounting firm and has established an Audit Committee, a Compensation Committee, and an ESG Committee to enhance corporate governance and continually reduce operational risks through stringent internal control mechanisms.

Note 6: Chairman: USI, APC, TTC, Acme Electronics Corporation, UPIIC, USI Optronics Corporation, Swanson Plastics Corporation, Swanson Advancement, Chong Loong Trading Co., Ltd., USI Investment Co., Ltd., CGPC Polymer Corporation, Asia Polymer Investment Corporation, Taiwan United Venture Capital Corporation, USI Management Consulting Corporation, Taiwan United Venture Management Corporation, Acme (Cayman), USI Education Foundation, and Fujian Gulei Petrochemical

Director: Taiwan VCM Corporation, USI (Hong Kong), Swanlake, USI International, Acme Components (Malaysia), Forever Young, Swanson (Singapore), Swanson (Malaysia), Swanson International, Swanson (India), Swanson Plastics Corporation (Kunshan), Golden Amber, Acme Electronics Corporation (Kunshan), Acme Electronics Corporation (Guangzhou), Taita (BVI), APC (BVI), CGPC (BVI), CGPC America, AS Holdings (UK), ASK-Swanson, Acme Ferrite, Swanson Plastics Corporation (Tianjin), Ever Conquest Global, Ever Victory Global, Dynamic Ever Investments, PT. Swanson Plastics Indonesia, USI Green Energy, Zhangzhou USI, Yutao Investment, Dasheng Ventures, Dasheng Yiyi Ventures, CTCI Group, Acme Advanced Materials and USI (Xiamen), Swanson (Kun Shan)

General Manager: UPIIC, USI Management Consulting Corporation, Dynamic Ever Investments Ltd. and Ever Victory Global Ltd.

Chief Executive Officer: USI, APC, CGPC, TTC, Acme Electronics Corporation and USI Optronics Corporation

Executive Director: Chinese National Federation of Industries

Note 7: Director: Taiwan Plastics Industry Association

Supervisor: Taiwan Responsible Care Association (TRCA) in the chemical industry

Note 8: Chairman: Continental General Plastics (ZhongShan) Co., Ltd

Director: TVCM, CGTD, CGPCPOL, USIF, CGPC (BVI), CGPC America

President: CGPCPOL, CGPC America Corporation

Note 9: President: Asia-Pacific Thermosetting Materials Business of Dow Chemical Company

Director: Greater China Basic Plastics Sales Department of Dow Chemical Company

Sales Engineer: ESSO Taiwan Branch

Note 10: Chairman: USI Green Energy, Taita Chemical Company Limited (Zhong Shan), Taita Chemical Company Limited (Tianjin), CGPCPOL (Shanghai), Zhangzhou Taita, CIS (Xiamen), and Zhangzhou USI

Director: Dynamic Ever Investments, Ever Victory Global, Ever Conquest Global, Taita (BVI), APC (BVI), USI International, Golden Amber Enterprises, Swanlake, USI, Taita, APC, CGTD, USI Investment, APC Investment, Chong Loong, Swanson Plastics Corporation, Swanson Advancement, USI Education Foundation, Taiwan United Venture Capital Corporation, UPIIC, USI Management Consulting Corporation, Acme Electronics Corporation (Kunshan), Fujian Gulei Petrochemical, USI Optronics Corporation, USI (Hong Kong), Swanson Advancement (Kunshan)

General Manager: USI, Taita, APC, Chong Loong Trading Co., Ltd., CGPCPOL (Shanghai)

Note 11: Director and President: 3M Taiwan Subsidiary

Chief Officer: 3M Taiwan, Singapore, Southeast Asia Regional CTO, Greater China R&D

Senior Technical Specialist: 3M Headquarters Central Research Laboratory

Director: American Chamber of Commerce in Taiwan

Note 12: Chairman: Swanson Advancement (Kunshan), Swanson (Kunshan), Swanson (Tianjin), Ask-Swanson (Kunshan)



Director: Swanson, Swanson Advancement, Zuoyi Technology, Swanson (Malaysia), Swanson (Singapore), Swanson (India), PT. Swanson Plastics Indonesia, A.S. Holdings (UK), Swanson International

President: Shun Chang, Shun Chang Advanced, Swanson Advancement (Kunshan), Shun Chang (Kunshan), Shun Chang (Tianjin), Shun An Coating (Kunshan), Swanson (Malaysia), Swanson (Singapore), Swanson (India), PT. Swanson Plastics Indonesia

Note 13: Chairman: Lazy Wu Co., Ltd.

Note 14: Chairman: Taipei Medical University, Beijing Midea Starbucks Coffee, Shandong Kexing Bioproducts

Director: Beijing Yansha Department Store

Independent Director: Singapore Hsu Fu Chi International Group

President: H&Q Asia Pacific (China) and Hong Kong China Dynamic Growth Fund Management

Committee Member for Setting Performance Goals of the Industrial Technology Research Institute

Note 15: Vice Chairman: Diamond BioTech

Director: Taipei Medical University, Sinovant Sciences, Zhong Tian (Shanghai) Biotechnology, Heize Technology

Note 16: Chairman: TTFB, ZHE TAI CO., LTD., TTFB Social Welfare Charity Foundation

Note 17: Chairman: TTFB company limited, Ch'eng Shih Investment

Independent Director: Yageo

Note 18: Director: Head of the Department of Commercial Design at Chung Yuan Christian University and the Graduate Institute

Vice Dean: Resources of the College of Design at Chung Yuan Christian University

CEO: United Advertising Group

Chairman: United Advertising, Uniplan, Unimass, Darlun

President and Executive Director: United Communication Group

Director: ICRT, CTBC Business School Education Foundation

Note 19: Director: Central News Agency

Independent Director: Prince Construction & Development Co., Ltd.

Note 20: CEO: RITdisplay

Vice President: Swanson

Note 21: CEO: RiteTek Technology, RITdisplay

Director: RITdisplay, Ritwin, Welltech Energy, Ritfast, AimCHIP

Independent Director: Acme

2.The principal shareholders of the corporate shareholder

2026.3.28

Name of the corporate shareholder (Note 1)	The principal shareholders of the corporate shareholder (Note 2)	Shareholding ratio
Union Polymer Int'l Investment Corp.	USI Corporation	100.00%
USIFE Investment Co., Ltd.	USI Corporation	100.00%
Asia Polymer Corporation	Union Polymer Int'l Investment Corp.	36.08%
	Tai Lien International Investment Co., Ltd.	2.41%
	Global Life Insurance Co., Ltd.	1.37%
	China General Terminal & Distribution Corporation	0.89%
	First Insurance Co., Ltd.	0.88%
	Chen, Chien-Hung	0.66%
	JPMorgan Chase Bank, N.A., Taipei Branch is entrusted with the custody of the Advanced Total International Stock Index Fund Investment Account of the Series Fund of Advanced StarLight Fund Company.	0.62%
	JPMorgan Chase Bank, N.A., Taipei Branch is entrusted with the custody of the Vanguard Emerging Markets Stock Index Fund Investment Account managed by Vanguard Group, Inc.	0.51%
	Qiu Zhougang	0.36%
	Xue Shuhan	0.36%

Note 1:If directors or supervisors are representatives of corporate shareholders, the name of the corporate shareholder should be filled in.

Note 2:Fill in the name of the principal shareholders of the corporate shareholder (whose shareholding ratio ranks among the top ten) and their shareholding ratio. If the principal shareholders are legal entities, the table below should be filled out.

Note 3:If the corporate shareholder is not an organizer company, the shareholder name and shareholding ratio to be disclosed shall be the name and contribution or donation ratio of the investor or donor (can be referenced from the Judicial Yuan announcement). If the donor is deceased, "deceased" should be noted.

3.The principal shareholders of the principal shareholders if they are legal entities

2026.3.28

Name of the corporate shareholder (Note 1)	The principal shareholders of the corporate shareholder (Note 2)	Shareholding ratio
USI Corporation	Shingley Property (Hong Kong) Co., Ltd.	14.62%
	Fubon Securities Co., Ltd. is entrusted with the custody of the investment account of Hao Qi Li Co., Ltd.	9.25%
	Asia Polymer Corporation	8.53%
	Fubon Life Insurance Co., Ltd.	4.49%
	Taisun Investment Co., Ltd.	2.04%
	Lin, Hua-Xin	1.75%
	Yuexinghua Investment Co., Ltd.	1.73%
	Yu Wenxuan	1.41%
	Yu Wentzong	1.41%
	Yu Wenyu	1.41%
Tai Lien International Investment Co., Ltd.	Lian Cheng Chemical Technology Co., Ltd.	100.00%
Global Life Insurance Co., Ltd.	Zhong Wei De Hui Co., Ltd.	100.00%
China General Terminal & Distribution Corporation	China General Plastics Corporation	33.33%
	Asia Polymer Corporation	33.33%
	TAITA Chemical Co., Ltd.	33.33%
First Insurance Co., Ltd.	Jian Cheng Development Co., Ltd.	6.24%
	Da Feng Construction Engineering Co., Ltd.	5.25%
	Shengqing Investment Co., Ltd.	4.00%
	Cai Cheng Enterprises Co., Ltd.	3.80%
	Baoshan Construction Co., Ltd.	3.31%
	Jian Yi Industrial Co., Ltd.	2.45%
	Yi Zhi Co., Ltd.	1.64%
	Cai Rui Enterprises Co., Ltd.	1.49%
	Li Yang Hsiu-Juan	1.24%
Jian Ji Co., Ltd.	1.17%	

Note 1:If, as in Table 2, the principal shareholders are legal entities, the name of the legal entity should be filled in.

Note 2:Fill in the name of the principal shareholders of the corporation (whose shareholding ratio ranks among the top ten) and their shareholding ratio.

Note 3:If the corporate shareholder is not an organizer company, the shareholder name and shareholding ratio to be disclosed shall be the name and contribution or donation ratio of the investor or donor (can be referenced from the Judicial Yuan announcement). If the donor is deceased, "deceased" should be noted.

Note 4:Tables 2 and 3 contain information from the most recent share transfer suspension period.

4. Information of Directors

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

Name	Professional qualifications and experience (Note 1)	Independence Status (Note 2)	Number of Publicly Issued Companies Also Serving as an Independent Director
Wu, Yi-Gui	<p>(1) Currently serving as the Chairman and CEO of USI Corporation and multiple affiliated enterprises, with expertise in corporate operations management and direct supervisory experience over financial and accounting supervisors.</p> <p>(2) There are no circumstances described in Article 30 of the Company Act.</p>	Not applicable.	Not applicable.
Hu, Chi-Hong	<p>(1) Currently serving as the President of the Company, with direct supervisory experience over financial and accounting supervisors, and expertise in cross-disciplinary integration.</p> <p>(2) There are no circumstances described in Article 30 of the Company Act.</p>		
Wu, Pei-Ji	<p>(1) Currently serving as the President of USI Corporation, TAITA Chemical Co., Ltd., and Asia Polymer Corporation, with direct supervisory experience over financial and accounting supervisors.</p> <p>(2) There are no circumstances described in Article 30 of the Company Act.</p>		

Name	Professional qualifications and experience (Note 1)	Independence Status (Note 2)	Number of Publicly Issued Companies Also Serving as an Independent Director
Tung, Han-Lin	<p>(1)Currently serving as the President of Swanson Plastics Corporation and Shun Chang Advanced Technology Corporation, with direct supervisory experience over financial and accounting supervisors, and expertise in cross-disciplinary integration.</p> <p>(2)There are no circumstances described in Article 30 of the Company Act.</p>		
Wu, Hung-Tung	<p>(1)Currently the Chairman of Lazy Wu Co., Ltd., with expertise in corporate operations management.</p> <p>(2)There are no circumstances described in Article 30 of the Company Act.</p>		
Li, Zu-De	<p>(1)Formerly served as the Chairman of Taipei Medical University, currently the Vice Chairman of Diamond BioTech Investment Co., Ltd., with expertise in corporate operations management.</p> <p>(2)There are no circumstances described in Article 30 of the Company Act.</p>	There have been no circumstances as described in Article 3, Paragraph 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters" in the two years prior to election and during the term of service.	0
Hsu, Chen-I	<p>(1)Currently the Chairman of Thai Town Cuisine Co., Ltd., with expertise in corporate operations management.</p> <p>(2)There are no circumstances described in Article 30 of the Company Act.</p>		1

Conditions Name	Professional qualifications and experience (Note 1)	Independence Status (Note 2)	Number of Publicly Issued Companies Also Serving as an Independent Director
Chang, Chen-Ming	(1) Formerly served as the CEO of United Advertising Group and Chairman of Lian Guang, Lian Zhong, Lian Tai, and Da Lian, with expertise in corporate operations management. (2) There are no circumstances described in Article 30 of the Company Act.	Chang, Chen-Ming is the spouse of the Independent Director Chen, Sheng-Teh of USI Corporation, the parent company of our company. According to Article 3, Paragraph 2 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters," and based on the assessment in Paragraph 4 of the same article, our Company and USI Corporation do not have the "specific company" relationship as defined in the regulations (which would negate independence if present). Therefore, Independent Directors of our Company and USI Corporation may concurrently serve in each other's boards. In addition, after inquiring with the competent authority (the Securities and Futures Bureau) regarding the legality of the Independent Director's spouse under this clause, the response indicated that Independent Director Chen, Sheng-Teh himself may concurrently serve as an Independent Director of our company, and hence his spouse, Chang, Chen-Ming, may also serve as an Independent Director of our company, thereby excluding the application of this clause's qualification restrictions.	1

Name	Professional qualifications and experience (Note 1)	Independence Status (Note 2)	Number of Publicly Issued Companies Also Serving as an Independent Director
Wang, Ding-Chang	<p>(1)Currently serving as a Director and CEO of multiple companies under RITEK Group, with expertise in corporate operations management and direct supervisory experience over financial and accounting supervisors.</p> <p>(2)There are no circumstances described in Article 30 of the Company Act.</p>	<p>(1)Mr. Wang, Ding-Chang is currently an Independent Director of Yue-Feng Electronic Materials Co., Ltd. ("Yue-Feng"). Since our company and Yue-Feng are subsidiaries of the same parent company, USI Corporation ("USI"), according to Article 3, Paragraph 2 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters," Independent Directors may serve concurrent roles, and Article 3, Paragraph 1, Item 2, Item 5 to Item 7 do not apply.</p> <p>(2)After evaluation, our Company and Yue-Feng do not have the "specific company" relationship as defined in Article 3, Paragraph 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters" (which would negate independence if present), and there are no other circumstances as listed in Article 3, Paragraph 2, Item 8.</p>	1

Note 1: Professional Qualifications and Experience: State the professional qualifications and experience of individual directors and supervisors. If they are members of the Audit Committee with accounting or financial expertise, their accounting or financial background and work experience should be described. Additionally, note whether there are no circumstances described in Article 30 of the Company Act.

Note 2: Independent Directors should state their compliance with independence criteria, including but not limited to whether they, their spouses, or relatives within the second degree of kinship serve as directors, supervisors, or employees of the company or its affiliated enterprises; the number and percentage of company shares held by them, their spouses, or relatives within the second degree of kinship (or using the names of other persons); whether they serve as directors, supervisors, or employees of a company with a specific relationship with the company (referring to the provisions of Article 3, Paragraph 1, Items 5-8 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters"); and the amount of remuneration received from providing commercial, legal, financial, accounting, or other services to the company or its affiliated enterprises in the last two years.

(2) Board of Directors Diversification and Independence:

(2-1) Board of Directors Diversification:

According to Article 20 of our Company's "Corporate Governance Code," the composition of the Board of Directors members should consider diversity and possess the necessary knowledge, skills, and qualities to execute their duties. To achieve the ideal goals of corporate governance, the overall capabilities that the Board of Directors should possess are as follows:

- Operational judgment ability.
- Accounting and financial analysis capabilities.
- Business management ability.
- Crisis management capability.
- Industry knowledge.
- International market perspective.
- Leadership ability.
- Decision-making ability.

In addition to the aforementioned eight capabilities, considering the increasing global emphasis on corporate governance and environmental protection issues, it is expected that the diversity of the Board of Directors members will include expertise in "law" and "environmental protection." The current members all possess the necessary knowledge, skills, and qualities required to execute their duties, and each has expertise in areas such as accounting and finance, international markets, law, and environmental protection.

Currently, the Company's Board of Directors has one female Director, which has not reached one-third of the total seats. The main reason is that due to the nature of the industry, females with extensive industry experience are relatively scarce, making it difficult to achieve the standard of one-third of the Board seats in the short term. In the future, the Company will add female Director seats that meet the standards as required by law and regulations. Additionally, when selecting Director candidates, the Company will consider suitable talents from various fields to achieve the goal of Board diversity. In response to the growing global emphasis on corporate sustainability trends, the company plans to add Directors with expertise in relevant fields to enhance the company's sustainable competitiveness, thereby further improving the functionality of the Board of Directors.

(2-2) Board of Directors Independence:

Independent Director Li, Zu-De has consecutively served three terms of office for our company. Mr. Li, Zu-De has extensive practical experience and expertise in the fields of finance and corporate management, greatly benefiting the company's financial planning and risk control. Although he has been reappointed for three terms as an Independent Director of CGPC, he is able to provide constructive suggestions with professional and independent judgment in both the functional committees and the Board of Directors.

All members of our company's Board of Directors are of local nationality, with the composition consisting of 4 Independent Directors making up 44% and 2 Directors with employee status making up 22%. The age distribution of the board members includes 1 director under the age of 50, 3 directors aged 51-60, 2 directors aged 61-70, and 3 directors aged 71-80. There are no instances of spousal or within second-degree kinship relationships among the directors of the company.

(II) Information of General Managers, Deputy General Managers, Senior Managers, and Heads of Departments and Branches

2026.3.28 Unit: shares

Title (Note 1)	Nationality or Registered Address	Name	Gender	Date of Election (Appointment)	Shares held		Shares currently held by spouse and minor children		Holding shares in the name of others		Main Experience (Education) (Note 2)	Currently holding positions at other companies	Managers with a spouse or a relative within the second degree of kinship			Note
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title (Note 1)	relationship	Name	
CEO	Republic of China (R.O.C.)	Wu, Yi-Gui	Male	2009.09.01	0	0%	—	—	0	0%	Chairman of USI Corporation	(Note 4)	No		Note 3	
General Manager	Republic of China (R.O.C.)	Hu, Chi-Hong	Male	2024.04.01	0	0%	0	0%	0	0%	Department of Business Administration, Fu Jen Catholic University,	(Note 5)	No		Note 6	
Deputy General Manager and Plant Manager	Republic of China (R.O.C.)	Chen, Wan-Ta	Male	2025.05.05	0	0%	0	0%	0	0%	Department of Chemistry, Fu Jen Catholic University	No	No			
Supervisor of Corporate Governance	Republic of China (R.O.C.)	Chen, Yung-Chih	Male	2019.05.09	0	0%	0	0%	0	0%	Ph.D. in Law from Ludwig Maximilian University of Munich, Experience (Note 6)	(Note 7)	No			
Title: Director, Sales & Marketing Division	Republic of China (R.O.C.)	Wu, Chien-Hsin	Male	2025.01.01	33,000	0%	2,487	0%	0	0%	Department of Journalism, Shih Hsin University	No	No			
Assistant to the President Office	Republic of China (R.O.C.)	Tsai, Pei-Hong	Male	2025.05.05	0	0%	0	0%	0	0%	Department of Chemical Engineering, Tatung University	No	No			



Title (Note 1)	Nationality or Registered Address	Name	Gender	Date of Election (Appointment)	Shares held		Shares currently held by spouse and minor children		Holding shares in the name of others		Main Experience (Education) (Note 2)	Currently holding positions at other companies	Managers with a spouse or a relative within the second degree of kinship		Note
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			relationship	Title (Note 1)	
Manager and Special Assistant of the Leather Manufacturing Department	Republic of China (R.O.C.)	Chiang.G.J	Male	2025.01.01	0	0%	0	0%	0	0%	Department of Marine Engineering, National Taiwan Ocean University	No	No	No	
Manager of the Accounting Division	Republic of China (R.O.C.)	Jun-Feng Li	Male	2024.07.01	0	0%	0	0%	0	0%	Master's in Accounting from Suffolk University, USA	Manager of the Accounting Division: CGPC Polymer Corporation	No	No	
Chief of the Finance Department	Republic of China (R.O.C.)	Wu, Hui-Hsueh	Female	2022.03.09	0	0%	0	0%	0	0%	Master's in Advanced Business Management from National Taiwan Normal University	No	No	No	

Note 1: It should include information of General Managers, Deputy General Managers, Senior Managers, and Heads of Departments and Branches, and any position equivalent to General Managers, Deputy General Managers, or Senior Managers, regardless of title, should also be disclosed.

Note 2: Relevant experience related to the current position, including the title and duties if employed at the audit-certified accounting firm or its affiliated enterprises during the aforementioned period.

Note 3: If the President or equivalent position (the highest managerial officer) and the Chairman are the same person, or if they are spouses or first-degree relatives, the reasons, rationality, necessity, and response measures (such as increasing the number of independent directors, with more than half of the directors not concurrently serving as employees or managerial officers, etc.) should be disclosed:

The Chairman of the company also serves as the CEO, considering overall operational efficiency, leveraging the Chairman's outstanding management vision to actively participate in company operations, implement strategic decisions, and enhance operational effectiveness.

Currently, more than half of the company's directors do not concurrently serve as employees or managerial officers. The company is audited by a large accounting firm and has established an Audit Committee, a Compensation Committee, and an ESG Committee to enhance corporate governance and continually reduce operational risks through stringent internal control mechanisms.

Note 4: Chairman: USI, APC, TTC, Acme Electronics Corporation, UPIIC, USI Optronics Corporation, Swanson Plastics Corporation, Swanson Advancement, Chong Loong Trading Co., Ltd., USI Investment Co., Ltd., CGPC Polymer Corporation, Asia Polymer Investment Corporation, Taiwan United Venture

Capital Corporation, USI Management Consulting Corporation, Taiwan United Venture Management Corporation, Acme (Cayman), USI Education Foundation, and Fujian Gulei Petrochemical

Director: Taiwan VCM Corporation, USI (Hong Kong), Swanlake, USI International, Acme Components (Malaysia), Forever Young, Swanson (Singapore), Swanson (Malaysia), Swanson International, Swanson (India), Swanson Plastics Corporation (Kunshan), Golden Amber, Acme Electronics Corporation (Kunshan), Acme Electronics Corporation (Guangzhou), Taita (BVI), APC (BVI), CGPC (BVI), CGPC America, AS Holdings (UK), ASK-Swanson, Acme Ferrite, Swanson Plastics Corporation (Tianjin), Ever Conquest Global, Ever Victory Global, Dynamic Ever Investments, PT. Swanson Plastics Indonesia, USI Green Energy, Zhangzhou USI, Yutao Investment, Dasheng Ventures, Dasheng Yiyi Ventures, CTCI Group, Acme Advanced Materials and USI (Xiamen), Swanson (Kun Shan)

General Manager: UPIIC, USI Management Consulting Corporation, Dynamic Ever Investments Ltd. and Ever Victory Global Ltd.

Chief Executive Officer: USI, APC, CGPC, TTC, Acme Electronics Corporation and USI Optronics Corporation

Executive Director: Chinese National Federation of Industries

Note 5: Chairman: Continental General Plastics (ZhongShan) Co., Ltd

Director: TVCM, CGTD, CGPCPOL, USIF, CGPC (BVI), CGPC America

President: CGPC, CGPC America Corporation

Note 6: Winkler Partners Attorney and Arbitrator, Chinese Arbitration Association

Note 7: Directors: CGTD, Continental General Plastics (Zhong Shan) Co., Ltd., Swanson Plastics Corporation (Kun Shan), Swanson Plastics Corporation (Guangzhou), Taita Chemical Company Limited (Zhong Shan), Taita Chemical Company Limited (Tianjin), Taita Chemical Company Limited (Zhang hzhou), Zhangzhou USI

Supervisor: UPIIC, Zhang hzhou USI, Chong Loong Trading Co., Ltd., USI Green Energy, USI Optronics Corporation, Swanson Plastics Corporation, Swanson Plastics Corporation (Kunshan), Swanson Plastics Corporation (Tianjin), ASK-Swanson (Kunshan), USI Investment Co., Ltd., Asia Polymer Investment Corporation, Taiwan United Venture Capital Corporation, Taiwan United Venture Management Corporation, GGTC, TVCM, CEREBRA TECHNOLOGIES CO., LTD., and Fiducia Edge Technologies Co., Ltd.

Corporate Governance Officer: USI, APC, TTC, and Acme

II. Remuneration paid to Directors, Independent Directors, Supervisors, General Manager, and Deputy General Manager during the most recent fiscal year

I. If the company exhibits any of the following circumstances, the name and remuneration of its directors or supervisors should be individually disclosed. For others, the company may choose either to disclose names in aggregate according to rank, or to individually disclose names and remuneration (for individual disclosure, please provide the title, name, and amount for each, without the need to complete the remuneration band table):

(I) If there has been a loss after tax in the individual or separate financial reports for the last three years, the name and remuneration of "Directors and Supervisors" should be individually disclosed. However, this does not apply if the most recent year's individual or separate financial report shows a net profit after tax sufficient to offset the accumulated losses. [Note 1]



- (II) If the shareholding ratio of Directors has been insufficient for more than three consecutive months during the most recent fiscal year, the individual remuneration of Directors should be disclosed; if the shareholding ratio of Supervisors has been insufficient for more than three consecutive months during the most recent fiscal year, the individual remuneration of Supervisors should be disclosed. [Note 2]
- (III) If the average pledge ratio of Directors or Supervisors exceeds 50% for any three months during the most recent fiscal year, the remuneration of individual Directors or Supervisors with a pledge ratio exceeding 50% in each of those months should be disclosed. [Note 3]
- (IV) If the remuneration received by all Directors and Supervisors from all companies listed in the financial report exceeds two percent of the net profit after tax, and if the remuneration received by an individual Director or Supervisor exceeds NT\$15 million, the remuneration of that individual Director or Supervisor should be disclosed. (Note: The aforementioned remuneration for directors and supervisors is calculated by adding the "Director Remuneration" and "Supervisor Remuneration" items in the attached table, excluding relevant remuneration received in their capacity as employees.)
- (V) In the most recent year, if a listed company's corporate governance evaluation results fall within the last two levels, or if during the most recent year up to the date of printing of the annual report, the company underwent a change in trading method, suspension of trading, delisting, or other reasons deemed by the corporate governance evaluation committee as ineligible for evaluation. [Note 4]
- (VI) The average annual salary of full-time employees not holding supervisory positions in listed companies during the most recent Year is less than NT\$500,000. [Note 5]
- (VII) The net profit after tax of listed companies in the most recent Year increased by more than 10%, but the average annual salary of full-time employees not holding supervisory positions did not increase compared to the previous Year. [Note 6]
- (VIII) The after-tax profit and loss of listed companies in the most recent Year declined by more than 10% and over NT\$5 million, and the average remuneration per Director (excluding remuneration for concurrently serving as an employee) increased by more than 10% and over NT\$100,000. [Note 7]

II. If a listed company exhibits any of the circumstances mentioned in the preceding items (I) or (V), the remuneration information of the top five highest-paid supervisors (such as the President, Vice President, CEO, or financial supervisor and other managerial officers) should be individually disclosed.

[Note 1] For example, taking the 2020 Shareholders' Meeting compiled with the 2019 Year annual report as an example, if the individual or separate financial reports for any Year from 2017 to 2019 show a loss after tax, individual disclosure should be adopted. However, if the individual or separate financial reports for 2017 and/or 2018 show a loss after tax, but the 2019 individual or separate financial report shows a net profit after tax sufficient to offset the accumulated losses, individual disclosure is not required.

[Note 2] For example, taking the 2010 Shareholders' Meeting compiled with the 2009 Year annual report as an example, if there is a situation during January 2009 to December 2009 where the shareholding ratio of directors or supervisors is insufficient for more than three consecutive months, individual disclosure should be adopted respectively. Additionally, if in January 2009, there is a situation where the shareholding ratio of directors or

supervisors is insufficient for more than three consecutive months (i.e., November 2008, December 2008, and January 2009), individual disclosure should also be adopted respectively.

[Note 3]For example, taking the 2010 Shareholders' Meeting compiled with the 2009 Year annual report as an example, assuming during the 2009 Year, in any three months such as February, May, and August 2009, the average pledge ratio of all Directors in each of these months exceeds 50%, the remuneration of individual Directors with a pledge ratio exceeding 50% in February, May, and August 2009 should be disclosed. Additionally, if Supervisors have an average pledge ratio exceeding 50% in any three months, the remuneration of individual Supervisors with a pledge ratio exceeding 50% in each of those months should be disclosed.

※The average monthly pledge ratio of all Directors: the number of pledged shares of all Directors / total shareholdings of all Directors (including shares under trust with reserved decision-making rights); the average monthly pledge ratio of all Supervisors: the number of pledged shares of all Supervisors / total shareholdings of all Supervisors (including shares under trust with reserved decision-making rights).

[Note 4]For example, taking the 2024 Shareholders' Meeting compiled with the 2023 Year annual report as an example, since the corporate governance evaluation results are usually announced after April each Year, if the corporate governance evaluation results for the most recent Year (i.e., 2023) have not yet been announced at the time of printing the annual report for listed companies' Shareholders' meetings, they may first refer to the most recent corporate governance evaluation results available (e.g., for the Year 2022). Once the evaluation results for the most recent Year are announced, if they fall within the last two levels of corporate governance evaluation and the remuneration was originally disclosed using the aggregated level with name disclosure approach, the annual report should be corrected and uploaded to the Market Observation Post System to ensure complete information disclosure.

[Note 5]For example, taking the 2022 Shareholders' Meeting compiled with the 2021 Year annual report as an example, if listed companies prepare the Shareholders' meeting annual report after the most recent Year (i.e., 2021), as it is possible to fully collect the average annual salary data of full-time employees not holding supervisory positions for the most recent Year (2021), it should be evaluated using the most recent Year (2021) data to determine if it is less than NT\$500,000, thus requiring the disclosure of the remuneration of individual Directors and Supervisors for the most recent Year.

[Note 6]For example, taking the 2024 Shareholders' Meeting compiled with the 2023 Year annual report as an example, if the after-tax net profit of listed companies in the 2023 financial report increased by more than 10% compared to 2022 (this calculation should also apply if the company was at a loss in 2022 and profitable in 2023), but the average annual salary of full-time employees not holding supervisory positions did not increase compared to 2022, the remuneration of individual directors should be disclosed. Net profit after tax refers to the net profit after tax in the individual or separate financial reports of the most recent Year. Regarding the definition and calculation method of full-time employees and their salaries, the reporting of "salary information of full-time employees not holding supervisory positions" should be conducted in accordance with the guidelines provided by the Taiwan Stock Exchange Corporation for the information declaration of listed securities companies and offshore fund institutions listed as foreign index stock exchange-traded funds, and the guidelines provided by the Taipei Exchange, Republic of China (R.O.C.) for the information declaration of OTC trading securities companies.

[Note 7] For example, taking the 2024 Shareholders' Meeting compiled with the 2023 Year annual report as an example, if the after-tax profit and loss of listed companies in the 2023 financial report declined by more than 10% compared to 2022, and the amount exceeds NT\$5 million (this applies regardless of whether the company was at a net profit or loss after tax), and at the same time, the average remuneration per Director (excluding remuneration for concurrently serving as an employee) increased by more than 10% and over NT\$100,000, the remuneration of individual Directors should be disclosed. After-tax profit and loss refers to the after-tax profit and loss in the individual or separate financial reports of the most recent Year.

(I) Remuneration distribution for each Director, Independent Director, Supervisor, General Manager, and Deputy General Manager, employee compensation, and managerial allocation:

1. Remuneration of Directors and Independent Directors (individual disclosure of names and remuneration)

Unit: NT\$ thousand

Title (Note 1)	Name (Note 1)	Director Remuneration								The total amounts of A, B, C, and D and their respective percentages of net income after tax (%) (Note 10)		Relevant remuneration received in their capacity as employees.								The total amounts of A, B, C, D, E, F, and G and their respective percentages of net income after tax (%) (Note 10)		Receive remuneration from reinvestment businesses other than subsidiaries or from the parent company. (Note 11)
		Remuneration (A) (Note 2)		Retirement Pension (B)		Director Remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Salaries, bonuses, and special allowances, etc. (E) (Note 5)		Retirement Pension (F)		Employee Remuneration (G) (Note 6)						
		The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies (Note 7) in the financial report.	
Chairman	Wu, Yi-Gui Representative of Union Polymer Int'l Investment Corp.	0	0	0	0	0	0	24	32	24 / (0.003)	32 / (0.004)	4,251	4,251	0	0	0	0	0	0	4,275 / (0.465)	4,283 / (0.466)	13,571
Director	Hu, Chi-Hong Representative of Union Polymer Int'l Investment Corp.	0	0	0	0	0	0	12	20	12 / (0.001)	20 / (0.002)	4,363	5,454	108	108	0	0	0	0	4,483 / (0.488)	5,582 / (0.607)	6
Director	Wu, Pei-Ji Representative of Asia Polymer Corporation: Tung, Han-Lin	0	0	0	0	0	0	24	24	24 / (0.003)	24 / (0.003)	0	0	0	0	0	0	0	0	24 / (0.003)	24 / (0.003)	5,941



Title (Note 1)	Name (Note 1)	Director Remuneration								The total amounts of A, B, C, and D and their respective percentages of net income after tax (%) (Note 10)		Relevant remuneration received in their capacity as employees.						The total amounts of A, B, C, D, E, F, and G and their respective percentages of net income after tax (%) (Note 10)		Receive remuneration from reinvestment businesses other than subsidiaries or from the parent company. (Note 11)		
		Remuneration (A) (Note 2)		Retirement Pension (B)		Director Remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Salaries, bonuses, and special allowances, etc. (E) (Note 5)		Retirement Pension (F)		Employee Remuneration (G) (Note 6)						
		The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	Cash amount	Stock amount	Cash amount	Stock amount		The Company	All companies (Note 7) in the financial report.
Director	Tung, Han-Lin Representative of Asia Polymer Corporation: Tung, Han-Lin	0	0	0	0	0	0	12	12	12 / (0.001)	12 / (0.001)	0	0	0	0	0	0	0	0	12 / (0.001)	12 / (0.001)	0
Director	Lin, Han-Fu Representative of Union Polymer Int'l Investment Corp.	1,750	4,989	0	54	0	0	12	20	1,762 / (0.192)	5,063 / (0.551)	0	0	0	0	0	0	0	0	1,762 / (0.192)	5,063 / (0.551)	2
Director	Liu, Han-Tai Representative of Asia Polymer Corporation: Tung, Han-Lin	0	0	0	0	0	0	12	20	12 / (0.001)	20 / (0.002)	0	0	0	0	0	0	0	0	12 / (0.001)	20 / (0.002)	10,897
Director	Wu, Hung-To Representative of USIFE Investment Co., Ltd.	1,000	1,000	0	0	0	0	148	148	1,148 / (0.125)	1,148 / (0.125)	0	0	0	0	0	0	0	0	1,148 / (0.125)	1,148 / (0.125)	0
Independent Director	Li, Zu-De	1,200	1,200	0	0	0	0	172	172	1,372 / (0.149)	1,372 / (0.149)	0	0	0	0	0	0	0	0	1,372 / (0.149)	1,372 / (0.149)	0
Independent Director	Hsu, Chen-I	1,200	1,200	0	0	0	0	168	168	1,368 / (0.149)	1,368 / (0.149)	0	0	0	0	0	0	0	0	1,368 / (0.149)	1,368 / (0.149)	0
Independent Director	Chang, Chen-Ming	1,200	1,200	0	0	0	0	168	168	1,368 / (0.149)	1,368 / (0.149)	0	0	0	0	0	0	0	0	1,368 / (0.149)	1,368 / (0.149)	0

Title (Note 1)	Name (Note 1)	Director Remuneration								The total amounts of A, B, C, and D and their respective percentages of net income after tax (%) (Note 10)		Relevant remuneration received in their capacity as employees.						The total amounts of A, B, C, D, E, F, and G and their respective percentages of net income after tax (%) (Note 10)		Receive remuneration from reinvestment businesses other than subsidiaries or from the parent company. (Note 11)		
		Remuneration (A) (Note 2)		Retirement Pension (B)		Director Remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Salaries, bonuses, and special allowances, etc. (E) (Note 5)		Retirement Pension (F)		Employee Remuneration (G) (Note 6)						
		The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	The Company	All companies (Note 7) in the financial report.	Cash amount	Stock amount	Cash amount	Stock amount		The Company	All companies (Note 7) in the financial report.
Independent Director	Wang, Ding-Chang	0	0	0	0	0	0	94	94	94 / (0.010)	94 / (0.010)	0	0	0	0	0	0	0	0	94 / (0.010)	94 / (0.010)	974
Independent Director	Zheng, Ying-Bin	1,200	1,200	0	0	0	0	74	74	1,274 / (0.139)	1,274 / (0.139)	0	0	0	0	0	0	0	0	1,274 / (0.139)	1,274 / (0.139)	0

Note:

1. Please describe the Independent Director remuneration payment policies, systems, standards, and structure, and explain the correlation between the remuneration amount and the responsibilities, risks, and time commitment involved.

The Independent Director remuneration is determined according to the company's Articles of Incorporation, remuneration policies, and regulations. It is tailored based on the Independent Director's level of participation and contribution to the company's operations, benchmarked against the industry median. This remuneration plan is implemented after obtaining consent from the Compensation Committee and approval from the Board of Directors. Apart from receiving fixed compensation each year, no other remuneration is received.

2. In addition to the disclosure in the above table, for the most recent Year, there is no such situation where the company's directors receive remuneration for providing services (such as serving as consultants not classified as employees for the parent company/all companies in the financial report/reinvestment businesses).

Please list separately the relevant information of Directors (general Directors who are not Independent Directors) and Independent Directors.

Note 1: The names of the directors should be listed separately (corporate shareholders should separately list the name of the corporate shareholder and the representative) and separately list Directors and Independent Directors, disclosing the amount of each payment in aggregate. If a Director concurrently serves as the President or Vice President, this table and the table below should be filled out.

Note 2: Refers to the remuneration of Directors during the most recent Year (including Directors' salaries, job allowances, severance pay, various bonuses, incentives, etc.).

Note 3: Fill in the Amount of Director Remuneration allocated during the most recent Year as approved by the Board of Directors.

Note 4: Refers to the related Business execution expenses for Directors during the most recent Year (including travel expenses, special allowances, various stipends, dormitories, provision of vehicles, etc.). When providing housing, vehicles, and other means of transportation or personal expenses, the nature and cost of the assets provided, the rent computed on an actual basis or at a fair market price, fuel expenses, and other benefits should be disclosed. Additionally, if a driver is provided, please note the relevant remuneration paid by the company to the driver, but do not include it in the remuneration.



Note 5: Refers to the remuneration received by Directors concurrently serving as employees (including those concurrently serving as President, Deputy General Manager, other managerial personnel, and employees) during the most recent Year, which includes salaries, job allowances, severance pay, various bonuses, incentives, travel expenses, special allowances, various stipends, dormitories, provision of vehicles, etc. When providing housing, vehicles, and other means of transportation or personal expenses, the nature and cost of the assets provided, the rent computed on an actual basis or at a fair market price, fuel expenses, and other benefits should be disclosed. Additionally, if a driver is provided, please note the relevant remuneration paid by the company to the driver, but do not include it in the remuneration. The annual remuneration for two drivers totaled NT\$1,218 thousand; there are two official vehicles with an acquisition cost of NT\$4,911 thousand and a book value of NT\$1,706 thousand at the end of 2025, with fuel costs amounting to NT\$54 thousand. In addition, salary expenses recognized according to IFRS 2 "Share-based Payment," including obtaining employee stock options, issuance of restricted stock awards, and participating in cash capital increase subscription of shares, should also be included in remuneration: None.

Note 6: Refers to the Directors concurrently serving as employees (including those concurrently serving as President, Deputy General Manager, other managerial personnel, and employees) who received employee remuneration (including stocks and cash) during the most recent Year. The amount of employee remuneration allocated during the most recent Year as approved by the Board of Directors should be disclosed. If the estimation is not possible, this Year's proposed allocation Amount shall be calculated based on the proportion of last Year's actual allocation, and Appendix 1-3 should be filled out separately.

Note 7: The total amount of remuneration paid to the Directors of The Company by all companies included in the consolidated financial statements (including The Company) should be disclosed.

Note 8: The total amount of remuneration paid by The Company to each Director, with the Director's name disclosed in the applicable rank: Not applicable.

Note 9: The total amount of remuneration paid by all companies included in the consolidated report (including The Company) to each Director of The Company, with the Director's name disclosed in the applicable rank: Not applicable.

Note 10: Net profit after tax refers to the net profit after tax in the individual or separate financial reports of the most recent Year. For those adopting International Financial Reporting Standards, net profit after tax refers to the net profit after tax in the individual or separate financial reports of the most recent Year.

Note 11: a. The amount of remuneration received by the company's directors from reinvestment businesses other than subsidiaries or from the parent company should be explicitly listed in this section (if none, please fill in "No").

b. If the company's directors receive remuneration from reinvestment businesses other than subsidiaries or from the parent company, the remuneration received by the directors from such reinvestment businesses or the parent company should be included in Column I of the remuneration band table, and the column name should be changed to "Parent Company and All Reinvestment Businesses."

c. Remuneration refers to the compensation, salaries (including employee, director, and supervisor salaries), and business execution expenses, etc., received by the Company's directors in their roles as directors, supervisors, or managers in reinvestment businesses other than subsidiaries or the parent company.

* The remuneration disclosed in this table differs from the concept of income in the Income Tax Act, thus its purpose is for informational disclosure and not for taxation.

2. Remuneration for Supervisors: Not applicable.

3. Remuneration of the President and Deputy General Manager (individual disclosure of names and remuneration)

Unit: NT\$ thousand

Title (Note 1)	Name (Note 1)	Salary (A) (Note 2)		Retirement Pension (B)		Bonuses and special allowances, etc. (C) (Note 3)		Employee Remuneration Amount (D) (Note 4)				The total amounts of A, B, C, and D and their respective percentages of net income after tax (%) (Note 8)		Receive remuneration from reinvestment businesses other than subsidiaries or from the parent company (Note 9)
		The Company	All companies (Note 5) in the financial report.	The Company	All companies (Note 5) in the financial report.	The Company	All companies (Note 5) in the financial report.	The Company		All companies (Note 5) in the financial report.		The Company	All companies in the financial report.	
								Cash amount	Stock amount	Cash amount	Stock amount			
CEO	Wu, Yi-Gui	3,839	3,839	0	0	412	412	0	0	0	0	4,251 / (0.463)	4,251 / (0.463)	13,571
General Manager	Hu, Chi-Hong	2,738	3,423	108	108	1,625	2,031	0	0	0	0	4,471 / (0.487)	5,562 / (0.605)	6

*Regardless of title, any position equivalent to the President or Vice President (e.g., President, CEO, Director, etc.) should be disclosed.

Note 1: The names of the President and Deputy General Manager should be listed separately, with each payment disclosed in aggregate.

Note 2: Fill in the salaries, job allowances, and severance pay for the President and Deputy General Manager during the most recent Year.

Note 3: Fill in the Amounts for various bonuses, incentives, travel expenses, special allowances, various stipends, dormitories, provision of vehicles, and other rewards provided in kind to the President and Deputy General Manager during the most recent Year. When providing housing, vehicles, and other means of transportation or personal expenses, the nature and cost of the assets provided, the rent computed on an actual basis or at a fair market price, fuel expenses, and other benefits should be disclosed. Additionally, if a driver is provided, please note the relevant remuneration paid by the company to the driver, but do not include it in the remuneration. The annual remuneration for drivers totaled NT\$900 thousand; there is an official vehicle with an acquisition cost of NT\$2,326 thousand and a book value of NT\$1,706 thousand at the end of 2025, with fuel costs amounting to NT\$37 thousand. In addition, salary expenses recognized according to IFRS 2 "Share-based Payment," including obtaining employee stock options, issuance of restricted stock awards, and participating in cash capital increase subscription of shares, should also be included in remuneration: None.

Note 4: Fill in the amount of employee remuneration (including stocks and cash) allocated to the President and Deputy General Manager during the most recent year as approved by the Board of Directors. If the estimation is not possible, this year's proposed allocation amount shall be calculated based on the proportion of last year's actual allocation, and Appendix 1-3 should be filled out separately. Net profit after tax refers to the net profit after tax of the most recent Year; for those adopting International Financial Reporting Standards, net profit after tax refers to the net profit after tax in the individual or separate financial reports of the most recent Year.

Note 5: The total amount of remuneration paid by all companies included in the consolidated report (including The Company) to the President and Deputy General Manager of The Company should be disclosed.



Note 6: The total amount of remuneration paid by The Company to each President and Vice President, with the President's and Vice President's names disclosed in the applicable rank: Not applicable.

Note 7: The total amount of remuneration paid by all companies included in the consolidated report (including The Company) to each President and Vice President of The Company, with the President and Vice President's name disclosed in the applicable rank: Not applicable.

Note 8: Net profit after tax refers to the net profit after tax of the most recent Year; for those adopting International Financial Reporting Standards, net profit after tax refers to the net profit after tax in the individual or separate financial reports of the most recent Year.

Note 9: a. The amount of remuneration received by the President and Vice President from reinvestment businesses other than subsidiaries or from the parent company should be explicitly listed in this section (if none, please fill in "No").

b. If the company's President and Vice President receive remuneration from reinvestment businesses other than subsidiaries or from the parent company, the remuneration received by the President and Vice President from such reinvestment businesses or the parent company should be included in Column E of the remuneration band table, and the column name should be changed to "Parent Company and All Reinvestment Businesses."

c. Remuneration refers to the compensation, salaries (including employee, director, and supervisor salaries), and business execution expenses, etc., received by the Company's President and Vice President in their roles as directors, supervisors, or managers in reinvestment businesses other than subsidiaries or the parent company.

* The remuneration disclosed in this table differs from the concept of income in the Income Tax Act, thus its purpose is for informational disclosure and not for taxation.

4. Remuneration of the Top Five Highest-Paid Supervisors (individual disclosure of names and remuneration):

Title (Note 1)	Name (Note 1)	Salary (A) (Note 2)		Retirement Pension (B)		Bonuses and special allowances, etc. (C) (Note 3)		Employee Remuneration Amount (D) (Note 4)				The total amounts of A, B, C, and D and their respective percentages of net income after tax (%) (Note 6)		Receive remuneration from reinvestment businesses other than subsidiaries or from the parent company (Note 7)
		The Company	In the financial report. All companies (Note 5)	The Company	All companies (Note 5) in the financial report.	The Company	All companies (Note 5) in the financial report.	The Company		All companies (Note 5) in the financial report.		The Company	All companies in the financial report.	
								Cash amount	Stock amount	Cash amount	Stock amount			
CEO	Wu, Yi-Gui	3,839	3,839	0	0	412	412	0	0	0	0	4,251 / (0.463)	4,251 / (0.463)	13,571
General Manager	Hu, Chi-Hong	2,738	3,423	108	108	1,625	2,031	0	0	0	0	4,471 / (0.487)	5,562 / (0.605)	6
Director, Sales & Marketing Division	Wu, Chien-Hsin	1,939	1,939	217	217	486	486	0	0	0	0	2,642 / (0.288)	2,642 / (0.288)	0
Assistant to the President Office	Tsai, Pei-Hong	1,905	1,905	108	108	274	274	0	0	0	0	2,287 / (0.249)	2,287 / (0.249)	0
Manager and Special Assistant of the Leather Manufacturing Department	Chiang.G.J	1,756	1,756	199	199	405	405	0	0	0	0	2,360 / (0.257)	2,360 / (0.257)	0



5.Name of the manager for the allocation of employee compensation and the allocation situation:

Unit: NT\$ thousand

	Title (Note 1)	Name (Note 1)	Stock amount	Cash amount	Total	The percentage of the total amount to net income after tax (%)
Managerial Officer	CEO	Wu, Yi-Gui	0	0	0	0
	General Manager	Hu, Chi-Hong				
	Deputy General Manager and Plant Manager	Chen, Wan-Ta				
	Supervisor of Corporate Governance	Chen, Yung-Chih				
	Director, Sales & Marketing Division	Wu, Chien-Hsin				
	Assistant to the President Office	Tsai, Pei-Hong				
	Leather Manufacturing Department Manager and Special Assistant	Chiang.G.J				
	Manager of the Accounting Division	Jun-Feng Li				
	Chief of the Finance Department	Wu, Hui-Hsueh				

Note 1:Individual names and titles should be disclosed, but the distribution of profits may be disclosed in aggregate.

Note 2:Fill in the amount of employee remuneration (including stocks and cash) allocated to the Managerial Officers during the most recent year as approved by the Board of Directors. If the estimation is not possible, this year's proposed allocation amount shall be calculated based on the proportion of last year's actual allocation. Net profit after tax refers to the net profit after tax of the most recent Year; for those adopting International Financial Reporting Standards, net profit after tax refers to the net profit after tax in the individual or separate financial reports of the most recent Year.

Note 3:The applicable scope of managerial personnel is based on the regulations outlined in the directive No. 0920001301 dated March 27, 2003, by the Securities and Futures Commission as follows: (1) President and equivalent positions (2) Vice President and equivalent positions (3) Assistant Vice President and equivalent positions (4) Financial Department Supervisor (5) Accounting Division Supervisor (6) Others who manage company affairs and have signing authority.

Note 4:If Directors, the President, and Deputy General Manager receive employee remuneration (including stocks and cash), in addition to filling out Appendix 1-2, this table should also be completed.



(II) The analysis of the ratio of the total remuneration paid to the Directors, Supervisors, President, and Deputy General Manager of The Company and all companies included in the consolidated financial statements during the most recent two years to the profit after tax, and the explanation of the remuneration payment policies, standards, and composition, the procedure for determining remuneration, and the correlation with operational performance and future risks.

1. The analysis of the ratio of the total remuneration of Directors, Independent Directors, General Manager, and Deputy General Manager to net income after tax:

Year Category	2024		2025	
	The Company	All companies in the financial report.	The Company	All companies in the financial report.
The ratio of Director Remuneration to net income after tax (%) (excluding relevant remuneration received in their capacity as employees)	(0.63)	(1.41)	(0.33)	(0.69)
The ratio of Director Remuneration to net income after tax (%) (excluding relevant remuneration received in their capacity as employees)	(0.59)	(0.59)	(0.60)	(0.60)
The ratio of Director Remuneration to net income after tax (%) (including relevant remuneration received in their capacity as employees)	(1.41)	(2.48)	(1.28)	(1.76)
The ratio of Director Remuneration to net income after tax (%) (including relevant remuneration received in their capacity as employees)	(0.59)	(0.59)	(0.60)	(0.60)
The ratio of the remuneration of the President and Deputy General Manager to net income after tax (%)	(1.42)	(1.83)	(0.95)	(1.07)

Note 1. If the remuneration received by all Directors from all companies listed in the financial report exceeds two percent of the net profit after tax, and if the remuneration received by an individual Director exceeds NT\$15 million, the remuneration of that individual Director should be disclosed.

2. Remuneration payment policies, standards, and composition, the procedure for determining remuneration, and the correlation with operational performance and future risks:

(1) Remuneration payment policies, standards, and composition

(1.1) Director remuneration is handled according to Article 30 of the company's Articles of Incorporation, which states that "regardless of the company's profit or loss, remuneration is based on the Director's level of participation and contribution to The Company's operations, with reference to domestic industry standards." The compensation, as stipulated in Article 33 of the company's Articles of Incorporation, shall not exceed 1% of the annual profit. The aforementioned remuneration is determined with consideration of the company's operational performance and the results of the Director performance evaluation. Additionally, travel allowances are issued according to the resolution of the Shareholders' meeting; however, Managerial Officers who concurrently serve as Directors do not receive travel allowances. The aspects of the regular evaluation of Directors include the understanding of

company goals and missions, awareness of Directors' responsibilities, level of participation in the company's operations, internal relationship management and communication, Directors' professionalism and continuous education, and internal control.

- (1.2) The remuneration for Managerial Officers is determined according to the relevant personnel regulations of the company and Article 31 of the company's Articles of Incorporation, and must be approved by the Board of Directors, with consideration given to operational performance. Operational performance encompasses various aspects for evaluation, including financial aspects (such as operating revenue, operating profit, and pre-tax net profit), customer aspects (such as customer satisfaction, service quality, and key market development), product aspects (such as brand management, quality innovation, green design and development), talent aspects (such as talent cultivation and potential development), safety aspects (such as zero pollution, zero emissions, zero occupational accidents, zero incidents, and zero failures), and project aspects (such as low-carbon transformation, energy saving and carbon reduction, circular economy, net-zero emissions). The weight of sustainability-related indicators is at least 40% of these evaluations, and at least 15% of the sustainability indicators must include climate-related items. The relevant indicator items are set according to the short, medium, and long-term plans in the sustainability vision and goals outlined in the ESG report.
- (1.3) The composition of remuneration paid by The Company, as stipulated by the organizational rules of the Compensation Committee, includes cash compensation, stock options, profit-sharing, retirement benefits or severance pay, various allowances, and other measures with substantial incentives; its scope is consistent with the regulations regarding the remuneration of Directors and Managerial Officers in the standards for matters to be recorded in the annual report of publicly listed companies.
- (2) The procedure for determining remuneration
For the periodic evaluation of the salary and remuneration of Directors and Managerial Officers, the evaluation results are based on the Company's "Board of Directors Performance Evaluation Method" and the "Group Employee Performance Evaluation Method" applicable to managerial officers and employees. The relevance of the performance evaluation and remuneration of Directors and Managerial Officers is regularly assessed and reviewed annually by the Compensation Committee and the Board of Directors. This not only takes into account the achievement rate of performance and contribution to the company but also considers the company's overall operational performance, future industry risks, and development trends. Additionally, the remuneration system is reviewed in a timely manner based on actual operating conditions and relevant laws and regulations to provide reasonable remuneration, aiming to balance sustainable business operations and risk management.
- (3) The correlation with operational performance and future risks.
The Compensation Committee references the company's overall operational performance, future industry trends, business risks, and development trends to assess the achievement of performance targets by Directors and Managerial Officers. Based on this evaluation, it determines the content and amount of their salaries and remuneration, making recommendations for approval by the Board of Directors. The compensation system for Directors and Managerial Officers is subject to timely review based on actual operating conditions and relevant laws and should not incentivize Directors and Managerial Officers to engage in actions that exceed the company's risk appetite in pursuit of remuneration.

III.The State of the Company's Implementation of Corporate Governance

(I)The State of the Board of Directors' Operations:

1.Information on Directors' Attendance:

In the most recent Year (2025), the Board of Directors held 6 meetings (A), with Directors' attendance as follows:

Title (Note 1)	Name	The first time 2025.3.4	The second time 2025.4.8	The third time 2025.5.2	The fourth time 2025.6.2	The fifth time 2025.8.5	The sixth time 2025.11.4	Actual number of times attended B	Number of times attended by proxy	Actual attendance rate (%) [B/A]	Note
Chairman	Wu, Yi-Gui (Representative of Union Polymer Int'l Investment Corp.)	◎	◎	◎	◎	◎	◎	6	0	100	
Director	Hu, Chi-Hong (Representative of Union Polymer Int'l Investment Corp.)	—	—	—	◎	◎	◎	3	0	100	Newly appointed, should attend 3 times.
Director	Wu, Pei-Ji (Representative of Asia Polymer Corporation)	◎	◎	◎	◎	◎	◎	6	0	100	
Director	Tung, Han-Lin (Representative of Asia Polymer Corporation)	—	—	—	◎	◎	◎	3	0	100	Newly appointed, should attend 3 times.
Director	Wu, Hung-To (Representative of USIFE Investment Co., Ltd.)	◎	◎	◎	◎	☆	☆	4	2	66.67	
Independent Director	Li, Zu-De	☆	◎	◎	◎	◎	◎	5	1	83.33	
Independent Director	Hsu, Chen-I	◎	◎	◎	◎	◎	◎	6	0	100	
Independent Director	Chang, Chen-Ming	◎	◎	◎	◎	◎	◎	6	0	100	
Independent Director	Wang, Ding-Chang	—	—	—	◎	◎	◎	3	0	100	Newly appointed, should attend 3 times.



Title (Note 1)	Name	The first time 2025.3.4	The second time 2025.4.8	The third time 2025.5.2	The fourth time 2025.6.2	The fifth time 2025.8.5	The sixth time 2025.11.4	Actual number of times attended B	Number of times attended by proxy	Actual attendance rate (%) [B/A]	Note
Vice Chairman	Lin, Han-Fu (Representative of Union Polymer Int'l Investment Corp.)	◎	◎	◎	—	—	—	3	0	100	Existing, should attend 3 times.
Director	Liu, Han-Tai (Representative of Asia Polymer Corporation)	◎	☆	◎	—	—	—	3	0	66.67	Existing, should attend 3 times.
Independent Director	Zheng, Ying-Bin	◎	◎	◎	—	—	—	3	0	100	Existing, should attend 3 times.

Note 1: If directors or supervisors are legal entities, the name of the corporate shareholder and the name of its representative should be disclosed.

Note 2: (1) If any director or supervisor resigns before the end of the year, the resignation date should be noted in the Note column. The actual attendance rate (%) should be calculated based on the number of Board of Directors meetings held during their tenure and the actual number of times attended.

(2) Before the end of the year, if there is a re-election of directors or supervisors, both the incoming and outgoing directors or supervisors should be listed, and it should be noted in the Note column whether they are outgoing, incoming, or re-elected, along with the re-election date. The actual attendance rate (%) should be calculated based on the number of Board of Directors meetings held during their tenure and the actual number of times attended.

Note 3: In-person attendance: ◎; Attendance by proxy: ☆.

Note 4: The Directors (including four Independent Directors) were re-elected at the Shareholders' General Meeting on May 27, 2025.



2.If any of the following situations occur in the operations of the Board of Directors, the date of the board meeting, session number, content of the proposal, all Independent Directors' opinions, and the company's handling of these opinions should be specified:

2.1Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee, thus the provisions of Article 14-3 of the Securities and Exchange Act do not apply. For relevant information, please refer to the operation of the Audit Committee in this year's annual report.

2.2Any other Board resolutions that were opposed or have dissenting opinions or written statements from independent directors, with records or written declarations, aside from the aforementioned matters: None.

3.The execution of Directors' recusal from proposals with conflicts of interest should specify the Director's Name, the content of the proposal, the reason for recusal, and the voting participation status:

Name of the Director	Content of the proposal	Reason for recusal	Voting participation status	Note
Wu, Yi-Gui Lin, Han-Fu Wu, Pei-Ji	Donated to the USI Educational Foundation.	The Director recused due to serving as a Director of the foundation, having a conflict of interest.	Not participating in the vote	2025 The first time 2025.3.4
Li, Zu-De Hsu, Chen-I Wang, Ding-Chang	Appoint Independent Directors Li, Zu-De, Hsu, Chen-I, and Wang, Ding-Chang as members of the Company's Payroll Remuneration Committee.	Has a conflict of interest with the Director themselves.	Not participating in the vote	2025 The fourth time 2025.6.2
Hsu, Chen-I Chang, Chen-Ming Wang, Ding-Chang	Appoint Independent Directors Hsu, Chen-I, Chang, Chen-Ming, and Wang, Ding-Chang as members of the Company's ESG Committee.			

4.Listed companies should disclose information on the evaluation cycle and period, evaluation scope, method, and evaluation content of the Board of Directors' self-evaluation (or peer evaluation).

The implementation status of the Board of Directors' evaluation in 2025:

Evaluation period (Note 1)	Evaluation period (Note 2)	Scope of evaluation (Note 3)	Evaluation method (Note 4)	Evaluation content (Note 5)
Executed once every three years.	January 1, 2025 to December 31, 2025	Board of Directors Performance Evaluation	Appointment of external professional organizations	The scope of the Board of Directors Performance Evaluation includes four major dimensions: 1.Board of Directors' Professional Functionality (composition and structure of the Board of Directors, selection and continuous education of Directors). 2.The decision-making effectiveness of the Board of Directors (level of participation in company operations and enhancement of the decision-making quality of the Board of Directors).

Evaluation period (Note 1)	Evaluation period (Note 2)	Scope of evaluation (Note 3)	Evaluation method (Note 4)	Evaluation content (Note 5)
				3.The importance the Board of Directors places on internal control and supervision. 4.The attitude of the Board of Directors towards sustainable operations.
Executed once a year.	January 1, 2025 to December 31, 2025	Board of Directors Performance Evaluation	Internal self-assessment of the Board of Directors	The measurement items for the Board of Directors Performance Evaluation should encompass the following five major aspects: 1.Level of participation in company operations. 2.Enhancement of the decision-making quality of the Board of Directors 3.Composition and structure of the Board of Directors 4.Selection and continuous education of Directors. 5.Internal control revisions
		Performance evaluation of individual Board of Directors members	Self-assessment of Board of Directors members	The self-performance evaluation of board members should include the following six aspects: 1.Understanding of company goals and missions 2.Awareness of Directors' responsibilities 3.Level of participation in company operations. 4.Internal relationship management and communication 5.Directors' professionalism and continuous education 6.Internal control
		Performance evaluation of functional committees (Audit Committee, Payroll Remuneration Committee, ESG Committee)	Self-assessment of functional committee members	The performance evaluation criteria for functional committees should include the following five aspects: 1.Level of participation in functional committees. 2.Awareness of the responsibilities of functional committees 3.Enhancement of the decision-making quality of functional committees. 4.Composition and selection of members of functional committees. 5.Internal control

※The results of the 2025 Board of Directors and functional committees' performance evaluation have been reported at the first Board of Directors meeting in 2026 (March 4, 2026) and subsequently disclosed on the company's website.

Note 1:Fill in the execution cycle of the Board of Directors' evaluation, for example: Executed once a year.

Note 2:Fill in the period covered by the Board of Directors' evaluation, for example: Evaluate the performance of the Board of Directors from January 1, 2025 to December 31, 2025.

Note 3:The scope of the evaluation includes the performance evaluation of the Board of Directors, individual Board of Directors members, and functional committees.

Note 4:The evaluation methods include the internal self-assessment of the Board of Directors, self-evaluation of the Directors, peer evaluation, appointment of external professional organizations, experts, or other appropriate methods for performance evaluation.

Note 5:The evaluation content, based on the Scope of evaluation (Note 3), should at least include the following Items:

(1)Board of Directors Performance Evaluation: At least including the level of participation in company operations, the quality of decision-making of the Board of Directors, composition



and structure of the Board of Directors, selection and continuous education of Directors, internal control, etc.

- (2) Performance evaluation of individual Board of Directors members: At least including understanding of company goals and missions, awareness of Directors' responsibilities, level of participation in company operations, internal relationship management and communication, Directors' professionalism and continuous education, internal control, etc.
- (3) Performance evaluation of functional committees: Level of participation in company operations, awareness of the responsibilities of functional committees, decision-making quality of functional committees, composition and selection of members of functional committees, internal control, etc.

5. The evaluation of the goals and implementation status for strengthening the functions of the Board of Directors in the current and most recent year (e.g., establishing an Audit Committee, enhancing information transparency).

5.1 The operation of the Company's Board of Directors is conducted in accordance with laws, the provisions of the company's articles of association, and the resolutions of the Shareholders' meeting. All Directors, in addition to possessing the necessary professional knowledge, skills, and qualities to execute their duties, adhere to the principles of loyalty, integrity, and due diligence to create the greatest benefit for all shareholders.

5.2 The Company constantly monitors regulatory changes by the competent authorities and timely reviews the "Board Meeting Procedures," "Rules Governing the Scope of Duties of Independent Directors," and evaluates the "Audit Committee Charter." It ensures compliance with the amended regulations to enhance information transparency, and the implementation status is good.

5.3 To implement corporate governance, protect shareholder rights, and strengthen the functions of the Board of Directors, the Company established a Supervisor of Corporate Governance, approved by the Board of Directors on May 9, 2019, to assist in the operations of the Board.

5.4 The Company established the Payroll Remuneration Committee in 2011, the Audit Committee in 2016, and the ESG Committee in 2017 as functional committees, and continues to enhance their effectiveness.

5.5 The Company's website and M.O.P.S. disclose internal rules, major resolutions of the Board of Directors, and other related information to help shareholders understand the company's activities and enhance information transparency.

5.6 The company organizes a 6-hour Director training course every year and assists Directors in attending external corporate governance-related courses. The Directors' further education status of The Company in 2025 is as follows:

Title (Note 1)	Name	Date of Further Education	Organizer	Course Name	Hours of Further Education
Chairman	Wu, Yi-Gui	July 29, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Industrial Evidence of Smart Manufacturing and Digital Decision-Making	3
		October 16, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Prospects for the U.S.-China Economy and Taiwan's Industrial Economy after the U.S. Election	3
Director	Hu, Chi-Hong	July 29, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Industrial Evidence of Smart Manufacturing and Digital Decision-Making	3

Title (Note 1)	Name	Date of Further Education	Organizer	Course Name	Hours of Further Education
		October 16, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Prospects for the U.S.-China Economy and Taiwan's Industrial Economy after the U.S. Election	3
		October 31, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	2025 Insider Equity Trading Legal Compliance Advocacy Seminar	3
		November 17, 2025	Chinese Economic Development Association	Digital Transformation and AI Application	3
Director	Wu, Pei-Ji	July 29, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Industrial Evidence of Smart Manufacturing and Digital Decision-Making	3
		July 31, 2025	Taiwan Stock Exchange Corporation	2025 Strengthening Taiwan Capital Market Summit	3
Director	Tung, Han-Lin	September 26, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	2025 Insider Trading Prevention Advocacy Seminar	3
		October 16, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Prospects for the U.S.-China Economy and Taiwan's Industrial Economy after the U.S. Election	3
		October 31, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	2025 Insider Equity Trading Legal Compliance Advocacy Seminar	3
		November 19, 2025	Taiwan Institute of Directors	Three Options in the Era of Transformation	3
Director	Wu, Hung-To	July 29, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Industrial Evidence of Smart Manufacturing and Digital Decision-Making	3
		October 16, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Prospects for the U.S.-China Economy and Taiwan's Industrial Economy after the U.S. Election	3
Independent Director	Li, Zu-De	July 29, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Industrial Evidence of Smart Manufacturing and Digital Decision-Making	3
		August 22, 2025	Chinese National Association of Industry and Commerce, Republic of China (R.O.C.)	2025 Taishin Shin Kong Net Zero Summit Forum	3
Independent Director	Hsu, Chen-I	November 18, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Leading Corporate Growth with Performance Management	3
		November 18, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Plan for sustainable growth to establish a lasting enterprise	3
Independent Director	Chang, Chen-Ming	June 25, 2025	Chinese Corporate Governance Association	Legal Matters that the Board of Directors Should Oversee: Be Cautious of Crossing the Red Line of Collusive Behavior	3
		August 4, 2025	Chinese Corporate Governance Association	Recent Regulation Updates and Response	3
Independent Director	Wang, Ding-Chang	July 29, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Industrial Evidence of Smart Manufacturing and Digital Decision-Making	3
		October	Securities and Futures	Prospects for the U.S.-China	3



Title (Note 1)	Name	Date of Further Education	Organizer	Course Name	Hours of Further Education
		16, 2025	Institute, Republic of China (R.O.C.)	Economy and Taiwan's Industrial Economy after the U.S. Election	
Supervisor of Corporate Governance	Chen, Yung-Chih	February 13, 2025	Foundation of Taiwan Sustainable Energy Research	The 39th TCCS Board Meeting and CEO Lecture	2
		April 24, 2025	Foundation of Taiwan Sustainable Energy Research	The 40th TCCS Board Meeting and CEO Lecture	2
		May 16, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	2025 Insider Trading Prevention Advocacy Seminar	3
		July 9, 2025	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit Forum	6
		July 25, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	2025 Insider Equity Trading Legal Compliance Advocacy Seminar	3
		July 29, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Industrial Evidence of Smart Manufacturing and Digital Decision-Making	3
		August 22, 2025	Chinese National Association of Industry and Commerce, Republic of China (R.O.C.)	2025 Taishin Shin Kong Net Zero Summit Forum	3
		August 29, 2025	Taiwan Stock Exchange Corporation	Strengthen climate information disclosure to enhance corporate climate resilience.	3
		September 12, 2025	Foundation of Taiwan Sustainable Energy Research	2025 Asia-Pacific Sustainability Forum_Fourth Hydrogen Energy Forum	2
		October 3, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	2025 Insider Trading Prevention Advocacy Seminar	3
		October 16, 2025	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	6
		October 16, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Prospects for the U.S.-China Economy and Taiwan's Industrial Economy after the U.S. Election	3
		October 17, 2025	Foundation of Taiwan Sustainable Energy Research	The 41st TCCS Board Meeting and CEO Lecture	2
		October 28, 2025	Chinese Corporate Governance Association	202510 Fubon Insurance - AI Application and Corporate Governance Seminar	3
		November 21,2025	Securities and Futures Institute, Republic of China (R.O.C.)	2025 Insider Equity Transaction Legal Compliance Briefing	3
December 05,2025	Securities and Futures Institute, Republic of China (R.O.C.)	New Thinking on Corporate Hedging: Addressing Exchange Rate Challenges and Asset Management Trends	3		
Manager of the Accounting	Jun-Feng Li	March 26, 2025	Accounting Research and Development Foundation, Republic of China (R.O.C.)	How to apply Robotic Process Automation (RPA) to enhance the effectiveness of internal control	6

Title (Note 1)	Name	Date of Further Education	Organizer	Course Name	Hours of Further Education
Division		April 21, 2025	Accounting Research and Development Foundation, Republic of China (R.O.C.)	Legal Liabilities of Financial Crimes in the Digital Age and Compliance Practice Analysis	6
Audit Supervisor	Kang-Nien Chiang	April 16, 2025	Internal Audit Association of the Republic of China	Audit Practices Seminar on "Information Security Protection" and "Cloud Security"	6
		April 23, 2025	Internal Audit Association of the Republic of China	Analysis of Funding Loans, Endorsements and Guarantees, and Regulations and Practices for the Acquisition and Disposal of Assets	6

※In the 2025 board election, the training content and hours of all directors complied with Article 14, Paragraph 3 of the "Key Points for the Establishment and Exercise of Power of the Board of Directors of Listed Companies on the Taiwan Stock Exchange" and the "Key Points for the Implementation of Training for Directors and Supervisors of Listed Companies". The Company has also completed the disclosure of relevant information.



(II) The State of the Audit Committee's Operations:

1. Information on Directors' Attendance:

In the most recent Year (2025), the Audit Committee held 4 meetings (A), with Independent Directors' attendance as follows:

Title (Note 1)	Name	Actual number of times attended B	Number of times attended by proxy	Actual attendance rate (%) (B/A) (Note 1, Note 2)	Note
Independent Director	Li, Zu-De	3	1	75.00	Professional qualifications and experience, see Note 3 (1)
Independent Director	Hsu, Chen-I	4	0	100.00	Professional qualifications and experience, see Note 3 (2)
Independent Director	Chang, Chen-Ming	4	0	100.00	Professional qualifications and experience, see Note 3 (3)
Independent Director	Wang, Ding-Chang	2	0	100.00	Professional qualifications and experience, see Note 3 (4) Inaugurated on May 27, 2025, required to attend 2 times.
Independent Director	Zheng, Ying-Bin	2	0	100.00	Professional qualifications and experience, see Note 3 (4) stepping down on May 27, 2025, required to attend 2 times.

Note 1: If any Independent Director resigns before the end of the year, the resignation date should be noted in the Note column. The actual attendance rate (%) should be calculated based on the number of Audit Committee meetings held during their tenure and the actual number of times attended.

Note 2: Before the end of the year, if there is a re-election of Independent Directors, both the incoming and outgoing Independent Directors should be listed, and it should be noted in the Note column whether they are outgoing, incoming, or re-elected, along with the re-election date. The actual attendance rate (%) should be calculated based on the number of Audit Committee meetings held during their tenure and the actual number of times attended.

Note 3: Professional Qualifications and Experience: State the professional qualifications and experience of individual directors and supervisors. If they are members of the Audit Committee with accounting or financial expertise, their accounting or financial background and work experience should be described. Additionally, note whether there are no circumstances described in Article 30 of the Company Act.

- (1) Currently the Vice Chairman of Diamond BioTech Investment Co., Ltd., with expertise in corporate operations management And work experience in directly supervising positions such as finance manager and accounting manager.
- (2) Hsu, Chen-I is currently the Chairman of Thai Town Cuisine Co., Ltd., with expertise in corporate operations management And work experience in directly supervising positions such as finance manager and accounting manager.
- (3) Chang, Chen-Ming formerly served as the CEO of United Advertising Group and Chairman of Lian Guang, Lian Zhong, Lian Tai, and Da Lian, with expertise in corporate operations management.

- (4) Wang, Ding-Chang is currently serving as a Director and CEO of multiple companies under RITEK Group, with expertise in corporate operations management and direct supervisory experience over financial and accounting supervisors.
- (5) Zheng, Ying-Bin is currently serving as the Chairman of Rongcheng Paper Industry Co., Ltd., he has experience in directly supervising positions such as finance manager and accounting manager.
2. Main Matters Reviewed by the Audit Committee:
- 2.1 Financial statements;
 - 2.2 The evaluation of the independence, appointment, dismissal, and remuneration of Certified Public Accountants;
 - 2.3 Accounting policies and internal control systems;
 - 2.4 Evaluation of the effectiveness of the internal control system;
 - 2.5 Procedures for the Acquisition or Disposal of Assets;
 - 2.6 Endorsements and guarantees procedures;
 - 2.7 Procedures for Lending Funds to Others;
 - 2.8 Engagement in major derivatives transactions;
 - 2.9 Annual audit plan;
 - 2.10 The appointment and dismissal of Financial, Accounting, and Audit Supervisors;
 - 2.11 Appeal and fraud investigation reports;
 - 2.12 Raising, Issuing, or Private Placement of Equity Securities;
 - 2.13 Matters involving conflicts of interest of the Director themselves;
 - 2.14 Other significant matters stipulated by other companies or regulatory authorities.
3. Key Focus for 2025:
- 3.1. Review the annual work plan for internal audits, receive monthly reports from the internal audit departments, examine management's feedback on issues identified by internal audits, and regularly communicate with the internal audit supervisor.
 - 3.2. Review the 2024 financial reports and communicate with the accountant about the impact of the audit work and changes in regulations.
 - 3.3. Referring to Article 47 of the CPA Act and the contents of Statement No. 10 of the Ethical Standards for CPAs on "Integrity, Fairness, Objectivity, and Independence," an independence assessment form was developed to evaluate the independence, professionalism, and competency of CPAs concerning whether they have a related party relationship with The Company, or mutual business or financial interests, among other items. On March 4, 2025, at the 11th meeting of the third session of the Audit Committee and the first Board of Directors meeting of 2025, it was reviewed and approved that Certified Public Accountants Chang, Cheng-Hsiu and Liu, Yi-Ching of Deloitte & Touche, Taipei, Taiwan, Republic of China, both meet the independence assessment standards and are fully competent to serve as financial and tax attestation CPAs for The Company.
 - 3.4. Review the business report and the financial report.



The Board of Directors prepared the 2024 business report of The Company, along with the financial reports (including individual and consolidated financial statements) audited and certified by Certified Public Accountants Huang, Hsiu-Chun and Chiu, Cheng-Chun of Deloitte & Touche, Taipei, Taiwan, Republic of China, and the proposal for profit distribution. After being legally reviewed and completed by this Audit Committee, no discrepancies were found.

3.5. Evaluation of the effectiveness of the internal control system.

The company conducts a self-evaluation of its internal control system based on the five elements: control environment, risk assessment, control activities, information and communication, and monitoring activities. For control activities, each department performs a self-assessment at the operational level, which is then reviewed by the internal control self-assessment review team. The overall evaluation results comply with the standards of the internal control system, and the design and implementation of the internal control system are both effective. The Audit Committee evaluated the effectiveness of the company's internal control system policies and procedures, including controls over finance, operations, risk management, information security, outsourcing, and compliance. It also reviewed regular reports from the company's audit department and certifying accountants, as well as management, including risk management and compliance. The Audit Committee believes that the company's risk management and internal control systems are effective, and the company has implemented necessary control mechanisms to monitor and correct any non-compliance.

4. If any of the following situations occur in the operations of the Audit Committee, the date of the Audit Committee meeting, session number, content of the proposal, Independent Directors' objections, reserved opinions or major suggestions content, resolution results of the Audit Committee, and the company's handling of the Audit Committee's opinions should be specified.

4.1 Matters listed in Article 14-5 of the Securities and Exchange Act:

Audit Committee session date	Content of the proposal and subsequent handling	Matters listed in Article 14-5 of the Securities and Exchange Act.	Independent Directors' objections or reserved opinions
The 11th meeting of the third session March 4, 2025	1. Handling endorsements and guarantees.	Yes.	No
	2. Preparation of the 2024 accounting schedules proposal.	Yes.	No
	3. The 2024 profit distribution proposal.	Yes.	No
	4. The evaluation of the independence for the appointment of Certified Public Accountants for the year 2025.	Yes.	No
	5. Appointing Accountants for the Year 2025.	Yes.	No

Audit Committee session date	Content of the proposal and subsequent handling	Matters listed in Article 14-5 of the Securities and Exchange Act.	Independent Directors' objections or reserved opinions
	6.The 2024 "Internal Control System Statement."	Yes.	No
	Audit Committee's opinion: None.		
	The Company's handling of the Audit Committee's opinions: None.		
	Resolution result: The proposal was unanimously approved by all attending committee members without objection, and will be submitted for the Board of Directors' resolution.		
The 12th meeting of the third session May 2, 2025	1.Provide funding loans.	Yes.	No
	2.Preparation of the consolidated financial report for the first quarter of 2025 proposal.	Yes.	No
	Audit Committee's opinion: None.		
	The Company's handling of the Audit Committee's opinions: None.		
	Resolution result: The proposal was unanimously approved by all attending committee members without objection, and will be submitted for the Board of Directors' resolution.		
The first meeting of the fourth session August 5, 2025	1.Handling endorsements and guarantees.	Yes.	No
	2.Preparation of the consolidated financial report for the second quarter of 2025 proposal.	Yes.	No
	3.To acquire CGPC Polymer Corporation's ordinary shares through the 2025 cash capital increase plan.	Yes.	No
	4.Revise the company's internal control system.	Yes.	No
	Audit Committee's opinion: None.		
	The Company's handling of the Audit Committee's opinions: None.		
	Resolution result: The proposal was unanimously approved by all attending committee members without objection, and will be submitted for the Board of Directors' resolution.		
The second meeting of the fourth session, November 4, 2025	1.Handling endorsements and guarantees.	Yes.	No
	2.Preparation of the consolidated financial report for the third quarter of 2025 proposal.	Yes.	No
	3.Accountant Remuneration for the Year 2025.	Yes.	No
	4.The overdue receivable from the state-owned land use rights recovery agreement by Continental General Plastics (ZhongShan) Co., Ltd., a subsidiary of The Company, does not constitute a loan in nature.	Yes.	No
	5.Revise the company's internal control system.	Yes.	No
	Audit Committee's opinion: None.		
	The Company's handling of the Audit Committee's opinions: None.		
	Resolution result: The proposal was unanimously approved by all attending committee members without objection, and will be submitted for the Board of Directors' resolution.		



- 4.2 Apart from the aforementioned matters, there are no resolutions approved by more than two-thirds of all Directors without the Audit Committee's approval.
5. The execution of Independent Directors' recusal from proposals with conflicts of interest should specify the Independent Director's Name, the content of the proposal, the reason for recusal, and the voting participation status: No such situation.
6. The communication between Independent Directors, the Audit Supervisor, and the accountant (including matters of communication regarding the company's financial and business status, methods, and results, etc.).
- 6.1 Internal audits are conducted on operations and various management tasks in accordance with the annual audit plan approved by the Board of Directors. In addition to submitting the audit reports to each Independent Director for review on a monthly basis, the Audit Supervisor also reports significant audit findings to each Independent Director during the Audit Committee meetings (at least once a quarter). Key points of the meetings are as follows:

Date	Meeting/Communication Focus Points	Suggestions and results
March 4, 2025	The 11th meeting of the third session of the Audit Committee 1. Internal Audit Execution Report. 2. The 2024 "Internal Control System Statement."	No objection
May 2, 2025	The 12th meeting of the third session of the Audit Committee Internal Audit Execution Report.	No objection
August 5, 2025	The first meeting of the fourth session of the Audit Committee 1. Internal Audit Execution Report. 2. Revise the internal control system.	No objection
November 4, 2025	The second meeting of the fourth session of the Audit Committee (This communication is between the Independent Directors and the Audit Supervisor alone) 1. Internal Audit Execution Report. 2. Revise the internal control system. 3. 2025 internal control self-assessment schedule. 4. Approve the 2026 audit plan.	No objection

- 6.2 In accordance with Auditing Standards Bulletin No. 39, "Communication with the Governance Unit of the Audited Entity," and directive No. 0930105373 issued by the Securities and Futures Bureau on March 11, 2004, the accountants report to the Audit Committee bi-annually on governance matters audited in The Company's consolidated financial reports (annually also including individual financial reports). The communication topics are as follows:

Date	Meeting/Communication Focus Points	Suggestions and results
March 4, 2025	The 11th meeting of the third session of the Audit Committee Implementation and conclusion of the audit of the 2024 consolidated and individual financial reports.	No objection

Date	Meeting/Communication Focus Points	Suggestions and results
August 5, 2025	The first meeting of the fourth session of the Audit Committee Implementation and conclusion of the review of the consolidated financial report for the second quarter of 2025 proposal.	No objection
November 4, 2025	The second meeting of the fourth session of the Audit Committee (This communication is between the accountant and the Audit Supervisor alone with the Independent Directors) Implementation and conclusion of the review of the consolidated financial report for the third quarter of 2025. Financial Reporting Plan and Key Audit Items 2025.	No objection

Note: *If any Independent Director resigns before the end of the year, the resignation date should be noted in the Note column. The actual attendance rate (%) should be calculated based on the number of Audit Committee meetings held during their tenure and the actual number of times attended.

* Before the end of the year, if there is a re-election of Independent Directors, both the incoming and outgoing Independent Directors should be listed, and it should be noted in the Note column whether they are outgoing, incoming, or re-elected, along with the re-election date. The actual attendance rate (%) should be calculated based on the number of Audit Committee meetings held during their tenure and the actual number of times attended.

(III)The State of the Company's Implementation of Corporate Governance and the Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Ye s.	N o		
I.Has the company established and disclosed its corporate governance practices according to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"?	V		The Company has established a "Corporate Governance Code" to promote the implementation of corporate governance in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies," and has disclosed it on the Company's website.	No significant difference
II.Equity structure of the company and shareholders' equity				No significant difference
(I)Has the company established internal procedures to handle shareholder suggestions, inquiries, disputes, and litigation matters, and implemented them according to these procedures?	V		(I)Dedicated personnel are in place.	
(II)Does the company have a grasp of the list of the principal shareholders who actually control the company and the ultimate controllers of these principal shareholders?	V		(II)Maintain contact with the principal shareholders and the ultimate controllers of these principal shareholders.	
(III)Has the company established and implemented risk control and firewall mechanisms with affiliated enterprises?	V		(III)Established and implemented a supervisory operating system for subsidiaries.	



Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Yes.	No.		
(IV)Has the company established internal regulations to prohibit insiders from trading securities using non-public information from the market?	V		<p>(IV)Insider Trading Preventive Measures:</p> <p>The Company conducts annual educational campaigns on the "Procedures for Handling Material Insider Information" and related laws for its current Directors, Managerial Officers, and employees. New Directors, Managerial Officers, and employees receive such educational campaigns upon their appointment or employment.</p> <p>In 2025, through online courses and tests, the current Directors, Managerial Officers, and employees of CGPC and its subsidiaries, such as Taiwan Chlorine/ Huaju, were provided educational campaigns, totaling 1,463 participants and 1,463 hours of training. The detailed course topics and hours are as follows:</p> <p>Online Course and Test Education: Group Employee Code of Conduct Test (including Insider Trading Prevention) - 2 hours</p> <p>The content includes:</p> <p>insider trading regulations, definitions and constitutive elements, insider trading from a corporate governance perspective, an introduction to Article 157-1 of the Securities and Exchange Act and a brief on practical case studies, the scope of material information and advocacy on</p>	

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Ye s.	N o		
			<p>handling procedures.</p> <p>Additionally, online course materials and presentations are often placed on the internal training and learning platform system, allowing all colleagues to watch and learn at any time.</p> <p>It is clearly stipulated that Directors are prohibited from trading the company's stock during the closed period of 30 days before the annual financial report announcement and 15 days before each quarterly financial report announcement.</p> <p>Implementation status:</p> <p>1. Company Regulations:</p> <p>In August 2024, the Board of Directors approved amendments to The Company's "Corporate Governance Code," and in November 2022, the Board approved revisions to The Company's "Procedures for Ethical Management and Guidelines for Conduct." It is clearly stipulated that Directors, in addition to complying with the provisions of the Securities and Exchange Act prohibiting insider trading, are also prohibited from trading the company's stock during the closed period of 30 days before the annual financial report announcement and 15 days before each quarterly financial report announcement.</p>	



Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Ye s.	N o		
			<p>2.Implementation status of internal regulations:</p> <p>(2.1)Education and Training</p> <p>The test was conducted on the training management platform for the course name: [Group Employee Code of Conduct Test] - It has been included that Directors are prohibited from trading the company's stock during the closed period before financial report announcements.</p> <p>In 2025, the aforementioned training had a total of 1,463 participants, and the total training hours amounted to 1,463 hours.</p> <p>(2.2)Notice</p> <p>Reminder before the closed period: Executed by the Secretariat, Board of Directors, a reminder email will be sent to the Directors 7 days before the commencement of each closed period, and the colleagues in the Stock Affairs Department will be cc'd.</p> <p>Second Reminder Mechanism: Executed by the Stock Affairs colleagues, from the receipt of the above message until the "Financial Report Announcement Date (i.e., the Board of Directors meeting date)," if any Director of the company still</p>	

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Ye s.	N o		
			<p>applies for "prior declaration of stock transfer," an additional reminder email will be sent to the Director regarding the closed period regulations (for the part of Independent Directors, this will be forwarded by the Secretariat as usual), and the Secretariat and the Supervisor of Corporate Governance will be cc'd.</p> <p>Notice from the Secretariat, Board of Directors - The Company's discussions on financial reports at the Board of Directors meetings are implemented in accordance with the aforementioned regulations, listed as follows:</p> <p>(1)The Board of Directors convened on March 4, 2025, to discuss the 2024 financial report. The date of the Board meeting (March 4) was set as the financial report announcement date. Counting 30 days back, the closed period began on February 2. Thus, the stock trading closed period was from February 2, 2025, to February 4, 2025. On January 22, 2025, the Board of Directors' secretary sent a letter to each Director, informing them that they are prohibited from trading the company's stock during the closed period.</p> <p>(2)The Board of Directors convened on May 2, 2025, to discuss the Q1 2025 financial report. As</p>	



Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Ye s.	N o		
			<p>significant information and important financial report data were announced on the same day after the Board meeting, the date of the Board meeting (May 2) was set as the financial report announcement date. Counting 15 days back, the closed period began on April 17. Thus, the stock trading closed period was from April 17, 2025, to May 2, 2025. On April 16, 2025, the Board of Directors' secretary sent an email to each Director, informing them that they are prohibited from trading the company's stock during the closed period.</p> <p>(3)The Board of Directors convened on August 5, 2025, to discuss the Q2 2025 financial report. As significant information and important financial report data were announced on the same day after the Board meeting, the date of the Board meeting (August 5) was set as the financial report announcement date. Counting 15 days back, the closed period began on July 21. Thus, the stock trading closed period was from July 21, 2025, to August 5, 2025. On July 16, 2025, the Board of Directors' secretary sent an email to each Director,</p>	

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Ye s.	N o		
			<p>informing them that they are prohibited from trading the company's stock during the closed period.</p> <p>(4)The Board of Directors convened on November 4, 2025, to discuss the Q3 2025 financial report. As significant information and important financial report data were announced on the same day after the Board meeting, the date of the Board meeting (November 4) was set as the financial report announcement date. Counting 15 days back, the closed period began on October 20. Thus, the stock trading closed period was from October 23, 2025, to November 4, 2025. On October 20, 2025, the Board of Directors' secretary sent an email to each Director, informing them that they are prohibited from trading the company's stock during the closed period.</p> <p>3.In the 2025 Year, there were no reported stock transfers by the Company's Directors during the closed period.</p>	
<p>III.Composition and responsibilities of the Board of Directors</p> <p>(I)Has the Board of Directors formulated a diversification policy, specific management</p>	V		<p>1.Policy for Diversification of Board of Directors Members</p> <p>According to Article 20 of our Company's "Corporate</p>	No significant difference



Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Ye s.	N o		
objectives, and implementation for the composition of its members?			<p>Governance Code," the composition of the Board of Directors members should consider diversity and possess the necessary knowledge, skills, and qualities to execute their duties. To achieve the ideal goals of corporate governance, the overall capabilities that the Board of Directors should possess are as follows:</p> <ul style="list-style-type: none"> (1)Operational judgment ability. (2)Accounting and financial analysis capabilities. (3)Business management ability. (4)Crisis management capability. (5)Industry knowledge. (6)International market perspective. (7)Leadership ability. (8)Decision-making ability. <p>In addition to the aforementioned eight capabilities, considering the increasing global emphasis on corporate governance and environmental protection issues, it is expected that the diversity of the Board of Directors members will include expertise in "law" and "environmental protection." The current members all possess the necessary knowledge, skills, and qualities required to execute their duties, and each has expertise in areas such as accounting and finance, international markets, law, and environmental protection.</p>	

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Ye s.	N o		
			<p>2. Specific management objectives for the diversification of Board of Directors members</p> <p>The current Board of Directors was re-elected on May 27, 2025, with Mr. Wang, Ding-Chang appointed as a new Independent Director. He is currently serving as the CEO of RITEK Technology Co., Ltd. and as an Independent Director of Yue-Feng Electronic Materials Co., Ltd. With his extensive experience in the technology industry and expertise in enterprise management and risk control, he will contribute to improving the quality of proposal reviews by the Board and achieving the goals of the diversity policy for Board members.</p> <p>Currently, the Company's Board of Directors has one female Director, which has not reached one-third of the total seats. The main reason is that due to the nature of the industry, females with extensive industry experience are relatively scarce, making it difficult to achieve the standard of one-third of the Board seats in the short term. In the future, the Company will add female Director seats that meet the standards as required by law and regulations. Additionally, when selecting Director candidates, the Company will consider suitable talents from various fields to achieve the goal of Board diversity. In response to the growing global emphasis on corporate sustainability trends, the company</p>	



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			<p>plans to add Directors with expertise in relevant fields to enhance the company's sustainable competitiveness, thereby further improving the functionality of the Board of Directors.</p> <p>3.Implementation status of Director member diversification Please refer to the table below for the status of diversification of Board of Directors members:</p> <table border="1"> <thead> <tr> <th rowspan="2">Name of the Director</th> <th rowspan="2">Gender</th> <th colspan="10">Core Diversification Items</th> </tr> <tr> <th>Operational judgment ability</th> <th>Accounting and finance</th> <th>Business management</th> <th>Crisis management</th> <th>Industry knowledge</th> <th>International market</th> <th>Leadership ability</th> <th>Decision-making ability</th> <th>Law</th> <th>Environmental protection</th> </tr> </thead> <tbody> <tr> <td>Wu, Yi-Gui</td> <td>Male</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Hu, Chi-Hong</td> <td>Male</td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Wu, Pei-Ji</td> <td>Male</td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Tung, Han-Lin</td> <td>Male</td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td>√</td> </tr> <tr> <td>Wu, Hung-To</td> <td>Male</td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td></td> <td></td> <td>√</td> <td>√</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Li, Zu-De</td> <td>Male</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> <td>√</td> <td>√</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Hsu, Chen-I</td> <td>Male</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> <td>√</td> <td>√</td> <td></td> <td></td> <td>√</td> </tr> <tr> <td>Chang, Chen-Ming</td> <td>Female</td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> <td>√</td> </tr> <tr> <td>Wang, Ding-Chang</td> <td>Male</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>※The percentage of Directors with employee status in The Company is 22%, while Independent Directors comprise</p>	Name of the Director	Gender	Core Diversification Items										Operational judgment ability	Accounting and finance	Business management	Crisis management	Industry knowledge	International market	Leadership ability	Decision-making ability	Law	Environmental protection	Wu, Yi-Gui	Male	√	√	√	√	√	√	√	√	√			Hu, Chi-Hong	Male	√		√	√	√	√	√	√	√			Wu, Pei-Ji	Male	√		√	√	√	√	√	√	√			Tung, Han-Lin	Male	√		√	√	√	√	√	√	√		√	Wu, Hung-To	Male	√		√	√			√	√				Li, Zu-De	Male	√	√	√	√			√	√				Hsu, Chen-I	Male	√	√	√	√			√	√			√	Chang, Chen-Ming	Female	√		√	√		√	√	√			√	Wang, Ding-Chang	Male	√	√	√	√	√	√	√	√				
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(II) In addition to establishing the Payroll Remuneration Committee and the Audit Committee as required by law, does the company voluntarily establish other types of functional committees?	V		<p>44%.</p> <p>※The age distribution of the board members includes 1 director aged 41-50, 3 directors aged 51-60, 2 directors aged 61-70, and 3 directors aged 71-80.</p> <p>※Reasons for continued nomination of independent directors who have served three consecutive terms.: Mr. Li, Zu-De has extensive practical experience and expertise in the fields of finance and corporate management, greatly benefiting Hua Xia company's financial planning and risk control. Although he has been reappointed for three terms as an Independent Director of CGPC, he is able to provide constructive suggestions with professional and independent judgment in both the functional committees and the Board of Directors, therefore, he is nominated again as an Independent Director in this election.</p> <p>(II) The Company has established a Payroll Remuneration Committee and an Audit Committee, which exercise their powers in accordance with the "Organizational Rules of the Compensation Committee" and the "Audit Committee Charter," respectively, and their operations are smooth. The Company has also voluntarily established an ESG Committee, which exercises its powers in accordance with the "Organizational Rules of the ESG Committee," and its</p>	



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(III)Has the company established a method for the Board of Directors Performance Evaluation and its assessment approach, conducted performance evaluations annually on a regular basis, reported the results to the Board of Directors, and used these results as a reference for individual Director's remuneration and renomination?	V		<p>operations are smooth.</p> <p>(III)The company has established a method for the Board of Directors Performance Evaluation and its assessment approach, and conducts performance evaluations on a regular basis.</p> <p>I.Implementation status and evaluation results of the external Board of Directors Performance Evaluation.</p> <p>1.To implement corporate governance, strengthen the functions of the Board of Directors, and enhance the overall operational efficiency of the Board through clear performance objectives, the Company, after approval by the Board of Directors, established the "Board of Directors Performance Evaluation Method." According to the regulations of this method, the Board of Directors Performance Evaluation must be conducted by an external professional independent organization or team of external experts and scholars at least once every three years.</p> <p>2.The Company has appointed the Taiwan Chengzhen Management Association, a legal entity, to carry out the Board of Directors' effectiveness evaluation. The execution host is Attorney Hsu You-Wei, with the execution year being 2025, and the evaluation period</p>	

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			<p>from January 1, 2025 to December 31, 2025. The organization and its executive committee have had no financial, business, or other circumstances with The Company in the most recent year that could affect their professional judgment and independence. They have also not provided any other consulting or audit-related services to The Company, ensuring the objectivity and fairness of the evaluation process, and have issued a declaration of independence. The evaluation of the Board of Directors' performance this time was conducted based on four main aspects, including: the professional competencies of the Board of Directors, the decision-making effectiveness of the Board of Directors, the importance the Board of Directors places on internal control and supervision, and the attitude of the Board of Directors towards sustainable operations. The evaluation methods include reviewing the company's internal relevant regulations and records, having Board of Directors members complete evaluation questionnaires, and conducting individual interviews with Directors. The Company has reported the evaluation results to the Board of Directors on November 4, 2025.</p> <p>3.The external Board of Directors Performance Evaluation</p>	



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			<p>process is as follows:</p> <p>(1)The external organization provides a list of documents required for the assessment and an evaluation questionnaire.</p> <p>(2)The evaluated company provides the necessary documents and responds to the evaluation questionnaire.</p> <p>(3)The external organization conducts a document review of the materials provided by the evaluated company and may request the evaluated company to provide additional information or notes as needed.</p> <p>(4)The external organization meets and interviews the Directors of the evaluated company and related personnel to gain an in-depth understanding of the actual operations of the Board of Directors.</p> <p>(5)The external organization plans to draft and issue the Board of Directors performance evaluation report.</p> <p>4.Evaluation Results - Overall Observations and Conclusions:</p> <p>(1)Directors have ample opportunities for discussion during meetings, and the responsible unit's personnel provide detailed information to the Directors before Board of Directors meetings. They also furnish</p>	

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			<p>adequate notes to Directors who do not participate in daily operations, enabling the Board of Directors members to exercise their decision-making effectiveness.</p> <p>(2)In terms of risk management, companies face diverse risks from the macro economy, industrial structure, and environmental policies. Due to a major factory fire incident in 2024, the evaluated company has proactively developed more comprehensive systems for risk management, updated equipment, and strengthened safety management to improve plant safety and operational resilience. The directors of the evaluated company recognize the importance of risk management and continuously ensure that risk control is closely integrated with business strategy through regular risk identification and reporting mechanisms. They establish a comprehensive and integrated risk management framework to embed a risk management culture, which aids in the company's risk response and long-term development.</p> <p>(3)The Directors have recognized the importance of sustainability issues and affirmed the necessity for continuous promotion and development in this area.</p>	



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			<p>Overall, the evaluated company's ESG Committee operates well, actively implementing green transformation, climate risk management, and social welfare initiatives to comprehensively promote sustainable operations. Through specific short, medium, and long-term actions, they execute energy saving and carbon reduction efforts to achieve sustainability goals.</p> <p>5.Evaluation Results - Optimization Suggestions: (1)Optimize the risk management mechanism and ensure its implementation, strengthen risk control processes, and enhance crisis management response capabilities: The evaluated company has established a risk management mechanism, with the highest-level Supervisor responsible for overseeing the execution and coordination of risk management operations. It is still recommended to consider establishing an independent risk assessment and management unit within the organization to continuously optimize risk identification and cross-departmental information integration. This will enhance the timeliness and accuracy of risk warnings and decision support. Additionally, for major incidents, strengthen crisis</p>	

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			<p>management and contingency plans, conduct regular scenario reviews and drills, to improve overall risk resilience and operational stability.</p> <p>(2)Review the appropriateness of performance evaluation standards and strengthen the succession pipeline: It is recommended to continuously review the performance evaluation and related supporting systems to ensure they are linked with the company's business goals and talent development direction, thereby enhancing the overall operational efficiency of the system. The Board of Directors should continuously focus on talent development and succession planning, strengthening implementation and tracking through systematic mechanisms to support the organization's long-term and stable development.</p> <p>6.The Company's future improvement plans: The Company will continue to refine the operation mechanism of the Board of Directors and the corporate governance system based on the results of this external Board of Directors Performance Evaluation and the optimization recommendations provided. The key improvement directions and related enhancement measures are planned as follows:</p>	



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			<p>(1)Continuously strengthen the risk management system to enhance overall risk response and management effectiveness.</p> <p>①The Company will continue to regularly review and inventory various operational risks. The identification, assessment, and formulation and implementation of response measures will be handled by the respective responsible units based on the nature of the risk, with oversight by senior management and the Board of Directors.</p> <p>②In the future, we will continue to refine cross-departmental risk information integration and reporting mechanisms, enhance risk identification, analysis, and tracking processes, to improve the timeliness and effectiveness of risk warnings and decision support. At the same time, in response to major safety or emergency incidents, in addition to continuously implementing equipment safety management and standard operating procedures, crisis management and response mechanisms will be gradually improved. Timely planning of relevant drills and review operations will also be conducted to enhance overall operational resilience and risk</p>	

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			<p>response capabilities.</p> <p>(2)Enhance the Human Resources and Performance Management System to strengthen talent development and succession planning.</p> <p>The Company will continue to review the appropriateness of the current performance evaluation and related supporting systems to ensure alignment with the company's business strategy and talent development direction. The Board of Directors will also continue to focus on the implementation of talent development and succession planning, ensuring that related measures are effectively implemented through systematic review and tracking mechanisms to support the company's long-term stable operation and sustainable development.</p> <p>II.Overall Board of Directors and Performance Evaluation of Individual Board of Directors Members:</p> <p>1.According to the "Board of Directors Performance Evaluation Method" amended and approved by the Board of Directors in November 2025, the Company plans to conduct performance evaluations of the overall Board of Directors and individual Board members at the end of each year.</p>	



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			<p>2.The overall Board of Directors and Performance Evaluation of Individual Board of Directors Members is executed by the Secretariat, Board of directors, using the internal self-assessment method. The performance evaluation results will serve as a reference for the company's review and improvement, and will be used as a reference for individual Director's remuneration and renomination.</p> <p>3.The Company completed the performance evaluation process in January 2026, with the evaluation period from January 1, 2025 to December 31, 2025. The evaluation results are summarized as follows:</p> <p>(1)Overall Board of Directors Performance Evaluation</p> <table border="1"> <thead> <tr> <th>Evaluation Aspects</th> <th>Score(Note)</th> <th>Evaluation results and supplementary note</th> </tr> </thead> <tbody> <tr> <td>Level of participation in company operations.</td> <td>4.67</td> <td>1. The overall Board of Directors evaluation results show that the average score across the five major aspects exceeds 4.6, indicating favorable evaluation results.</td> </tr> <tr> <td>Enhancement of the decision-making quality of the Board of Directors</td> <td>5.00</td> <td>2. Looking ahead to 2026, global inflationary pressures are easing. However, interest rate policies and geopolitical risks still influence oil prices and market demand. The restructuring of international supply chains and the trend towards net zero carbon emissions also pose</td> </tr> </tbody> </table>	Evaluation Aspects	Score(Note)	Evaluation results and supplementary note	Level of participation in company operations.	4.67	1. The overall Board of Directors evaluation results show that the average score across the five major aspects exceeds 4.6, indicating favorable evaluation results.	Enhancement of the decision-making quality of the Board of Directors	5.00	2. Looking ahead to 2026, global inflationary pressures are easing. However, interest rate policies and geopolitical risks still influence oil prices and market demand. The restructuring of international supply chains and the trend towards net zero carbon emissions also pose	
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			<table border="1"> <tr> <td>Composition and structure of the Board of Directors</td> <td>5.00</td> <td rowspan="3">structural challenges to the long-term operations of the petrochemical industry. In response to raw material cost fluctuations, narrowing spreads, and increasingly stringent environmental protection regulations, the company will continue to strengthen its risk control mechanisms and enhance operational resilience. Strategically, the company will mitigate single market risks through product portfolio optimization and diversified deployment. Simultaneously, it actively promotes energy conservation, carbon reduction, and process optimization to achieve sustainability goals. The Board of Directors and the management team will closely monitor industry supply and demand cycles, carefully assess risks and opportunities, and drive stable growth for the company.</td> </tr> <tr> <td>Selection and continuous education of Directors.</td> <td>5.00</td> </tr> <tr> <td>Internal control</td> <td>5.00</td> </tr> </table> <p>Note: The evaluation score is expressed in a range of 0 to 5, with 5 being the full score.</p> <p>(2)Performance evaluation of individual Board of Directors members</p> <table border="1"> <thead> <tr> <th>Evaluation Aspects</th> <th>Score(Note)</th> <th>The evaluation results are summarized as follows:</th> </tr> </thead> <tbody> <tr> <td>Understanding of company goals and missions</td> <td>4.89</td> <td rowspan="3">The Director's self-evaluation results show that the average score across the six major aspects exceeds 4.8, indicating favorable</td> </tr> <tr> <td>Awareness of Directors' responsibilities</td> <td>4.95</td> </tr> <tr> <td>Level of participation in company operations.</td> <td>4.98</td> </tr> </tbody> </table>	Composition and structure of the Board of Directors	5.00	structural challenges to the long-term operations of the petrochemical industry. In response to raw material cost fluctuations, narrowing spreads, and increasingly stringent environmental protection regulations, the company will continue to strengthen its risk control mechanisms and enhance operational resilience. Strategically, the company will mitigate single market risks through product portfolio optimization and diversified deployment. Simultaneously, it actively promotes energy conservation, carbon reduction, and process optimization to achieve sustainability goals. The Board of Directors and the management team will closely monitor industry supply and demand cycles, carefully assess risks and opportunities, and drive stable growth for the company.	Selection and continuous education of Directors.	5.00	Internal control	5.00	Evaluation Aspects	Score(Note)	The evaluation results are summarized as follows:	Understanding of company goals and missions	4.89	The Director's self-evaluation results show that the average score across the six major aspects exceeds 4.8, indicating favorable	Awareness of Directors' responsibilities	4.95	Level of participation in company operations.	4.98	
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(IV) Does the company regularly evaluate the independence of Certified Public Accountants?	V		<p>Note: The evaluation score is expressed in a range of 0 to 5, with 5 being the full score.</p> <p>(3) Performance of the ESG Committee</p> <table border="1"> <thead> <tr> <th>Evaluation Aspects</th> <th>Score(Note)</th> <th>The evaluation results are summarized as follows:</th> </tr> </thead> <tbody> <tr> <td>Level of participation in the ESG Committee.</td> <td>4.80</td> <td rowspan="4">The ESG Committee's self-evaluation results show that the average score across the four major aspects exceeds 4.8, indicating favorable overall evaluation results.</td> </tr> <tr> <td>Awareness of the responsibilities of functional committees</td> <td>4.93</td> </tr> <tr> <td>Enhancement of the decision-making quality of the ESG Committee</td> <td>5.00</td> </tr> <tr> <td>Composition and selection of members of functional committees.</td> <td>5.00</td> </tr> </tbody> </table> <p>Note: The evaluation score is expressed in a range of 0 to 5, with 5 being the full score.</p> <p>2. The performance evaluation results of the functional committee were submitted to the Board of Directors in the first quarter of 2016.</p> <p>(IV) The Company's Audit Committee evaluates the independence and suitability of its Certified Public Accountants. In addition to requiring the audit team of</p>	Evaluation Aspects	Score(Note)	The evaluation results are summarized as follows:	Level of participation in the ESG Committee.	4.80	The ESG Committee's self-evaluation results show that the average score across the four major aspects exceeds 4.8, indicating favorable overall evaluation results.	Awareness of the responsibilities of functional committees	4.93	Enhancement of the decision-making quality of the ESG Committee	5.00	Composition and selection of members of functional committees.	5.00	
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			<p>Certified Public Accountants to provide an "independence declaration" and "Audit Quality Indicators (AQIs)," the evaluation is conducted based on Note 1 standards and the five major dimensions of the AQI indicators (including 13 indicators). After confirming that there are no financial interests or business relationship with The Company, except for fees related to attestation and financial and tax cases, and that the family members also do not violate independence requirements, and by referring to the AQI indicator information, it is confirmed that the accountants and the firm have audit experience that meets the standards, with training hours exceeding the industry average. Additionally, they will introduce innovative auditing tools, expand the audit support center, and implement a cloud audit platform to enhance audit quality. The evaluation results for the most recent year were discussed and approved by the Audit Committee on March 4, 2024, and subsequently submitted to the Board of Directors on the same day, where the assessment of the accountants' independence and suitability was approved.</p> <p>(1)Independence Evaluation Content:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>The evaluat ion</th> <th>Does it meet the independenc</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Item	The evaluat ion	Does it meet the independenc				
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	Ye s.	N o	results are summarized as follows :		
				1.As of the most recent verification operation, there has been no occurrence of not being changed in the past seven years.	Yes. Yes.
				2.No significant financial conflict of interest with the client.	Yes. Yes.
				3.Avoid any inappropriate relationship with the client.	Yes. Yes.
				4.Accountants should ensure that their assistants uphold honesty, fairness, and independence.	Yes. Yes.
				5.Within the first two years of practice, financial statements of the served organization are not to be audited and certified.	Yes. Yes.
				6.The accountant's name must not be used by others.	Yes. Yes.
				7.Does not hold shares in The Company or its related enterprises.	Yes. Yes.
				8.There have been no instances of monetary lending with The Company and its related enterprises.	Yes. Yes.
				9.There are no joint investment or profit-sharing relationships with The Company or its related enterprises.	Yes. Yes.
				10.Does not concurrently hold regular positions with The Company or its related enterprises, and receives a fixed salary.	Yes. Yes.

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IV.Have listed or OTC companies allocated an appropriate and sufficient number of	V		IV.To protect shareholder rights and strengthen the functions of the Board of Directors, the Company, following a Board	No significant difference																																		



Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
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competent corporate governance personnel and designated a Supervisor of Corporate Governance responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with necessary data for business execution, assisting directors and supervisors in complying with regulations, managing matters related to the Board of Directors and shareholders' meeting in accordance with the law, and preparing minutes of the Board of Directors and shareholders' meetings)?			<p>resolution on May 9, 2019, appointed the Legal Department Supervisor, Chen, Yung-Chih, as the Supervisor of Corporate Governance, serving as the highest supervisor responsible for corporate governance-related affairs. Director Chen, Yung-Chih has over 20 years of experience as a practicing lawyer and more than 10 years as a legal supervisor in a listed company. His primary responsibilities include managing matters related to Board of Directors and shareholders' meetings in accordance with the law, preparing minutes of the Board of Directors and shareholders' meetings, assisting Directors with their induction and continuous education, providing necessary data for Directors' business execution, assisting Directors in complying with laws and regulations, reporting to the Board of Directors on the eligibility of Independent Directors at the time of nomination, election, and during their term as per relevant laws and regulations, and handling matters related to changes in Directors.</p> <p>The key focus of business execution for 2025 is as follows: (I) Assist Directors in executing their duties, provide necessary information, arrange education for Directors, and arrange liability insurance: 1. Compile the latest laws and regulations related to</p>	

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
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			<p>company business areas and corporate governance, arrange for discussion during Board of Directors meetings, and regularly educate Board of Directors members.</p> <p>2.Assist Directors in understanding the regulations that must be followed when executing business duties as requested by the Director.</p> <p>3.Provide the necessary company information to Directors and assist in communication and interaction between Directors and various business Supervisors.</p> <p>4.If Independent Directors need to meet with the Audit Supervisor or the certified public accountant to understand the company's financial and business needs, assist in arranging the relevant meetings.</p> <p>5.Assist the company in organizing at least a 6-hour continuing education course for Board of Directors members.</p> <p>6.Ensure that the company has arranged "Directors and Key Officers Liability Insurance" for the Board of Directors members and report it to the Board of Directors.</p> <p>(II)Handling the procedures for the Board of Directors and shareholders' meetings and confirming compliance with</p>	



Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
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			<p>regulations regarding resolutions:</p> <ol style="list-style-type: none"> 1.Prepare the Board of Directors meeting notice and agenda in accordance with the law; provide prior reminders if any director needs to recuse themselves due to conflicts of interest regarding an agenda item; and prepare the minutes within the statutory deadline. 2.Handle the pre-registration of the shareholders' meeting date according to the law, and prepare the meeting notice, agenda handbook, minutes, and other meeting documents within the statutory deadline. 3.Confirm that the convening, resolution procedures, and minutes of the Board of Directors and shareholders' meetings comply with relevant laws and corporate governance code regulations. 4.Handle matters related to the change registration involving the Board of Directors and shareholders' meetings. <p>(III)Confirm the qualifications of Independent Directors and handle matters related to changes in Directors:</p> <ol style="list-style-type: none"> 1.Confirm that the qualifications of the Independent Directors at the time of nomination, election, and during their term comply with relevant laws and regulations, and 	

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
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			<p>report the review results to the Board of Directors.</p> <p>2. According to the law, handle matters related to changes in Directors.</p> <p>(IV) Maintain Investor Relations: Irregularly update the company's website information to allow investors to understand the company's financials, business, and corporate governance information in order to protect shareholders' equity.</p> <p>Further education status in 2025: According to Article 24 of the Taiwan Stock Exchange Corporation's Key Points for the Establishment and Exercise of Functions of the Board of Directors of Listed Companies, listed companies should arrange for the professional development of their Supervisor of Corporate Governance.</p> <p>Aside from first-time appointees of the Supervisor of Corporate Governance, who should complete at least 18 hours of continuing education within a year of assuming the position, the Supervisor should undergo at least 12 hours of continuing education annually.</p> <p>In 2025, Chen, Yung-Chih, the Supervisor of Corporate Governance of The Company, has completed 50 hours of further education. The details are as follows:</p>	



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				of China (R.O.C.)		
			August 29, 2025	Taiwan Stock Exchange Corporation	Strengthen climate information disclosure to enhance corporate climate resilience.	3
			September 12, 2025	Foundation of Taiwan Sustainable Energy Research	2025 Asia-Pacific Sustainability Forum_ Fourth Hydrogen Energy Forum	2
			October 3, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	2025 Insider Trading Prevention Advocacy Seminar	3
			October 16, 2025	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	6
			October 16, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	Prospects for the U.S.-China Economy and Taiwan's Industrial Economy after the U.S. Election	3
			October 17, 2025	Foundation of Taiwan Sustainable Energy Research	The 41st TCCS Board Meeting and CEO Lecture	2
			October 28, 2025	Chinese Corporate Governance Association	202510 Fubon Insurance - AI Application and Corporate Governance Seminar	3



Evaluation Items	Operating Status (Note)				The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.		
	Ye s.	N o	Summary Note				
			November 21, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	2025 Insider Equity Trading Legal Compliance Advocacy Seminar	3	
			December 5, 2025	Securities and Futures Institute, Republic of China (R.O.C.)	New Perspectives on Corporate Hedging: Addressing Exchange Rate Challenges and Asset Management Trends	3	
V.Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a stakeholder section on the company's website, and appropriately responded to important corporate social responsibility issues of concern to stakeholders?	V		<p>The Company's website includes a stakeholder section within the sustainable development area, providing contact information and communication channels. There are designated personnel responsible for the collection and disclosure of company information and implementing the spokesperson system. When necessary, communication can be conducted via face-to-face meetings, Tel:, or a dedicated mailbox. The communication status with stakeholders will be reported to the Board of Directors annually. The communication channels, issues of concern, and responses with stakeholders in 2025 are scheduled to be reported to the Board of Directors on March 4, 2026.</p> <p>(Disclosed on the ESG website: https://www.cgpc.com.tw/ESG/tw/vision.aspx, https://www.cgpc.com.tw/ESG/tw/issue-SDGs.aspx)</p>			No significant difference	

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
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second, and third quarter financial reports and the monthly operational status ahead of the required deadline?			announced and reported ahead of the required deadline.	
VIII.Does the company have any other important information that helps understand the state of the company's implementation of corporate governance (including but not limited to employee rights, employee care, investor relationships, supplier relationships, stakeholders' rights, the continuous education of directors and supervisors, the implementation of risk management policies and risk assessment standards, the implementation of customer policies, and the situation regarding the company's purchase of liability insurance for directors and supervisors, etc.)?	V		The Company prepares an "ESG Report" annually, clearly disclosing employee rights, employee care, investor relationships, supplier relationships, stakeholders' rights, the continuous education of directors, the implementation of risk management policies and risk assessment standards, and the implementation of customer policies. The 2025 ESG Report is scheduled to be completed by August 31 as per regulations, disclosed on the company's website: (https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx) and the Corporate Governance section on the Market Observation Post System: (https://esggenplus.twse.com.tw/inquiry/report?lang=zh-TW).	No significant difference
IX.Please explain the improvements based on the recent Corporate Governance Evaluation results released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation for the most recent year, and propose priority enhancement items and measures for areas that have not yet been improved. (Not required for companies not included in the assessment):				

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
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<p>Improvement Measures:</p> <p>(I) There are written regulations for financial transactions between related parties, including management procedures for transactions such as purchase and sale of goods, acquisition or disposal of assets, and that major transactions should be submitted to the board of directors for approval and to the shareholders' meeting for consent or report.</p> <p>(II) An employee satisfaction survey has been conducted, and its implementation and improvement plans have been disclosed.</p> <p>(III) The "Enhancing Corporate Value Plan" has been submitted to the Board of Directors and disclosed on M.O.P.S.</p> <p>(IV) The "Board of Directors Performance Evaluation Method" stipulates that an external evaluation must be conducted at least once every three years; the most recent external evaluation operation has been successfully completed.</p>				

Note: Regardless of checking "Yes" or "No," the Summary Note field should be clearly stated.



(IV) If the company has established a Payroll Remuneration Committee or a Nomination Committee, it should disclose their composition and operational status:

The Company's Payroll Remuneration Committee was officially established on December 28, 2011, and the announcement was completed. Its composition, responsibilities, and operational status are as follows:

1. Information of Payroll Remuneration Committee members:

December 31, 2025

Conditions (Note 1) Category Name		Professional qualifications and experience (Note 2)	Independence Status (Note 3)	Number of Publicly Issued Companies Also Serving as a Member of the Payroll Remuneration Committee
Independent Director (Convener)	Hsu, Chen-I	Currently the Chairman of Thai Town Cuisine Co., Ltd., with expertise in corporate operations management.	There have been no circumstances as described in Article 3, Paragraph 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters" in the two years prior to election and during the term of service.	1
Independent Director	Li, Zu-De	Formerly served as the Chairman of Taipei Medical University, currently the Vice Chairman of Diamond BioTech Investment Co., Ltd., with expertise in corporate operations management.		0
Independent Director	Wang, Ding-Chang	Currently the Chairman of Hua Shih Technology Co., Ltd., and serving as a Director and CEO of multiple companies under RITEK Group, with expertise in corporate operations management and direct supervisory experience over financial and accounting supervisors.		1

Note 1: In the table, please specifically state the relevant years of work experience, professional qualifications and experience, and the independence of each member of the Compensation Committee. For Independent Directors, you may note to refer to the relevant content in Appendix 1, Directors and Supervisors Information (I) on page OO. Please fill in the category as Independent Director or Others (if the person is the convener, please note it).

Note 2: Professional Qualifications and Experience: State the professional qualifications and experience of individual members of the Payroll Remuneration Committee.

Note 3: Compliance with Independence Criteria: State the compliance of Compensation Committee members with independence criteria, including but not limited to whether they, their spouses, or relatives within the



second degree of kinship serve as directors, supervisors, or employees of The Company or its affiliated enterprises; the number and percentage of company shares held by them, their spouses, or relatives within the second degree of kinship (or using the names of other persons); whether they serve as directors, supervisors, or employees of a company with a specific relationship with The Company (referencing the provisions of Article 6, Paragraph 1, Items 5~8 of the "Regulations Governing the Establishment and Exercise of Powers of the Compensation Committee for Listed Companies or Companies Trading in the Sales & Marketing Division"); and the amount of remuneration received from providing commercial, legal, financial, accounting, or other services to The Company or its affiliated enterprises in the last two years.

Note 4: Please refer to the Best Practice Reference Examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange Corporation for disclosure methods.

2. Responsibilities:

The committee shall faithfully perform the following duties with the due care of a good manager and submit its recommendations to the Board of Directors for discussion:

- (1) Regularly review the committee's organizational rules and propose amendments when necessary.
- (2) Formulate and regularly review the policies, systems, standards, and structure for the performance evaluation and remuneration of the Company's Directors and Managerial Officers.
- (3) Regularly assess and establish the salary and remuneration for the Company's Directors and Managerial Officers.

This Year, 3 meetings were held, and the key work points are summarized as follows:

- (1) Review the remuneration of Directors and Managerial Officers: based on the policies, systems, standards, and structure of remuneration, and the performance evaluation results, also taking into account the industry median level of remuneration, personal time commitment, responsibilities, personal goal achievement, remuneration of individuals in equivalent positions, achievement of the company's short-term and long-term performance targets, the company's financial position, and other factors, to assess the reasonableness of the remuneration of Directors and Managerial Officers.
- (2) Review and amend relevant regulations to ensure appropriateness and legality, including the Organizational Guidelines of the Compensation Committee, the Remuneration Method for Directors and Managerial Officers, the Board of Directors Performance Evaluation Method, and the Managerial Officer Performance Evaluation Method.
- (3) Conduct a market salary comparison for Directors and Managerial Officers.

(4) Review of the Performance of the Payroll Remuneration Committee's self-evaluation results.

(5) Annual work plan planning.

3. The State of the Payroll Remuneration Committee's Operations:

(1) The Company's Payroll Remuneration Committee consists of 3 members.

(2) Term of office for current committee: June 2, 2025 to May 26, 2028, in the most recent Year, the Payroll Remuneration Committee held 3 meetings (A), with committee members' qualifications and attendance as follows:

Title (Note 1)	Name	Actual number of times attended B	Number of times attended by proxy	Actual attendance rate (%) (B/A) (Note)	Note
Convener	Zheng, Ying-Bin	1	0	100%	Cooperate with the expiration of the Term of Office of the Board of Directors and step down
Convener	Hsu, Chen-I	3	0	100%	Reappointment; cooperate with the expiration of the Term of Office of the Board of Directors, and reappointed on June 2, 2025.
Committee member	Li, Zu-De	2	1	67%	Reappointment; cooperate with the expiration of the Term of Office of the Board of Directors, and reappointed on June 2, 2025.
Committee member	Wang, Ding-Chang	2	0	100%	Newly appointed

Note :1. Before the end of the year, if any Payroll Remuneration Committee member resigns, the resignation date should be noted in the Note column. The actual attendance rate (%) should be calculated based on the number of Payroll Remuneration Committee meetings held during their tenure and the actual number of times attended.

2. Before the end of the year, if there is a re-election of the Payroll Remuneration Committee, both the incoming and outgoing members should be listed, and it should be noted in the Note column whether they are outgoing, incoming, or re-elected, along with the re-election date. The actual attendance rate (%) should be calculated based on the number of Payroll Remuneration Committee meetings held during their tenure and the actual number of times attended.

Other Matters to Be Noted:

I. If the Board of Directors does not adopt or modifies the recommendations of the Compensation Committee, the date of the board meeting, session number, content of the proposal, resolution results of the Board of Directors, and the company's handling of the Compensation Committee's opinions should be specified (if the compensation approved by the Board of Directors is more favorable than the Compensation Committee's recommendations, the differences and reasons should be specified): No such situation.

II. If there are any resolutions of the Compensation Committee with objections or reservations from members with recorded or written statements, the date of the Compensation Committee meeting, session number, content of the



proposal, all members' opinions, and the handling of these opinions should be specified:

(1)The State of the Payroll Remuneration Committee's Operations Information:

Payroll Remuneration Committee	Content of the proposal and subsequent handling	Objections or reserved opinions from Payroll Remuneration Committee members
The 9th meeting of the fifth session 2025.03.04	1.The Company's 2024 distribution plan for director and employee compensation.	No
	2.The Company's 2024 proposal for the annual special bonus for Managerial Officers.	No
	3.Review the Company's remuneration method for Directors and Managerial Officers and the performance evaluation system.	No
	Opinion of Payroll Remuneration Committee members: None.	
	Resolution result: The proposal was unanimously approved by all attending committee members without objection, and will be submitted for the Board of Directors' resolution.	
	The Company's handling of Payroll Remuneration Committee members' opinions: Execute related operations according to the resolution result.	
The first meeting of the sixth session 2025.8.5	1.The Company's annual salary adjustment matters.	No
	2.Amend certain provisions of the method for the Board of Directors Performance Evaluation.	No
	Opinion of Payroll Remuneration Committee members: None.	
	Resolution result: The proposal was unanimously approved by all attending committee members without objection, and will be submitted for the Board of Directors' resolution.	
	The Company's handling of Payroll Remuneration Committee members' opinions: Unanimously approved by all attending Directors.	
The second meeting of the sixth session 2025.11.04	1.Amend certain provisions of the method for the Board of Directors Performance Evaluation.	No
	2.Review the Company's "Organizational Rules of the Compensation Committee" proposal.	No
	3.Formulate the 2026 work plan proposal for this Committee.	No
	Opinion of Payroll Remuneration Committee members: None.	
	Resolution result: The proposal was unanimously approved by all attending committee members without objection, and will be submitted for the Board of Directors' resolution.	
	The Company's handling of Payroll Remuneration Committee members' opinions: Unanimously approved by all attending Directors.	

(2)In the most recent year, the Company's Board of Directors did not fail to adopt or modify the recommendations of the Payroll Remuneration Committee.

(3)In the most recent year, the Payroll Remuneration Committee had no resolutions with objections or reserved opinions from members with recorded or written statements.

(I)Information of Nomination Committee members and operational status: Not applicable.

(V)Implementation of Sustainable Development Initiatives and the Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.

Promotion Item	Execution Status (Note 1)		Summary Note	The Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Y es.	N o		
I.Has the company established a governance structure to promote sustainable development, set up a dedicated (or concurrent) unit for promoting sustainable development, authorized senior management by the Board of Directors to handle related matters, and how does the Board of Directors supervise the situation?	V		<p>1.ESG Committee governance structure</p> <p>The Company has established an ESG Committee at the Board of Directors level, which is a functional committee under the Board of Directors. It is chaired by an Independent Director, with the President serving as the Vice Chair. The committee is composed of the Chairman, the President, and at least two Independent Directors.</p> <p>The committee has three working groups under it: corporate governance, environmental protection, and social relationship. An ESG project secretary is appointed to integrate the work related to sustainability development across various units, compile annual plans and execution outcomes, and report to the committee.</p> <p>ESG Committee history Note:</p> <p>(1)The Company established the Corporate Social Responsibility Committee on March 9, 2017, and it was elevated to a functional committee under the Board of Directors on November 9 of the same year.</p> <p>(2)On March 9, 2022, it was renamed the "ESG Committee," and the organizational rules were simultaneously revised, establishing it as the highest governance unit for promoting the company's sustainability development.</p> <p>2.Main responsibilities of the ESG Committee</p> <p>The ESG Committee is the highest-level decision-making unit for sustainability development within the company, chaired by an Independent Director and composed of Directors from various fields and Independent Directors. Its main responsibilities are as follows:</p> <p>(1)Formulate sustainable development policies and supervise the implementation of sustainable development strategy planning, annual plans, and project plans, evaluate the execution situation, and approve the sustainability report.</p> <p>(2)Report the annual execution outcomes of sustainability development to the Board of</p>	In line with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies

Promotion Item	Execution Status (Note 1)		Summary Note	The Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Y es.	N o		
			<p>Directors each year.</p> <p>(3)Other matters instructed by the resolution of the Board of Directors to be handled by this Committee.</p> <p>(4)Operating mechanism.</p> <p>3.Report regularly to the ESG Committee/Board of Directors.</p> <p>The Committee reports on the progress of sustainability development to the Board of Directors at least twice a year. In 2025, two meetings were held on March 4 and August 5, with the main content of the proposal including:</p> <p>(1)The execution status of greenhouse gas inventory and assurance.</p> <p>(2)The outcomes of stakeholder discussions, including the identity of stakeholders, issues of concern, communication channels, and response methods.</p> <p>(3)Sustainability development execution outcomes and future work plans.</p> <p>(4)Execution progress and planning of the sustainability report.</p> <p>The relevant proposal will be submitted to the Board of Directors for reporting after being reviewed and filed by the ESG Committee.</p> <p>4.How does the Board of Directors supervise the situation?</p> <p>The Board of Directors supervises and reviews the strategies and objectives set for corporate governance, environmental, and social aspects, examines the progress and performance, and reviews and approves the sustainability report, providing guidance and decision-making direction for significant sustainability issues.</p> <p>Reference webpage:</p> <p>1.ESG Report: https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx;</p> <p>2.ESG Committee meeting minutes: https://www.cgpc.com.tw/ESG/tw/vision.aspx</p>	
II.Has the company conducted risk assessments related to environmental, social, and corporate governance issues associated with its operations following the principle of materiality,	V		<p>The Company's disclosure period is from January 1, 2025 to December 31, 2025, with the risk assessment boundary primarily centered on the Company. The evaluation scope includes subsidiaries that are part of the financial statements.</p> <p>To ensure stable operations and sustainable development, The Company has conducted risk assessments related to environmental, social, and corporate governance (ESG) issues</p>	In line with the Corporate Sustainability Best Practice Principles for TWSE/TPEX



Promotion Item	Execution Status (Note 1)		Summary Note	The Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
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and established relevant risk management policies or strategies? (Note 2)			<p>associated with its operations following the principle of materiality. In December 2020, the "Risk Management Policy and Procedure Methods" were approved by the Audit Committee and the Board of Directors, clearly outlining the risk management policy, management organization, management processes, risk categories, and control mechanisms. These serve as the basis for the company's overall risk management, with the Audit Committee and the Board of Directors supervising the formulation, operation, and improvement of the Company's risk management policies.</p> <p>In compliance with the relevant regulations of the competent authorities, the Company has formulated operational standards for each risk management unit to carry out daily operational risk control. It continuously monitors the development of international and domestic risk management systems. Currently, specific issues or significant risks are assessed and corresponding strategies are developed by each executing and responsible unit. The Group Auditing Div. regularly tracks the results of these corresponding plans and reports them to the Internal Control Self-Assessment Committee to implement the PDCA cycle, continually strengthening risk management operations to safeguard the interests of the company, employees, shareholders, and stakeholders.</p> <p>On November 4, 2025, the Company reported to the Audit Committee and the Board of Directors on the operation status of risk management for the year, covering issues such as Production and Sales Strategy and Operational Risks, Financial Risks, Disaster and Accident Risk Management, and Climate Change and Environmental Risks. The related risk management organizational structure, management procedures, and operational status have been disclosed in the annual report and on the company's website.</p> <p>For detailed information, please refer to: Annual Report: VII, VI, Risk Analysis and Assessment (XIV) Responding to environmental, social, and corporate governance risks or the website: ESG Report: https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx; Risk and Intellectual Property Management https://www.cgpc.com.tw/ESG/tw/risk-management.aspx</p>	Listed Companies

Promotion Item	Execution Status (Note 1)		Summary Note	The Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Y es.	N o		
<p>III.Environmental risks</p> <p>(I)Has the company established an appropriate environmental management system based on the characteristics of its industry?</p>	V		<p>(I)</p> <p>The Company has established a comprehensive environmental management system and set of regulations, adhering to laws and regulations such as the Air Pollution Control Act, Water Pollution Control Act, Waste Disposal Act, and the Toxic and Concerned Chemical Substances Control Act. These are implemented and promoted jointly by the Industrial Safety Office, Environmental Protection Sector, and related departments.</p> <p>CGPC Toufen Plant and its subsidiaries, CGPCPOL Linyuan Plant and TVCM Linyuan Plant, have all been certified for the ISO 14001 environmental management system (currently valid), providing a robust framework for environmental protection, reducing the impact of incidents on the environment, and complying with regulatory standards.</p> <p>To ensure the effective operation and continuous improvement of the environmental management system, the Company has established management objectives centered on compliance with regulations, pollution prevention, and environmental risk control in accordance with the ISO 14001 environmental management system framework. Through annual internal and external audits, management reviews, and continuous improvement mechanisms, the implementation and improvement effectiveness of the system are regularly reviewed.</p> <p>Supplementary Note on the Actual Situation of Regulatory Compliance in the Year:</p> <p>In 2025, there were no violations for CGPC,TVCM and, GGTC; however,CGPCPCO Hua Ju Company was fined NT\$50,000 by the Kaohsiung City Government's Economic Development Bureau under the Factory Counseling and Management Act due to discrepancies between the reported data and on-site verification of hazardous materials used in manufacturing and processing. The related deficiencies have been corrected as required by the supervisory authority and incorporated into the existing environmental management system for continuous monitoring and control.</p> <p>Each year, conduct greenhouse gas inventory in accordance with ISO 14064-1 standards to track emission reduction effectiveness and disclose it in the sustainability report and on the</p>	In line with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies



Promotion Item	Execution Status (Note 1)		Summary Note	The Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Y es.	N o		
(II)Has the company committed to improving energy use efficiency and utilizing environmentally low-impact recycled materials?	V		<p>Company's website.</p> <p>At the same time, the Company has incorporated environmental-related issues into its overall risk management mechanism, conducting evaluation and control based on the principle of materiality. The operational status of related risk management is regularly reported to the Audit Committee and the Board of Directors for supervision. For details, please refer to the previous note.</p> <ul style="list-style-type: none"> ●ESG Report download: https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx ●System and Product Verification/Registration Record https://www.cgpc.com.tw/zh-tw/dirProduct/frmProduct.aspx ●Information on combined greenhouse gas emissions for 2024: https://www.cgpc.com.tw/PDF/Product/2024USIG-GHG_CH.pdf ●ISO 14001 Certificate: CGPC ISO 14001 (2025/08/04~2028/08/04) Link: https://www.cgpc.com.tw/PDF/Product/ISO-14001_1814261_cn.pdf Taiwan Chlorine ISO 14001 (2025/11/10~2028/10/14) Link: https://reurl.cc/aMYgQ4 Huaju ISO 14001 (2025/06/22~2028/06/21) Link: https://www.cgpc.com.tw/PDF/Product/CGPCP_2025_TTE14057-02.pdf <p>(II) The Company continuously monitors international trends and complies with national energy and environmental regulations, promoting various energy-saving action plans for plant site planning based on industry characteristics. To effectively manage energy performance and continuously improve, the ISO 50001 Energy Management System has been implemented to systematically promote energy-saving and carbon reduction measures, combining the concept of a circular economy to reduce the environmental impact of operational activities.</p> <ul style="list-style-type: none"> ■Enhancing energy use efficiency and utilizing environmentally low-impact recycled materials: The promotion of improved energy use efficiency and the application of low environmental impact materials are planned based on the Company's principle of 	

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			<p>materiality and the results of ESG issue risk assessments. Each risk management unit incorporates these into daily operations management and internal control processes, aligning with the Company's overall ESG risk assessment and management mechanism. Relevant operational details have been disclosed in the previously mentioned ESG risk assessment section.</p> <p>In terms of implementation, the Company continuously introduces high-efficiency equipment in its processes and utilizes big data and artificial intelligence to analyze optimal energy usage models. Renewable energy and related supporting measures are promoted according to plant site conditions. The total energy usage for the three plants—CGPC, TVCM, and CGPCPOL—in 2024 and 2025 was 3,583,018 GJ and 3,318,649 GJ, respectively. The proportion of renewable energy used was 0.01% and 0.21%, respectively. Moving forward, the feasibility of actions related to renewable energy and green electricity procurement will continue to be assessed in accordance with the group's energy management policy to improve overall energy use efficiency.</p> <p>In addition, the Company continues to promote low-carbon energy technologies and the integration of energy applications by introducing a by-product hydrogen recovery and reuse mechanism in its processes. This converts previously unused by-product hydrogen into energy use, enhancing overall energy usage efficiency and reducing the demand for externally purchased electricity. By introducing a fuel cell system, we successfully overcame the limitation of high-purity hydrogen, applying it practically to the by-product hydrogen in the process. This achieved the benefit of simultaneously generating electricity and heat, and completed the verification of system integration and small module demonstration operation. The test results verified that the related systems operate stably, and the carbon emission intensity of electricity is reduced by approximately 85% compared to the power emission factor announced by Taiwan Power Company. This concretely demonstrates the substantial carbon reduction benefits of low-carbon energy technology (the carbon reduction benefits of this instance do not yet include heat recovery benefits).</p>	

Promotion Item	Execution Status (Note 1)		Summary Note	The Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.																
	Yes.	No																		
			<p>In terms of carbon management and reduction strategies, the Company prioritizes process improvement, energy efficiency enhancement, and the introduction of low-carbon technologies to reduce actual emissions. Simultaneously, it plans and promotes carbon offset projects as complementary carbon reduction tools to strengthen the comprehensiveness of its overall carbon reduction strategy. The related offset projects have completed third-party verification and will follow the procedures approved by the supervisory authorities for implementation. They will be incorporated into the carbon reduction management frameworks of CGPC and TVCM.</p> <p>In response to the demand from brand owners for low environmental impact materials, The Company has introduced PCR (Post-Consumer Recycled) materials into its products. In 2025, it obtained the ISO 14021 certification for PCR recycled material products, labeled as "Green Label - Recycled Material Content Certification." This was verified by a third party to confirm the accuracy and traceability of the recycled material content, serving as an important basis for promoting the application of low environmental impact materials. Implementing a circular economy involves introducing biochar, recycled carbon black from waste tires, and oyster shell powder into TPU and TPO products. By expanding the application of recycled materials, we have reduced the input of virgin raw materials, successfully transforming waste into sustainable resources and achieving the goal of resource cycling.</p> <p>■Implementation results:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>CGPC (Toufen Main Plant)</th> <th>Taiwan Chlorine Industries (Linyuan Plant)</th> <th>CGPCPOL Linyuan Plant</th> </tr> </thead> <tbody> <tr> <td>2024 Energy Saving Target</td> <td>1%</td> <td>1%</td> <td>1%</td> </tr> <tr> <td>2024 Energy Saving Performance</td> <td>2.66%</td> <td>2.98%</td> <td>1.94%</td> </tr> <tr> <td>2025 Energy Saving Target</td> <td>1.5%</td> <td>1.5%</td> <td>1.0%</td> </tr> </tbody> </table>	Item	CGPC (Toufen Main Plant)	Taiwan Chlorine Industries (Linyuan Plant)	CGPCPOL Linyuan Plant	2024 Energy Saving Target	1%	1%	1%	2024 Energy Saving Performance	2.66%	2.98%	1.94%	2025 Energy Saving Target	1.5%	1.5%	1.0%	
Item	CGPC (Toufen Main Plant)	Taiwan Chlorine Industries (Linyuan Plant)	CGPCPOL Linyuan Plant																	
2024 Energy Saving Target	1%	1%	1%																	
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				<table border="1"> <tr> <td>2025 Energy Saving Performance</td> <td>1.29%</td> <td>2.17%</td> <td>1.40%</td> </tr> <tr> <td>Validity period of the ISO 50001 Certificate</td> <td>November 17, 2025~ November 17, 2028</td> <td>April 13, 2024~ April 13, 2027</td> <td>June 25, 2025~ July 31, 2028</td> </tr> <tr> <td>Validity period of the ISO 14021 hard pipe and electrical conduit certificates.</td> <td>July 15, 2025~ July 15, 2028</td> <td>-</td> <td>-</td> </tr> </table> <p>Explanation of not meeting the target: The focus of CGPC in 2025 on equipment improvement was on the polymerization reactor replacement and renewal project. Since the completion date is in 2026, the energy saving rate for that year is slightly below the target. Once the reactor project is completed, the energy saving rate for 2026 is estimated to exceed the target by 1.5%.</p> <p>Note:</p> <ul style="list-style-type: none"> ■ESG Report download (Chapter 5) website: https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx ■System and Product Verification/Registration Record: https://www.cgpc.com.tw/zh-tw/dirProduct/frmProduct.aspx ■ISO 50001 Energy Management System (CGPC) URL: https://www.cgpc.com.tw/PDF/Product/TW008231.pdf ■ISO 50001 Energy Management System (Taiwan Chlorine) URL: https://www.tvcm.com.tw/images/Certificate/TVCM-2024-04-13-1.pdf ■ISO 50001 Energy Management System (Huaju) URL: https://www.cgpc.com.tw/PDF/Product/CGPCP_2019_1383.2025.pdf ■ISO 14021 Recycled Material Environmental Inspection Declaration - (Rigid Conduit) Certificate URL: https://www.cgpc.com.tw/PDF/Product/DSS_ECCS_25_RCC_0017.pdf ■ISO 14021 Recycled Material Environmental Inspection Declaration - (Electrical 	2025 Energy Saving Performance	1.29%	2.17%	1.40%	Validity period of the ISO 50001 Certificate	November 17, 2025~ November 17, 2028	April 13, 2024~ April 13, 2027	June 25, 2025~ July 31, 2028	Validity period of the ISO 14021 hard pipe and electrical conduit certificates.	July 15, 2025~ July 15, 2028	-	-	
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(III)Has the company assessed the potential risks and opportunities of climate change on the business now and in the future, and taken relevant response measures?	V		<p>Conduit) Certificate URL: https://www.cgpc.com.tw/PDF/Product/DSS_ECCS_25_RCC_0018.pdf ■Latest News - ISO 14021 Detailed Note URL: https://www.cgpc.com.tw/ESG/tw/News-Detail.aspx?passcode=2025071801 、 https://www.cgpc.com.tw/ESG/tw/News-Detail.aspx?passcode=2025121201 ■Latest News - Offset Project URL: https://www.cgpc.com.tw/ESG/tw/News-Detail.aspx?passcode=2025122201</p> <p>(III) Hwa-Hsia's merged subsidiaries have assessed the potential risks and opportunities of climate change on the business now and in the future, and formulated relevant response measures. For details on the assessment content, management mechanisms, and implementation status, please refer to the annual report: Section II, VIII, Implementation of Climate-related Information, or the 2025 ESG Report. The URL is as follows: https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx</p>	
(IV)Has the company compiled statistics on greenhouse gas emissions, water usage, and total waste weight for the past two years and established policies for reducing greenhouse gases, decreasing water usage, or managing other waste?	V		<p>(IV) To effectively manage China General Plastics Corporation's greenhouse gas emissions, water usage, and waste generation, the company compiles statistics annually on greenhouse gas emissions, water usage, and total waste weight in accordance with relevant regulations and internal management systems, and formulates related management policies based on these statistics. Starting from 2023, the scope of the greenhouse gas emissions inventory has included China General Plastics Corporation and its consolidated financial statement subsidiaries, consistent with the environmental risks disclosed in the annual and sustainability reports. Water usage and total waste weight are compiled and disclosed for major production sites based on the principle of materiality and proportional measurement to ensure that the data is representative and meets actual operational management needs. ■Greenhouse Gas Management and Reduction Policy: In terms of greenhouse gas management, The Company continuously promotes greenhouse gas inventory, reduction planning, and verification operations in accordance with the Climate Change Response Act and related regulations.</p>	

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	Yes.	No																											
			<p>Among them, the China General Plastics Toufen Main Plant and the TVCM Linyuan Plant are emission sources required by law to conduct greenhouse gas inventory registration and verification. The related inventory data has been registered in accordance with regulations and is periodically verified by a third-party verification body to ensure the accuracy and credibility of the data.</p> <p>■Execution Status: The results of China General Plastics Corporation's merged greenhouse gas inventory, assurance status, and reduction policy are listed in this annual report: Section II, VIII, Implementation of Climate-related Information. In response to relevant action plans for plant layout, the greenhouse gas emissions in 2025 (self-calculated) have decreased by 32.7% compared to the 2017 baseline year.</p> <p>■Carbon Reduction Path Planning: Unit: (metric tons/CO₂e)</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2017 baseline year Category 1 and 2</th> <th>2024 Performance Category 1 and 2</th> <th>2025 Performance Category 1 and 2</th> <th>2030 target Category 1 and 2</th> </tr> </thead> <tbody> <tr> <td>CGPC</td> <td>150,575</td> <td>90,678</td> <td>81,423</td> <td>109,920</td> </tr> <tr> <td>TVCM</td> <td>210,713</td> <td>160,511</td> <td>164,103</td> <td>153,821</td> </tr> <tr> <td>CGPCPOL</td> <td>49,292</td> <td>31,598</td> <td>28,169</td> <td>35,984</td> </tr> <tr> <td>Total</td> <td>410,580</td> <td>282,787</td> <td>273,695</td> <td>299,725</td> </tr> </tbody> </table> <p>Note 1: The total emissions range covers the merged companies of China Asset Management; Since 2024, there have been no significant operational changes at the inspection sites, and the cumulative carbon emissions at the relevant sites account for less than 5% of the total emissions. Therefore, the emissions data from the first year (2023) will be used directly for calculations. The applicable sites include the Taipei offices of CGPC and TVCM, GGTC., CGPC America Corporation, CGPC (Zhongshan) Co., Ltd., and CGPC (BVI) Holding Co., Ltd.</p> <p>Note 2: The greenhouse gas inventory includes CO₂, CH₄, N₂O, and HFCs. Category 1:</p>	Item	2017 baseline year Category 1 and 2	2024 Performance Category 1 and 2	2025 Performance Category 1 and 2	2030 target Category 1 and 2	CGPC	150,575	90,678	81,423	109,920	TVCM	210,713	160,511	164,103	153,821	CGPCPOL	49,292	31,598	28,169	35,984	Total	410,580	282,787	273,695	299,725	
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			<p>The main emission sources include natural gas, fuel coal, gasoline, and diesel. Category 2: Includes purchased electricity and purchased steam. Note 3: Carbon reduction path planning does not include Category 3. Note 4: The 2025 greenhouse gas inventory data for CGPC, TVCM, and CGPCPOL are based on preliminary figures and will be disclosed in the 2025 ESG Report and simultaneously updated on the company's website (https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx). Note 5: Explanation of data correction for the Year 2024: Due to rounding adjustments in summation calculations.</p> <p>■ Greenhouse gas emissions:</p> <table border="1"> <thead> <tr> <th colspan="3">Greenhouse gas emissions</th> </tr> <tr> <th colspan="3">Unit: ten thousand metric tons/CO₂e</th> </tr> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Category 1</td> <td>13.63</td> <td>11.68</td> </tr> <tr> <td>Category 2</td> <td>14.65</td> <td>15.68</td> </tr> <tr> <td>Category 3</td> <td>219.30</td> <td>172.92</td> </tr> <tr> <td>Total</td> <td>247.58</td> <td>200.28</td> </tr> <tr> <td>Assurance unit assurance standards category</td> <td colspan="2">Ernst & Young Certified Public Accountants ISAE 3410 (Scope 1+2)</td> </tr> </tbody> </table> <p>Note 1: Please refer to: The State of the Company's Implementation of Corporate Governance in this annual report (V), III, Environmental risks, Item (IV) - Carbon Reduction Path Planning Note. Note 2: The Company Category 3 covers 9 items: Items covered: Purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, processing of sold products, and use of sold products. Note 3: Explanation of data correction for the Year 2024: Due to rounding</p>	Greenhouse gas emissions			Unit: ten thousand metric tons/CO ₂ e			Year	2024	2025	Category 1	13.63	11.68	Category 2	14.65	15.68	Category 3	219.30	172.92	Total	247.58	200.28	Assurance unit assurance standards category	Ernst & Young Certified Public Accountants ISAE 3410 (Scope 1+2)		
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	Y es.	N o		
			<p>adjustments in summation calculations.</p> <p>Note 4:Category 3 covers CGPC’s Toufen main plant, TVCM's Linyuan plant, and CGPCPCOL's Linyuan plant, and the audit was conducted using ISO 14064-1:2018. The auditing units for 2024 were SGS, SGS, and AFNOR. For relevant information for 2025, please refer to the explanations in Section 5.2 "CGPC’s Combined Greenhouse Gas Emissions" and "Other Indirect Greenhouse Gas Emissions (Category 3)" of the 2025 Sustainability Report.</p> <p>Note 5:Since 2024, there have been no significant operational changes at the inspection sites, and the cumulative carbon emissions at the relevant sites account for less than 5% of the total emissions. Therefore, the emissions data from the first year (2023) will be used directly for calculations. The applicable sites include the Taipei offices of CGPC" and TVCM, GGTC, CGPC America Corporation, CGPC (Zhongshan) Co., Ltd., and CGPC (BVI) Holding Co., Ltd.</p> <p>Note 6:For related certificates, please refer to the official website: https://www.cgpc.com.tw/zh-tw/dirProduct/frmProduct.aspx</p> <p>■Water Resource Management Strategy:</p> <ul style="list-style-type: none"> •Implementation of the ISO 46001 Management System. •Promote water-saving and water recycling and reuse in processes. •Strengthen equipment improvements and enhance water use efficiency. <p>■Water Management Policy:</p> <p>To implement sustainable water resources management, the Company has established and disclosed a water management policy, clearly defining compliance with regulations, water efficiency improvements, recycling, and continuous improvement mechanisms. According to the policy, various water management measures and effectiveness controls are promoted.</p> <p>■Promotion Strategy:</p> <ul style="list-style-type: none"> •Compliance with Regulations: To comply with water resource-related laws, regulations, 	



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			<p>and the Company's stipulations on water usage, conservation, and recycling, promoting sustainable utilization of water resources.</p> <ul style="list-style-type: none"> •Diverse Water Use: Effectively enhance water usage efficiency and reduce costs, decrease consumption of water resources, choose water-saving products, and implement water conservation throughout the entire plant. •Full Participation: Implement water-saving education and advocacy, regularly review and update water resource policies and management systems to achieve full participation. •Continuous Improvement: Implement a water resource management system, continuously improve equipment, and enhance water use efficiency to achieve corporate sustainability. <p>■Water-Saving Target: According to the latest water resources management plan, the R2 water recovery rate at the three plants will increase by 0.4% each year to continuously improve water resource reuse efficiency.</p> <p>■Water-Saving Execution Status: Implement water resource baseline management, regularly verify whether there are deviations between production and water resource consumption, control from the source monthly, and arrange internal and external audits for each water-using unit annually. Enhance water management systematically to ensure the water resource management system operates with appropriateness, sufficiency, and effectiveness. To achieve water reduction and waste minimization, The Company plans to improve and replace water-consuming equipment (replacing one 150 ton/hour pure water system by the end of 2024 to enhance pure water conversion rate and reduce wastewater discharge). Additionally, the aim is to increase the R2 water recovery rate by 0.4% annually from 2025 to 2030 (at the three plants), and actively implement a plan to apply for reduced water consumption charges.</p> <ul style="list-style-type: none"> •Explanation of goals and implementation results: 	

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			<p>Note 3:CGPC Water Recycling Rate Verification Statement (2025/11/20~Permanent): https://www.cgpc.com.tw/PDF/Product/FTIS260202.pdf</p> <p>Note 4:CGPCPOL Water Recycling Rate Verification Statement (2024/12/2~Permanent): https://www.cgpc.com.tw/PDF/Product/CGPCP_2024.12.02.pdf</p> <p>■Circular Economy: In terms of waste management, the Company follows the principles of the circular economy. Through raw material recycling and reuse, process improvements, and resource cycling management mechanisms, it reduces the environmental impact of waste. The total amount of relevant waste and management effectiveness are disclosed annually in the annual and sustainability reports.</p> <p>■Execution Status: The Company is committed to promoting circular economy policies by recycling and reusing raw materials, improving processes, and implementing resource cycling management mechanisms to create low-carbon green products. It also promotes internal and external circulation mechanisms, including the recycling and reuse of pure water, repurposing of surplus materials, recovery of waste heat and condensate, and the shared use of recycled packaging materials.</p> <p>Through the recycling and reuse of raw materials and the adoption of circular models in production and distribution, the goal is to reduce the environmental impact of waste and decrease the total amount of waste annually.</p> <p>•Waste statistics:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Unit</th> <th>2024 Performance</th> <th>2025 Performance</th> </tr> </thead> <tbody> <tr> <td>Non-hazardous waste</td> <td>metric tons</td> <td>4,966.13</td> <td>3,517.00</td> </tr> <tr> <td>Hazardous waste</td> <td>metric tons</td> <td>170.60</td> <td>149,54</td> </tr> <tr> <td>Total weight</td> <td>metric tons</td> <td>5,136.73</td> <td>3,666.54</td> </tr> </tbody> </table>	Item	Unit	2024 Performance	2025 Performance	Non-hazardous waste	metric tons	4,966.13	3,517.00	Hazardous waste	metric tons	170.60	149,54	Total weight	metric tons	5,136.73	3,666.54	
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			<p>Note 1:CGPC's facilities delegate the off-site recycling and processing of recyclable resources to authorized vendors.</p> <p>Note 2:In terms of waste vendor management and disposal monitoring management, the Company's Environmental Safety and Health Unit conducts regular audits. The General Affairs Unit signs contracts with qualified waste removal and disposal agencies. During the removal process, the route and flow are confirmed through a GPS real-time tracking system. Finally, the three parties jointly stamp the delivery slip to ensure that waste is transported and disposed of in compliance with regulations. In 2024, there were no breaches by the removal and disposal agencies.</p> <p>Note 3:In 2024, due to tank dismantling and equipment replacement during maintenance, TVCMexperienced an increase in industrial waste; CGPC, on the other hand, was unable to effectively reduce waste due to the demolition caused by a fire at the hardcloth plant.</p> <p>For detailed information, please refer to the 2025 ESG Report Chapter 5. The website is: https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx</p> <p>Business Philosophy and Policy Website: https://www.cgpc.com.tw/zh-tw/dirAbout/frmAbout1B.aspx</p>	
<p>IV.Social issues</p> <p>(1)Has the company established relevant management policies and procedures in accordance with applicable regulations and international human rights conventions?</p>	V		<p>(1)Human rights-related policies</p> <p>■Human rights policy: To fulfill corporate social responsibility and implement human rights protection, realizing universal values of human rights, The Company has referred to internationally recognized human rights standards such as the International Bill of Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. In March 2018, the Company formulated a human rights policy applicable to The Company and all affiliated enterprises of the FP Corporation Group. This policy aims to prevent human rights violations and infringements, providing a safe and healthy work environment, and ensuring employees are treated and cared for with respect and dignity. Please refer to the company website for details...</p> <p>■Human rights risk identification and assessment:</p>	<p>In line with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies</p>



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			<p>Human rights risk identification is conducted annually to carry out compliance checks and assessments on identified human rights concerns. Based on the results of risk assessments and internal and external audit findings, mitigation and corrective measures are taken and continuously improved to achieve the objectives of risk management.</p> <p>CGPC and its subsidiaries, TVCM and CGPCPOL, have established steps and development procedures for each stage of human rights management as the foundation for maintaining and protecting human rights, including: declaration, identification, assessment and analysis, actions and measures, reporting</p> <p>Human rights issues involve different business departments and units. Through the Human Resources Department, due diligence on human rights and risk management operations are conducted for different impacted parties and human rights issues.</p> <p>Human rights due diligence process:</p> <table border="1"> <thead> <tr> <th>Stage</th> <th>Steps</th> <th>Practices</th> </tr> </thead> <tbody> <tr> <td>Stage One: Commitment</td> <td>Declaration</td> <td>Commitment to supporting and adhering to international standards and local laws by formulating a human rights policy.</td> </tr> <tr> <td rowspan="2">Stage Two: Management</td> <td>Identification</td> <td>Identify the major human rights issues and affected parties related to the organization's attributes and operational type.</td> </tr> <tr> <td>Assessment and analysis</td> <td>The investigation covers all employees and the service process, regularly assessing human rights impacts and understanding the extent of risk exposure.</td> </tr> <tr> <td>Stage Three: Response Measures</td> <td>Actions and measures</td> <td> 1. Based on the regularly assessed level of human rights risks, develop different action plans. 2. Track the implementation level and performance of action plans while maintaining communication to ensure the effectiveness of human rights management. 3. In the event of human rights violations, provide remedial measures from the aspects of system improvement, as well as material and psychological </td> </tr> </tbody> </table>	Stage	Steps	Practices	Stage One: Commitment	Declaration	Commitment to supporting and adhering to international standards and local laws by formulating a human rights policy.	Stage Two: Management	Identification	Identify the major human rights issues and affected parties related to the organization's attributes and operational type.	Assessment and analysis	The investigation covers all employees and the service process, regularly assessing human rights impacts and understanding the extent of risk exposure.	Stage Three: Response Measures	Actions and measures	1. Based on the regularly assessed level of human rights risks, develop different action plans. 2. Track the implementation level and performance of action plans while maintaining communication to ensure the effectiveness of human rights management. 3. In the event of human rights violations, provide remedial measures from the aspects of system improvement, as well as material and psychological	
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			<p>employees of the normal working hours and extended working hour regulations, and to confirm whether staying late qualifies as overtime. If it does, employees can choose to receive either overtime pay or compensatory leave.</p> <p>4.Regularly review the overtime situation of each unit.</p> <p>5.Promote the group's electronic operations and intelligent production, simplifying administrative processes.</p> <p>Continuously offering professional training courses and introducing generative AI tool training projects to enhance employee skills and improve office work efficiency.</p>	<p>identification and risk investigation list. Regular employee health checks are conducted, and relevant operations and manpower situations are adjusted accordingly.</p> <p>4.Understand the workload and reasons for overtime of colleagues, and actively carry out process improvements and operational optimizations to help enhance work efficiency.</p>	
			<p>Occupational safety management</p> <p>1.To ensure the health and safety of employees and prevent occupational hazards, regularly monitor the workplace environment (such as implementing operational environment inspections) to ensure workplace safety.</p>	<p>1.Activate the "Emergency Response and Care Mechanism" to ensure that victims receive the most immediate medical assistance, and carry out subsequent compensation and recovery work.</p> <p>2.Compensation measures</p>	

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				<p>2.Regularly conduct quality inspections of drinking water, carbon dioxide, lighting, and firefighting equipment in the workplace.</p> <p>3.Regularly conduct on-the-job staff labor safety and health education and training to enhance employees' awareness of hazard identification.</p> <p>4.Regularly strengthen the promotion of occupational safety through internal publications.</p> <p>5.The Company and its subsidiaries, TVCM and CGPC Polymer Corporation, have introduced the international occupational health and safety management system ISO 45001 and successfully passed third-party verification by BSI.</p> <p>6.In addition to providing a safe and healthy working environment as required by law and regulations, the Company has established an occupational safety and health dedicated unit and committee organization, employs</p>	<p>(differentiated for employees and contractors) for accident victims, we have adopted the following compensation and care actions based on the victim's identity.</p> <p>3.Follow-up improvements and systematic prevention plans, the occurrence of accidents is an opportunity for system improvement. The Company has initiated the following improvement plans based on the statistical trends of 2025: (1)Root Cause Analysis and Equipment Improvement (Engineering Control) and RCA (Root Cause Analysis). (2)Safety culture and behavior management (Management & Culture) includes "major occupational accident records" as a key indicator in the annual vendor evaluation. Those with outstanding performance will be rewarded with contract renewal, while those with</p>	

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			<p>professional doctors and nursing staff, and regularly conducts safety, health, and fire-related education and training, taking necessary preventive measures to prevent occupational hazards and thereby reduce risk factors in the work environment.</p> <p>Continuously offering occupational safety and health education and training courses, while introducing generative AI tools to assist office safety management, enhancing overall workplace efficiency and compliance.</p>	<p>serious violations will be blacklisted or have their contracts terminated.</p> <p>(3)Strengthen risk identification training: Promote the standardization of "Toolbox Talk (TBT)", requiring hazard awareness specific to the task (such as elevated work, confined spaces) to be conducted on-site before the operation, and mandating the use of appropriate PPE.</p> <p>(4)Implement digital monitoring and early warning technology by deploying AI image recognition systems in critical plant areas to provide real-time alerts for unsafe behaviors such as not wearing safety helmets, entering hazardous areas, and untethered tools.</p>
			<p>■Human rights risk mitigation measures:</p> <p>The Company is committed to ensuring the safety of its employees, contractor partners, and work environment, ensuring that all personnel are treated with respect and dignity, and operating in accordance with ESG principles, as well as complying with regulations and ethics. To fulfill this commitment, in addition to being based on integrity</p>	

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			<p>and respecting the rights of employees and partners on a legal basis, the Company assigns dedicated personnel to implement occupational safety and health operations in accordance with the law. The Company continuously promotes employee and contractor management mechanisms, integrates the human rights policy into daily operations, and establishes effective internal and external complaint channels.</p> <p>■Human rights concerns and practices:</p> <p>(1)Provide a safe and healthy working environment:</p> <p>In response to global extreme climate change and the government's promotion of net-zero carbon policies, CGPC is continuously striving for sustainable development in mitigating greenhouse gas emissions. Through industry-academia collaboration, it introduces AI big data computing technology to combine academic expertise with practical applications, enhancing various efficiencies and creating a smart factory.</p> <p>To improve the working environment and optimize corporate structure, various management systems (ISO 50001, ISO 14064-1, ISO 14067, ISO 46001, ISO 14046, PSM, GRS) have been actively implemented, and improvement plans have been proposed by referencing international and technological developments. Additionally, in accordance with the carbon reduction target set by the Taita Group, "a 27% reduction in carbon emissions by 2030 compared to 2017," the progress of initiatives is tracked and reviewed annually. Concrete measures such as phasing out old systems, establishing and procuring green electricity, etc., are implemented in a timely manner. CGPC and its subsidiaries,(TVCM and CGPCPOL, have all obtained ISO 50001 certification.</p> <p>In addition to providing a safe and healthy working environment as required by law and regulations, the Company has established an occupational safety and health dedicated unit and committee organization, employs professional doctors and nursing staff, and regularly conducts safety, health, and fire-related education and training, taking necessary preventive measures to prevent occupational hazards and thereby reduce risk factors in the work environment.</p> <p>(2)Friendly Workplace:</p>	



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			<p>Diversity, Equity, and Inclusion (DEI): The Company builds a friendly workplace environment where everyone can utilize their strengths by respecting different genders, ages, and cultures.</p> <p>In the workplace, embracing people of different backgrounds, races, genders, sexual orientations, abilities, and perspectives creates a diverse environment. Providing employees with transparent employment conditions, promotion opportunities, and compensation in a manner that ensures equal pay for equal work, fairness, and inclusion bridges the gaps between different groups, ensuring that every employee and contractor partner is respected and accepted, and can fully participate and contribute.</p> <p>Continuously promoting gender equality policies and preventing unlawful workplace harassment every year through publicity posters, advocacy seminars, and various education and training initiatives, striving to provide employees and contractor partners with a dignified and friendly working environment.</p> <p>Implement maternal and infant protection and set up priority parking spaces for pregnant women at the Toufen Main Plant.</p> <p>(3)Eradicate unlawful discrimination to reasonably ensure equal employment opportunities:</p> <p>The Company implements human rights policies in its internal control procedures related to employment, salary and benefits, training opportunities, promotions, dismissals, or retirement. In these labor rights matters, employees and job seekers are not unfairly treated based on race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, pregnancy, appearance, facial features, physical or mental disabilities, zodiac sign, or blood type.</p> <p>(4)Prohibition of child labor:</p> <p>To ensure compliance with corporate social responsibility and ethical standards, The Company clearly stipulates the prohibition of child labor from the beginning of recruitment. As of the end of December 2025, the total number of employees in The Company and its subsidiaries CGPC, TVCM, Apex, and CGPCPOL is 767, with no</p>	

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			<p>child laborers among them.</p> <p>(5)Prohibition of forced labor: The Company does not force or coerce any unwilling personnel to perform labor actions. Strict adherence to the legal regulations is maintained for the daily and weekly normal working hours, extended working hours, holidays, special leave, and other types of leave for employees.</p> <p>Configure a reminder function when employees apply for overtime through the attendance system. After working overtime, offer overtime pay or compensatory leave, and have dedicated personnel conduct monthly review and control of working hours in the plant.</p> <p>■Assist employees in maintaining physical and mental health and work-life balance:</p> <p>(1)The Company entrusts large hospitals to conduct health checkups annually to ensure the physical health of employees, and reports to the competent authorities for records if needed. In addition, for factory employees, special health examinations are particularly reinforced to ensure the management of a safe and healthy working environment.</p> <p>(2)The company provides venues or sponsors funds to encourage employees to participate in health activities. Employees form clubs on their own to foster camaraderie through club activities.</p> <p>(3)In addition to organizing activities such as year-end parties and Mid-Autumn Festival events to refresh employees' minds and foster unity, the company also provides sports and fitness equipment for employees to use during their free time.</p> <p>(4)To encourage employees to maintain physical and mental health and achieve work-life balance, the group has promoted the "TPC Family Walk Together" walking activity since 2024. With a daily goal of 6,000 steps, it allows colleagues to develop a regular exercise habit amidst their busy work schedules. Employees of the Company collectively convert accumulated steps into corporate tree planting initiatives, achieving dual values of health promotion and environmental sustainability. During the process, colleagues not only enhance their physical and mental vitality but also improve workplace cohesion and unity</p>	



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			<p>through teamwork and mutual encouragement.</p> <p>(5)The purpose of setting up an EAP (Employee Assistance Program) is to "help employees solve personal problems that affect their work performance." Through professional, confidential, and free services, it helps employees restore their physical and mental health, thereby maintaining or improving their work performance and quality of life. Employees can access assistance services in areas such as employee psychology, work, management, medical care, legal matters, and financial management through telephone (0800), email, Line, and one-on-one individual consultations.</p> <p>(6)We offer Wellbeing (employee physical and mental health/well-being) lectures to create a supportive, balanced, and healthy workplace environment where employees feel supported, balanced, and healthy in terms of physical, mental, social, and financial aspects, thereby improving overall productivity. The lecture content includes: mental health, tax planning, parent-child communication, and physical health (in conjunction with annual physical examinations), and is edited into online courses for all employees to read.</p> <table border="1"> <thead> <tr> <th>company</th> <th>instructor</th> <th>Taipei and Plant Area Personnel</th> </tr> </thead> <tbody> <tr> <td>Protecting Mental Health: Mindfulness Stress Reduction Techniques</td> <td>Chen Nai-Ling, Psychological Counselor</td> <td>185</td> </tr> <tr> <td>2025 Comprehensive Guide to Tax Financial Planning</td> <td>Vice President Chen Ye-Jun/Nord Insurance Brokerage</td> <td>210</td> </tr> <tr> <td>Efficient Parent-Child Communication Techniques</td> <td>Ugly Dad/Parenting Expert</td> <td>88</td> </tr> <tr> <td>Understanding Metabolic Syndrome: Dietary Control for Middle-Aged and Older Groups</td> <td>Dean Wu Hongcheng/Lida Clinic</td> <td>79</td> </tr> </tbody> </table>	company	instructor	Taipei and Plant Area Personnel	Protecting Mental Health: Mindfulness Stress Reduction Techniques	Chen Nai-Ling, Psychological Counselor	185	2025 Comprehensive Guide to Tax Financial Planning	Vice President Chen Ye-Jun/Nord Insurance Brokerage	210	Efficient Parent-Child Communication Techniques	Ugly Dad/Parenting Expert	88	Understanding Metabolic Syndrome: Dietary Control for Middle-Aged and Older Groups	Dean Wu Hongcheng/Lida Clinic	79	
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			<p>(7)Employee satisfaction survey:</p> <p>Since 2025, CGPC has conducted an annual employee survey. The Group Human Resources Div. carried out the employee opinion survey across all the group's companies from July to August 2025. This survey includes eight dimensions: supervisor, compensation, colleagues, work, development, corporate culture, sustainable operations, and organizational commitment. For the first time, in order to expand the coverage to 100%, the company has included Workers in the survey. Regarding the survey results of each dimension, the following improvement measures will be implemented and continuously optimized:</p> <table border="1"> <thead> <tr> <th></th> <th>CGPC</th> <th>CGPCPOL</th> <th>TVCM</th> <th>GGTC</th> </tr> </thead> <tbody> <tr> <td>Target</td> <td colspan="4">Survey of all Staff + Workers (Workers participating for the first time)</td> </tr> <tr> <td>Subject</td> <td colspan="4">The eight major dimensions, including supervisor, compensation, colleagues, work, development, corporate culture, sustainable operations, and organizational commitment, comprise 28 sub-dimensions, totaling 60 questions.</td> </tr> <tr> <td>Number of survey participants</td> <td>474 people</td> <td>37 people</td> <td>147 people</td> <td>24 people</td> </tr> <tr> <td>100% coverage rate</td> <td>100%</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> <tr> <td>Response Rate (Staff)</td> <td>80%</td> <td>100%</td> <td>81%</td> <td>93%</td> </tr> <tr> <td>Survey response rate (Workers participating for the first time)</td> <td>34%</td> <td>90%</td> <td>58%</td> <td>90%</td> </tr> <tr> <td>Overall satisfaction (Note)</td> <td>4.28</td> <td>4.45</td> <td>4.45</td> <td>3.72</td> </tr> <tr> <td>Enhancement Improvement Plan</td> <td colspan="4">Regarding the survey results of each dimension, the following improvement measures will be implemented and continuously optimized: (1)Focus on the market competitiveness of the salary structure by</td> </tr> </tbody> </table>		CGPC	CGPCPOL	TVCM	GGTC	Target	Survey of all Staff + Workers (Workers participating for the first time)				Subject	The eight major dimensions, including supervisor, compensation, colleagues, work, development, corporate culture, sustainable operations, and organizational commitment, comprise 28 sub-dimensions, totaling 60 questions.				Number of survey participants	474 people	37 people	147 people	24 people	100% coverage rate	100%	100%	100%	100%	Response Rate (Staff)	80%	100%	81%	93%	Survey response rate (Workers participating for the first time)	34%	90%	58%	90%	Overall satisfaction (Note)	4.28	4.45	4.45	3.72	Enhancement Improvement Plan	Regarding the survey results of each dimension, the following improvement measures will be implemented and continuously optimized: (1)Focus on the market competitiveness of the salary structure by				
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			<p>referencing the salary levels of benchmark enterprises, and enhance the optimization of the salary structure and system by evaluating positions, professional skills, and job performance, to improve the internal equity and external competitiveness of compensation.</p> <p>(2)Introduce EAP (Employee Assistance Programs) to enhance the physical and mental health of colleagues.</p> <p>(3)Strengthen the training quality system, promote skills rejuvenation, and foster the joint development of talent and the organization.</p> <p>(4)Conduct the development of key talent and the establishment of succession pipelines, optimize performance management, and improve the promotion mechanism.</p> <p>(5)In major company events, meetings at all levels, and training courses, the company's vision, mission, and values are clearly communicated and concretely implemented in various regulations and company policies.</p> <p>Note: Minimum 1 point, mazimum 6 points</p> <p>The Company aims to understand employees' views on company management operations through an employee opinion survey, identify key retention indicators, recognize key talent development items, develop talent cultivation projects, and grasp future human resource trends.</p> <p>■Human rights protection training practices:</p> <p>(1)New employee training: New employees are required to undergo compliance induction education and training upon employment. The content includes prevention of sexual harassment, anti-discrimination, anti-harassment, promotion of working hours management, and ensuring humane treatment.</p> <p>(2)Prevention of unlawful workplace harassment: Through advocacy and declaration announcements, employees are informed of their responsibility to assist in ensuring no unlawful harassment occurs during the execution of duties, and the complaint</p>	

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			<p>hotline is disclosed to collaboratively create a friendly working environment.</p> <p>(3)Occupational Safety Training Series: The content includes safety and health education and training, fire safety training, emergency response, and first aid personnel training, etc.</p> <p>(4)Promotion of Code of Ethical Conduct: Education and promotion from the standards of daily behavior to establish and provide a healthy and positive workplace culture.</p> <p>The Company continuously focuses on human rights protection and conducts related training to raise awareness of human rights protection, thereby reducing the likelihood of related risks occurring. The course covers "Integrity Management and Compliance": focusing on group codes of conduct (CoC) and legal risk prevention (such as breach of trust), corresponding to corporate governance evaluation, "Occupational Safety and Health": including statutory safety education (pressure vessels, high-altitude work), first aid, fire-fighting skills, and process safety assessments, directly linking to production stability and employee safety protection, "Environmental Management and Response": incorporating ISO 50001 energy management, toxic disaster response, and pollution prevention (air pollution response), demonstrating the company's control over environmental risks, and "Human Rights and Friendly Workplace": addressing human rights advocacy (prevention of sexual harassment, anti-discrimination) and workplace violence prevention for new employees, implementing humane treatment in the Social (S) aspect.</p> <p>In 2025, human rights protection-related training was conducted, with CGPC and its subsidiaries, TVCM, CGPCPOL, and GGTC participating. The total number of participants was 4,470, and the total training hours amounted to 11,176.1 hours. The details of participation and training (including statistics from CGPC and its subsidiaries, TVCM, CGPCPOL, and GGTC) are listed as follows:</p> <table border="1" data-bbox="745 1236 1704 1367"> <thead> <tr> <th>Category</th> <th>Course</th> <th>Total number of particip</th> <th>Total Training Hours</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Category	Course	Total number of particip	Total Training Hours					
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			Integrity Management and Compliance	The first test of group code of conduct advocacy in 2025.	723	723.0
				The second time test of group code of conduct advocacy in 2025.	740	740.0
				Focusing on legal risk prevention courses (such as breach of trust)	229	585.0
			Occupational Safety and Health	Including statutory safety education (pressure vessels, high-altitude work), first aid, fire-fighting skills, and process safety assessments	2,491	8,075.6
			Environmental Management and Response	Incorporating ISO 50001 energy management, toxic disaster response, and pollution prevention (air pollution response)	249	996.0
			Human Rights and Friendly Workplace	Addressing human rights advocacy (prevention of sexual harassment, anti-discrimination) and workplace violence prevention for new employees	38	56.5
			Total		4,470	11,176.1
<p>■Grievance System: The Company has established accessible internal and external grievance channels. Employees encountering various issues within the company can file complaints through the company's grievance channels to Supervisors at all levels or the Group Human Resources Div. Additionally, to maintain gender equality in the workplace and provide employees and job applicants with an environment free from sexual harassment and unlawful harassment, a dedicated complaint mailbox and email for sexual harassment prevention and unlawful harassment prevention have been established. During the complaint investigation period, all</p>						

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(II)Has the company established and implemented reasonable employee benefit measures (including compensation, leave, and other benefits), and appropriately reflected business performance or results in employee compensation?	V		<p>information is handled confidentially, and the complainant's name or other identifying information is not disclosed to protect the complainant's identity.</p> <p>The Group Auditing Div. received one case of violation of the ethical corporate management in 2025. The case has been properly concluded through a fair investigation process, and the relevant personnel were handled in accordance with the Employee Work Rules. Ongoing promotion and education and training were also conducted.</p> <p>(II)</p> <p>We adhere to the philosophy of profit-sharing with employees to attract, retain, develop, and motivate outstanding talent from all sectors. The company offers a diversified and competitive salary system, sharing the successful performance of its operations with colleagues.</p> <p>Employees hired by the company to perform work and earn wages are entitled to:</p> <table border="1"> <thead> <tr> <th></th> <th>Content</th> </tr> </thead> <tbody> <tr> <td>Compensation system</td> <td> Provide a fixed salary for a total of 12 months a year. 1.Bonuses for June and December are issued according to the labor conditions. 2.The bonus for the three major festivals is issued according to the Company Regulations. 3.The year-end special bonus is issued according to the company's operational status, the individual performance of employees, and the stipulations of the labor contract. </td> </tr> <tr> <td>Healthcare benefits</td> <td> 1.Provide health checkup items that exceed regulatory requirements. 2.Establish a Welfare Committee and related systems to provide flexible and diverse services. 3.Wedding gift money, funeral condolence money. 4.Provide maternity subsidies for employees. 5.Set up dedicated nursing rooms and specialized equipment. 6.Regularly organize employee travel activities. </td> </tr> </tbody> </table>		Content	Compensation system	Provide a fixed salary for a total of 12 months a year. 1.Bonuses for June and December are issued according to the labor conditions. 2.The bonus for the three major festivals is issued according to the Company Regulations. 3.The year-end special bonus is issued according to the company's operational status, the individual performance of employees, and the stipulations of the labor contract.	Healthcare benefits	1.Provide health checkup items that exceed regulatory requirements. 2.Establish a Welfare Committee and related systems to provide flexible and diverse services. 3.Wedding gift money, funeral condolence money. 4.Provide maternity subsidies for employees. 5.Set up dedicated nursing rooms and specialized equipment. 6.Regularly organize employee travel activities.	
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(III)Does the company provide a safe and healthy working environment for employees and conduct regular safety and health education for them?	V		<p>group insurance for each employee. For details, please refer to the Employee Group Insurance Plan. The Company may revise the plan at any time.</p> <p>■Other Benefits or Awards:</p> <ol style="list-style-type: none"> 1. CGPC Toufen Plant provides dormitories for employees. 2. Model Worker Commendation. 3. 114 Taiwan Top 100 Sustainable Model Enterprise Awards. <p>For details, please refer to Chapter 4, Operations Overview, Labor Relations section of the Company's 2025 Annual Report.</p> <p>(III)</p> <p>■Occupational Safety and Health Policy and Management System:</p> <p>In accordance with the Occupational Safety and Health Act and relevant regulations, the Company has established an occupational safety and health policy and management system, clearly defining management principles and operating procedures for employee safety and health, and continuously implementing various occupational safety and health management measures. The main production plants have all passed the ISO 45001 occupational health and safety management system certification. The relevant certificates remain valid as of the annual report publication date, covering the main operational sites.</p> <p>•Occupational Safety and Health Policy:</p> <ol style="list-style-type: none"> (1)The Company formulates policies in compliance with the Occupational Safety and Health Act and the regulations of customers and relevant organizations, and respects the demands of relevant stakeholders regarding occupational safety and health to build a healthy and happy workplace. (2)The Company takes disaster prevention and mitigation as its core philosophy, utilizing appropriate management tools, mature technologies, and available resources to integrate and address occupational safety and health issues within the plant. It proposes effective countermeasures and continuously advances the promotion of occupational safety culture and process safety management. (3)Enhance personal safety protection management for operators and invest resources to strengthen the prevention of occupational diseases, aiming to create a zero-hazard environment. 	



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			<p>(4)Continuously improve the working environment and occupational safety and health of business activities, promote industrial waste reduction, and implement energy saving and carbon reduction. Ensure responsible care with the aim of protecting life and property safety and achieving sustainable development goals.</p> <p>•Implementation of Occupational Safety and Health Management System:</p> <table border="1"> <thead> <tr> <th>Company</th> <th>Inventory Category</th> <th>Start passing the verification</th> <th>The start and end Date of continuous ISO 45001 certification</th> </tr> </thead> <tbody> <tr> <td>CGPC</td> <td>Toufen Main Plant employees</td> <td>Passed in 2020</td> <td>April 14, 2025~December 25, 2027</td> </tr> <tr> <td>TVCM</td> <td>Employees of the Linyuan Plant</td> <td>Passed in 2019</td> <td>November 10, 2025~September 20, 2028</td> </tr> <tr> <td>CGPCPOL</td> <td>Employees of the Linyuan Plant</td> <td>Passed in 2019</td> <td>June 22, 2025~June 21, 2028</td> </tr> </tbody> </table> <p>■Occupational Safety and Health Execution Mechanism and Audit Operations:</p> <p>To implement the occupational safety and health management system, the Company has established the "Safety and Health Inspection and Environmental Protection Inspection Guidelines." Through inspections, observations, and audits of the workplace by supervisors at all levels and the Industrial Safety Office, it ensures that all operations comply with regulations and that personnel are working safely. This prevents workers from being harmed by unsafe behaviors, prevents occupational hazards, and ensures the safety and health of employees.</p> <table border="1"> <thead> <tr> <th colspan="2">Industrial Safety Inspection Operations</th> </tr> <tr> <th>Inspection unit</th> <th>Audit frequency (monthly, quarterly, irregular)</th> </tr> </thead> <tbody> <tr> <td>Section-level Supervisor</td> <td>weekly</td> </tr> </tbody> </table>	Company	Inventory Category	Start passing the verification	The start and end Date of continuous ISO 45001 certification	CGPC	Toufen Main Plant employees	Passed in 2020	April 14, 2025~December 25, 2027	TVCM	Employees of the Linyuan Plant	Passed in 2019	November 10, 2025~September 20, 2028	CGPCPOL	Employees of the Linyuan Plant	Passed in 2019	June 22, 2025~June 21, 2028	Industrial Safety Inspection Operations		Inspection unit	Audit frequency (monthly, quarterly, irregular)	Section-level Supervisor	weekly	
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			<p>on-site supervisors in the past three years, as well as the number of ESH audits conducted by the Environmental Protection Unit and industrial safety officers.</p> <p>3.The above cases are not completed due to the cross-year relationship; all deficiencies will be tracked until the improvement rate reaches 100%.</p> <p>4.Data Source: Environmental, Safety, and Health Management Platform.</p> <p>•Establishment of Security Performance Indicators Implementation Note: (Statistical period: January 1, 2025~December 31, 2025, Unit: million work hours)</p> <table border="1"> <thead> <tr> <th>Security Performance Indicators</th> <th>CGPC (Toufen Main Plant)</th> <th>TVCM Linyuan Plant</th> <th>CGPCPOL Linyuan Plant</th> <th>GGTC Company</th> </tr> </thead> <tbody> <tr> <td>Disability injury frequency (F.R.)</td> <td>2.72</td> <td>3.14</td> <td>0</td> <td>-</td> </tr> <tr> <td>Disability injury severity rate (S.R.)</td> <td>37</td> <td>40</td> <td>0</td> <td>-</td> </tr> <tr> <td>Composite injury index (F.S.I.)</td> <td>0.32</td> <td>0.35</td> <td>0</td> <td>-</td> </tr> <tr> <td>Number of Occupational Safety Fines</td> <td>1</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>Number of Emergency Response Drills</td> <td>20</td> <td>8</td> <td>5</td> <td>0</td> </tr> <tr> <td>Number of Education and Training Sessions Held</td> <td>268</td> <td>187</td> <td>71</td> <td>8</td> </tr> <tr> <td>Number of safety inspections</td> <td>1,477</td> <td>2,961</td> <td>635</td> <td>0</td> </tr> <tr> <td>Completion rate of the Occupational Safety and Health Goals Management and Plan</td> <td>100%</td> <td>100%</td> <td>100%</td> <td>-</td> </tr> <tr> <td>Deficiency Improvement Rate Inspection</td> <td>95.7%</td> <td>100%</td> <td>100%</td> <td>-</td> </tr> </tbody> </table> <p>Note: 1.The scope includes CGPC Toufen Plant, TVCM Linyuan Plant, CGPCPOL Linyuan Plant, and GGTC Company (Not applicable). 2.In 2025, there were no occupational accidents at CGPCPOL Linyuan Plant and GGTC Company.</p>	Security Performance Indicators	CGPC (Toufen Main Plant)	TVCM Linyuan Plant	CGPCPOL Linyuan Plant	GGTC Company	Disability injury frequency (F.R.)	2.72	3.14	0	-	Disability injury severity rate (S.R.)	37	40	0	-	Composite injury index (F.S.I.)	0.32	0.35	0	-	Number of Occupational Safety Fines	1	0	1	0	Number of Emergency Response Drills	20	8	5	0	Number of Education and Training Sessions Held	268	187	71	8	Number of safety inspections	1,477	2,961	635	0	Completion rate of the Occupational Safety and Health Goals Management and Plan	100%	100%	100%	-	Deficiency Improvement Rate Inspection	95.7%	100%	100%	-	
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Completion rate of the Occupational Safety and Health Goals Management and Plan	100%	100%	100%	-																																																		
Deficiency Improvement Rate Inspection	95.7%	100%	100%	-																																																		

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			<p>3.The above cases are not completed due to the cross-year relationship; all deficiencies will be tracked until the improvement rate reaches 100%.</p> <p>■ Work Environment Monitoring and Equipment Safety Management: To reduce operational risks and protect employee health, the Company regularly conducts workplace environment monitoring at least twice a year to identify potential hazard factors in the workplace. Meanwhile, hazardous machinery and equipment are subject to inventory control and regular inspections to ensure their safe operation and reduce the risk of occupational hazards.</p> <p>• Equipment Safety Management The Company conducts equipment classification and regulates hazardous machinery and equipment in accordance with the law, performing thorough inspections to ensure safe operation. For hazardous machinery and equipment in 2025, CGPC had 94 units, TVCM had 127 units, and CGPCPOL had 47 units. All were subject to regular inspections in accordance with the "Regulations for Safety Inspection of Hazardous Machinery and Equipment" to ensure the safety of equipment usage.</p> <p>• Work environment monitoring for labor: To protect workers from the hazards of harmful substances in the workplace and provide a healthy and comfortable working environment, workplace environment monitoring is conducted twice every year to gradually understand the exposure conditions of employees. Execution Status in 2025: CGPC Toufen Plant, TVCM Linyuan Plant, and CGPCPOL Linyuan Plant conducted workplace environment monitoring in accordance with regulations. The monitoring results were all satisfactory, and no abnormalities were found.</p> <p>■ Employee safety and health education and training: According to the annual plan, the Company regularly conducts employee safety and health education and training. The course content covers topics such as occupational safety and health regulations, disaster response, and operational safety. In 2025, a total of 4,141 participants attended education and training, with total training hours amounting to 14,766 hours, continuously enhancing employee safety awareness and risk prevention capabilities.</p> <p>• Safety and Health Education and Training Statistics:</p>	



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			<p>2025, GGTC had no incidents.</p> <p>Note 4:TVCM and CGPCPOL have had no contractor incidents for three consecutive years (from 2023 to 2025).</p> <p>Note 5:In the 2025 Year, CGPC Toufen Plant experienced 2 contractor incidents. Note on the two contractor incidents:</p> <p>Case 1: An employee was injured by falling materials. Improvement measures include hazard notification for contractors entering the worksite, cordoning off and controlling the construction area with personnel supervision, and requiring flatbed trucks to be equipped with blocking measures to prevent objects from falling, thereby avoiding similar accidents.</p> <p>Case 2: An accident involving falling tool objects causing injury. Improvement measures require supervisory walkthrough management and ensuring that hand tools are securely tethered to prevent incidents such as tools becoming loose.</p> <p>For detailed information, please refer to the 2025 Sustainability Report incident injury notes.</p> <p>•Incident Note: In 2025, CGPCPOL had no incidents; in the same year, CGPC Toufen Plant experienced three disability injury incidents, and TVCM experienced one. CGPC Toufen Plant had one recorded fine, with the details of the related fines as follows:</p> <table border="1"> <thead> <tr> <th>Company Category</th> <th>Disciplinary Item</th> <th>Fines (NT\$ ten thousand)</th> <th>Facts violated</th> <th>Improvement Measures</th> </tr> </thead> <tbody> <tr> <td>CGPC</td> <td>Article 031, Clause 02 of the Occupational Safety and Health Facility Regulations</td> <td>10 萬</td> <td>The maintenance passageway width is approximately 77 centimeters, violating the Occupational Safety and Health Facility Regulations which stipulate that the passageway must not be less than 80 centimeters.</td> <td>Immediate improvement</td> </tr> </tbody> </table>	Company Category	Disciplinary Item	Fines (NT\$ ten thousand)	Facts violated	Improvement Measures	CGPC	Article 031, Clause 02 of the Occupational Safety and Health Facility Regulations	10 萬	The maintenance passageway width is approximately 77 centimeters, violating the Occupational Safety and Health Facility Regulations which stipulate that the passageway must not be less than 80 centimeters.	Immediate improvement	
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			<p>•Improvement Measures: In response to the aforementioned disabling injury incident, the Company has implemented the following improvement measures:</p> <table border="1"> <thead> <tr> <th>Company Category</th> <th>Type of disaster</th> <th>Improvement Measures</th> </tr> </thead> <tbody> <tr> <td rowspan="3">CGPC Toufen Plant</td> <td>Cut</td> <td> For the non-compliant maintenance passageway, hazard factors are being eliminated: 1.Engineering improvement: Addition of the maintenance platform for Ren. 2.Administration Management: Remove unused static jumper plates, provide tool kits, implement long-sleeve uniforms throughout the site. 3.Others: Implementation of organization and tidiness, supervisors enforcing supervision and management, conducting irregular safety observation operations, and providing care and concern for injured employees. </td> </tr> <tr> <td>Pinching injury</td> <td> For the Pinching injury incident, improvements have been made, and hazard factors are being eliminated: 1.Engineering improvement: Installation of loops and baffles to prevent the iron core tube from falling. 2.Administration Management: Conduct Education and Training, and strengthen the SOP for rolling mill machine operators in material preparation. 3.Others: Implementation of supervision and management, conducting irregular safety observation operations, and providing care and concern for injured employees. </td> </tr> <tr> <td>Pinching injury</td> <td>For the Pinching injury incident, improvements have been made, and hazard factors are being eliminated:</td> </tr> </tbody> </table>	Company Category	Type of disaster	Improvement Measures	CGPC Toufen Plant	Cut	For the non-compliant maintenance passageway, hazard factors are being eliminated: 1.Engineering improvement: Addition of the maintenance platform for Ren. 2.Administration Management: Remove unused static jumper plates, provide tool kits, implement long-sleeve uniforms throughout the site. 3.Others: Implementation of organization and tidiness, supervisors enforcing supervision and management, conducting irregular safety observation operations, and providing care and concern for injured employees.	Pinching injury	For the Pinching injury incident, improvements have been made, and hazard factors are being eliminated: 1.Engineering improvement: Installation of loops and baffles to prevent the iron core tube from falling. 2.Administration Management: Conduct Education and Training, and strengthen the SOP for rolling mill machine operators in material preparation. 3.Others: Implementation of supervision and management, conducting irregular safety observation operations, and providing care and concern for injured employees.	Pinching injury	For the Pinching injury incident, improvements have been made, and hazard factors are being eliminated:	
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(IV)Has the company established an effective career development and training program for employees?	V		<p>At the CGPC Toufen Plant adhesive tape machine building, there were two fire incidents with no casualties (the fire on November 8, 2024, was a rekindling of embers from the fire on October 19). Closure note:</p> <ol style="list-style-type: none"> 1.The Company completed the improvement projects and officially closed the two fire incidents that occurred in 2024 (2024 Sustainability Report, pages 49 and 130) on October 13, 2025. 2.In 2025, all KPIs (F.R. / S.R., number of anomalies, training/drills) have met the targets, with no new penalties or anomalies. After the completion and closure, it will be incorporated into regular management disclosure. <p>For further detailed explanation, please refer to</p> <ul style="list-style-type: none"> •2025 ESG Report: https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx •System and Product Verification/Registration Record: https://www.cgpc.com.tw/zh-tw/dirProduct/frmProduct.aspx <p>(IV)</p> <p>■Career Development and Training Program: CGPC is committed to enhancing the overall competitiveness of its colleagues, and has therefore built a comprehensive Education and Training system to adapt to changes in the external environment, group business policies, company development strategies, departmental performance goals, and individual career development needs of employees. The Company provides training courses required for comprehensive talent development, and systematically plans employees' career development through the three main structures of "On-the-Job Training (OJT)", "Off-the-Job Training (Off-JT)", and "Self-Development (SD)".</p> <p>■Training for different career stages:</p> <ul style="list-style-type: none"> •New employees: <ol style="list-style-type: none"> 1.Provide detailed training for new employees, introducing the group's corporate culture, business philosophy, labor regulations, organizational system norms, professional skills, and operational processes to help new colleagues quickly integrate into the work 	



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			<p>environment and enhance their sense of identity and cohesion with the Company.</p> <p>2. According to the needs of each Unit, professional Courses or occupational safety Courses are implemented.</p> <p>• Existing employees:</p> <p>1. In the fourth quarter of each year, surveys on employee training needs are conducted, and an annual education and training execution plan and budget are prepared.</p> <p>2. Regularly hold diverse training sessions, including professional skills training, management training, seminars, health workshops, and various conferences, to enhance employees' professional and management skills and balance their physical, mental, and spiritual development.</p> <p>3. In order to make learning more lively and engaging, a diversified approach to course delivery is adopted, including course lectures, activity design, case studies, and group discussions.</p> <p>4. A digital learning platform (e-Learning) is available to provide a channel for self-directed learning, allowing colleagues to engage in effective learning activities anytime and anywhere.</p> <p>5. This Year, we further integrate generative AI into the workplace through workshops and competitions, training employees to master AI collaboration skills and create career advantages.</p> <p>• Successor Reserves:</p> <p>1. To ensure smooth succession and continuity of key positions within the Company, The Company provides training for successor reserves, including job rotation, overseas assignments, project leadership, management skills, and leadership training.</p> <p>2. These trainings help prevent talent gaps and maintain the stability and competitiveness of the Company's operations.</p> <p>• Retiring Personnel:</p> <p>Care about the physical and mental health of retirees and their post-retirement life planning, arrange courses on retirement financial planning, health management, and life</p>	

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(V)Has the company established policies and complaint procedures to protect consumer or customer rights in accordance with applicable regulations and international guidelines concerning customer health and safety, privacy, marketing, and labeling for its products and services?	V		<p>adjustment to assist them in smoothly transitioning to retired life.</p> <p>■Core Philosophy:</p> <ul style="list-style-type: none"> •The education and training system emphasizes systematic and comprehensive approaches, aiming to provide employees with learning opportunities. •Emphasize diverse learning methods, including onsite courses, activities, case studies, group discussions, and digital learning. •Committed to enhancing employees' professional abilities, management skills, and physical, mental, and spiritual well-being, promoting career development and improving the overall performance of the Company. <table border="1"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="2">CGPC</th> <th colspan="2">TVCM</th> <th colspan="2">CGPCPOL</th> <th colspan="2">GGTC Company</th> </tr> <tr> <th>Total number of participants</th> <th>Training Hours</th> <th>Total number of participants</th> <th>Training Hours</th> <th>Total number of participants</th> <th>Training Hours</th> <th>Total number of participants</th> <th>Training Hours</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>2,089</td> <td>7,520.5</td> <td>1,099</td> <td>4,404.5</td> <td>211</td> <td>1,264.5</td> <td>-</td> <td>-</td> </tr> <tr> <td>2024</td> <td>5,104</td> <td>15,175</td> <td>1,591</td> <td>5,059.5</td> <td>322</td> <td>1,277</td> <td>193</td> <td>521</td> </tr> <tr> <td>2025</td> <td>4,820</td> <td>11,921</td> <td>1,531</td> <td>4,884.7</td> <td>501</td> <td>1,476.6</td> <td>171</td> <td>523.7</td> </tr> </tbody> </table> <p>Note: GGTC Company was established in February 2022, during which the initial phase saw colleagues from TVCM's Environmental Development Department seconded to assist with the work. This team officially transferred to GGTC Company on July 1, 2024.</p> <p>(V) To ensure that products and services comply with regulations and international guidelines in terms of customer health and safety, privacy protection, and marketing labeling, the Company is committed to building a safe, transparent, and compliant product service system centered on the ISO 9001:2015 quality management system. The specific implementation status is as follows:</p> <p>1.Compliance with marketing and labeling:</p> <p>(1)The Company's products have obtained multiple certifications, including EU environmental protection regulations RoHS, REACH, EN 71-3, and food additive permits.</p>	Year	CGPC		TVCM		CGPCPOL		GGTC Company		Total number of participants	Training Hours	Total number of participants	Training Hours	Total number of participants	Training Hours	Total number of participants	Training Hours	2023	2,089	7,520.5	1,099	4,404.5	211	1,264.5	-	-	2024	5,104	15,175	1,591	5,059.5	322	1,277	193	521	2025	4,820	11,921	1,531	4,884.7	501	1,476.6	171	523.7	
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(VI)Has the company established	V		<p>(2)Establish the "Product Identification and Traceability, Protection Method," clearly outlining product identification and shipment traceability management.</p> <p>(3)For related system and product verification/registration information, please refer to the official website: https://www.cgpc.com.tw/zh-tw/dirProduct/frmProduct.aspx</p> <p>2.Protection of customer health and safety: Safety Data Sheets (SDS) have been established for raw material products, providing clear guidelines for storage, transportation, and use, proactively disclosing potential risks, and offering protection recommendations to ensure the health and safety of the supply chain.</p> <p>3.Consumer or customer rights protection and complaint procedures: (1)In accordance with the SOP titled "Customer Dispute Handling Procedures," a standardized and diverse complaint channel is established to ensure the proper protection of customer rights. (2)Set up a stakeholder contact window in the company's ESG section to handle customer inquiries, complaints, or suggestions.</p> <p>4.Protection of Customer Data and Privacy: (1)The Group Information System Div. has established various information security management regulations and obtained ISO 27001:2022 certification (Certificate Validity: June 30, 2025 to July 3, 2026). It continues to conduct information security management and audit operations in accordance with this system to strengthen customer data protection and privacy maintenance. (2)By strengthening firewall management, access control, segregation of test environments and actual operating environments, and other measures, we strictly control customer data access to reduce the risk of confidential information leakage. (3)In terms of customer privacy, the Company complies with confidentiality agreements and personal data protection laws, and regularly conducts privacy impact assessments and employee privacy education and training to fulfill its duties of confidentiality regarding customer data.</p>	

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supplier management policies requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights issues, and how are they implemented?			<p>The supplier management policy is noted as follows:</p> <ol style="list-style-type: none"> 1. Supplier Evaluation System: To encourage suppliers to continuously improve, the Company conducts an annual evaluation in alignment with production operations and environmental protection policies. This evaluation assesses suppliers on items such as quality, delivery time, environmental protection and occupational safety, packaging, quality certification, and service, ensuring the Company timely acquires excellent raw materials and services at appropriate quantities and prices. 2. Promote and encourage suppliers to sign the Supplier Corporate Social Responsibility Commitment (hereinafter referred to as the Commitment), requiring suppliers to sign commitments regarding human rights, occupational safety, health, environmental protection, and conflict minerals. Requirement Item: <ol style="list-style-type: none"> (1) Labor and Human Rights: Includes the prohibition of forced labor, banning the employment of child labor, providing appropriate wages and benefits, ensuring workers' working hours and rest time, eradicating workplace sexual harassment, bullying, and workplace discrimination, and not using conflict minerals. (2) Health and Safety: Includes necessary measures such as providing occupational safety, emergency response, industrial hygiene, machinery protection, public health and accommodation, and health and safety information. (3) Environment: Includes environmental operational permits, pollution prevention and resource conservation, hazardous substances, wastewater, non-hazardous solid waste, noise, air emissions, product and service restrictions, as well as energy/resource consumption and greenhouse gas emissions. (4) Code of Ethics: Includes ethical corporate management, respecting intellectual property rights, complying with relevant confidentiality agreements, safeguarding privacy, and avoiding conflicts of interest, etc. 3. Execution Status: <ol style="list-style-type: none"> (1) In 2025, a total of 232 suppliers were evaluated, with a qualification rate of 100%. 	



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			<p>Handling of Suppliers Failing Evaluation: a. In addition to proposing improvement suggestions, for category C, the relationship will be reduced or suspended until improvements are completed and re-evaluation is approved. b. For category D, the business relationship will be terminated, and its qualified vendor status will be revoked.</p> <p>Handling of Contractors Failing Evaluation: An evaluation score of 69 points (inclusive) or below is deemed unsatisfactory. Those with scores between 60 and 69 points or between 50 and 59 points will be suspended from quoting for six months or one year, respectively. If the evaluation score is below 49 points, the bidder's qualification will be revoked, and there will be no further dealings.</p> <p>(2) Commitment Signing: All existing suppliers have signed the Commitment, and signing the Commitment has been included as a requirement for selecting new suppliers.</p> <p>(3) Planning Supplier Site Audit Content: Starting from 2024, CGPC initially conducted on-site audits of major raw material suppliers and special auxiliary material suppliers, and required suppliers to fill out the Supplier Code of Conduct and Quality Requirements Self-Assessment Form. Starting from 2025, the supplier site audits have been expanded, currently progressing at a rate of approximately four sites per year. The audit content is gradually being adjusted so that all suppliers cooperating with CGPC can meet social and environmental assessment standards.</p>	
V. Has the company referred to internationally recognized standards or guidelines in preparing sustainability reports or other reports to disclose the company's non-financial information? Has the aforementioned report obtained assurance or opinion of	V		CGPC compiles the "Sustainability Report" based on the universal standards and significant theme standards issued by the Global Reporting Initiative (GRI), revealing significant economic, environmental, and human (including human rights) themes and impacts identified by the Company, along with disclosure Items and their reporting requirements. It also refers to the Sustainability Disclosure Indicators for the plastic industry, preparation and reporting guidelines for publicly listed companies' sustainability development reports, practical codes of sustainability development, Sustainability Accounting Standards Board	In line with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies

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assurance from a third-party verification unit?			<p>(SASB) standards for the chemicals industry, Task Force on Climate-related Financial Disclosures (TCFD), and the United Nations Sustainable Development Goals (SDGs).</p> <p>The sustainability reports for 2024-2025 were entrusted to "Deloitte," serving as the third-party assurance Unit, to review compliance with GRI standards and execute limited assurance work on 5 ESG indicators following the assurance standards (3000 series), and to issue an assurance report.</p> <p>Please refer to the 2024 and 2025 ESG Reports, website: https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx(The 2025 ESG Report is expected to be available by the end of August)</p>	
<p>VI.If the company has established its own sustainability principles according to the "Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies," please specify the differences in its operations compared to the set principles: CGPC established the "Corporate Social Responsibility Practice Principles" following the approval of the Board of Directors on March 11, 2015. On March 9, 2022, in coordination with the Taiwan Stock Exchange letter No. 11000241731 dated December 7, 2021, and after review by the ESG Committee and approval by the Board of Directors, it was renamed the "Sustainability Practice Principles," while the "Corporate Social Responsibility Committee" was renamed the "ESG Committee." On March 2, 2023, in coordination with the Taiwan Stock Exchange letter No. 11100243661 dated December 23, 2022, Article 27-1 was added. This addition was reviewed by the ESG Committee and approved by the Board of Directors. The Company manages economic, environmental, and social risks and impacts based on the "Corporate Sustainability Best Practice Principles" and continuously improves upon them. Up to now, there is no significant difference.</p> <p>VII.Other important information that helps understand the execution and operation of promoting sustainable development: The operation status of various sustainable development initiatives by the CGPC Merged Company can be found in the publicly disclosed information, such as the business profile, latest news, and annual sustainability reports, available on the official website of the Merged Company. The Company's ESG Committee was officially established on November 9, 2017. Its composition, responsibilities, and operational status are as follows: Note: "Chapter Two, Section Three, Company's Operating Status, (5) Implementation of Sustainable Development Initiatives and the Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference" is disclosed based on the content of the 2025 annual sustainability report. The related content above is still being finalized and confirmed. If there are any adjustments, the official release of the 2026 Sustainability Report (expected to be published by the end of August 2026) will prevail. For detailed content on "Chapter Two, Section Three, Company's Operating Status, (5) Implementation of Sustainable Development Initiatives and the</p>				



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<p>Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference," please refer to the CGPC official website and the ESG section.</p> <ul style="list-style-type: none"> ●Company Website: https://www.cgpc.com.tw/CGPCTwHome.aspx ●ESG section: https://www.cgpc.com.tw/ESG/tw/index.aspx ●Latest news: https://www.cgpc.com.tw/ESG/tw/news.aspx ●ESG Report: https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx; ●Newsletter: https://www.cgpc.com.tw/ESG/tw/newsletter.aspx <p>VIII.Implementation of Climate-related Information</p> <p>1.Risks and opportunities posed by climate change to the company and the related response measures adopted by the company.</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Execution Status:</th> </tr> </thead> <tbody> <tr> <td>1.Describe the supervision and governance of the Board of Directors and management regarding climate-related risks and opportunities.</td> <td> <p>1.The Company uses the Board of Directors to supervise climate change management, with the ESG Committee as the highest organization for climate management. Chaired by an Independent Director, it annually reviews the company's climate change strategies and targets, manages climate change risks and opportunity actions, and examines the implementation status, reporting to the Board of Directors.</p> <p>The information of various work meetings is summarized as follows:</p> <p>(1)Business management meeting: Chaired by the Chairman, irregularly promoting planning and reporting results on major energy-saving and carbon-reduction policies.</p> <p>(2)Group Environment Office Quarterly Meeting: As the highest unit executing energy management in the USI Group, reports on promotion planning and progress to the Chairman every quarter and makes decisions.</p> <p>(3)Under the Board of Directors, the Audit Committee presents the results identified by the risk management team to the Board of Directors annually. The identification content covers risks arising from global climate change, energy, and related financial and taxation issues. The Payroll Remuneration Committee annually evaluates and reviews the performance of Managerial Officers in ESG-related areas, including the management of climate change-related issues. It incorporates climate-related targets into the performance evaluation and compensation system of senior Supervisors to monitor the achievement of climate-related issue targets.</p> <p>In view of the global increasing emphasis on issues related to Environmental risks (E), Society (S), and Governance (G), The Company is promoting the disclosure of greenhouse gas inventory and assurance information for listed companies in stages, based on the "Sustainable Development Roadmap for Listed Companies" issued by the Financial Supervisory</p> </td> </tr> </tbody> </table>					Item	Execution Status:	1.Describe the supervision and governance of the Board of Directors and management regarding climate-related risks and opportunities.	<p>1.The Company uses the Board of Directors to supervise climate change management, with the ESG Committee as the highest organization for climate management. Chaired by an Independent Director, it annually reviews the company's climate change strategies and targets, manages climate change risks and opportunity actions, and examines the implementation status, reporting to the Board of Directors.</p> <p>The information of various work meetings is summarized as follows:</p> <p>(1)Business management meeting: Chaired by the Chairman, irregularly promoting planning and reporting results on major energy-saving and carbon-reduction policies.</p> <p>(2)Group Environment Office Quarterly Meeting: As the highest unit executing energy management in the USI Group, reports on promotion planning and progress to the Chairman every quarter and makes decisions.</p> <p>(3)Under the Board of Directors, the Audit Committee presents the results identified by the risk management team to the Board of Directors annually. The identification content covers risks arising from global climate change, energy, and related financial and taxation issues. The Payroll Remuneration Committee annually evaluates and reviews the performance of Managerial Officers in ESG-related areas, including the management of climate change-related issues. It incorporates climate-related targets into the performance evaluation and compensation system of senior Supervisors to monitor the achievement of climate-related issue targets.</p> <p>In view of the global increasing emphasis on issues related to Environmental risks (E), Society (S), and Governance (G), The Company is promoting the disclosure of greenhouse gas inventory and assurance information for listed companies in stages, based on the "Sustainable Development Roadmap for Listed Companies" issued by the Financial Supervisory</p>
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2. Describe how the identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, mid-term, long-term).	<p>Commission, and is building corporate greenhouse gas inventory capabilities, among other initiatives. The Company has completed the consolidated company inventory and assurance operations, with an annual report outlining various measures, and recommendations provided by the Directors.</p> <p>The Company, in addition to continuously enhancing corporate governance effectiveness, is also carefully planning and executing strategies to achieve carbon reduction targets and develop green electricity strategies. These efforts aim to help the enterprise reduce problems and risks, meet international standards, and achieve the grand goal of sustainable corporate development.</p> <p>2. In response to the uncertainties brought by climate change, the USI Group has identified the main physical risks, transition risks, and climate-related opportunities related to its operations and assessed their potential impacts on the Company's business, operational strategies, and financial performance across different time scales.</p> <p>The Company, based on its own operational characteristics and industry environment, defines the time scales as follows:</p> <ul style="list-style-type: none"> • Short term: 2025 to 2027 • Medium term: 2027 to 2030 • Long term: 2030 to 2050 <p>The impact of the identified climate risks on The Company is as follows:</p>															
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				coefficient.			
	Physi cal risks	High temperature s and unstable energy supply		With the intensification of climate change, the continuous rise in average annual temperature and the significant increase in the number of high-temperature days have become a common global trend. According to the Central Weather Bureau data, both Taiwan's average annual temperature and the frequency of high-temperature events have shown a clear upward trend, suggesting that future summer high temperatures may become a regular risk source.	-	-	⊙
		Extreme Rainfall and Flooding		According to observations from the Central Weather Bureau and IPCC reports, in recent years, the frequency of typhoons, heavy rainfall, and localized torrential rain events in Taiwan has increased significantly. These events have not only caused repeated flooding in urban and low-lying areas but have also brought immediate and severe impacts on industrial operations, constituting acute physical risks.	-	⊙	⊙
	oppo rtunit ies	Introduction of Low-Carbon Energy		Driven by increasingly stringent global climate policies and the goal of net-zero carbon emissions by 2050, the energy use structure of enterprises is rapidly transforming. The adoption of renewable energy has become an important opportunity for companies to fulfill carbon reduction commitments and maintain international competitiveness. For carbon-intensive manufacturing industries, reducing indirect emissions generated during electricity use can be effectively achieved by self-constructing or procuring renewable energy sources such as solar, wind, and geothermal energy.	⊙	⊙	⊙
		Enhance corporate reputation and brand awareness.		Sustainable management has become an important component of corporate brand value and market competitiveness. Participating in sustainability assessments (such as CDP and the TCSA Taiwan Corporate Sustainability Awards), proactively disclosing TCFD/TNFD information, and expanding third-party assurance for the consolidated company's greenhouse gas and ESG reports will	⊙	⊙	⊙

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			<p>activities.</p> <ul style="list-style-type: none"> •Although in the short term, equipment investment results in increased depreciation expenses and cash outflows, in the long term, the reduction in electricity expenses through improved energy efficiency and the decreased carbon fee costs will help optimize overall operational efficiency and maintain profitability. 	<ul style="list-style-type: none"> •improvement •Natural gas boiler energy-saving improvement •Replacing the light boiling fraction pump (P-6001A) with a high-efficiency pump. •Replacement of OXY JOY air compressor motor (KM-6151) •Replacement and renewal of air compressor equipment •Replacement of hot water pump (PU-1205A/B). •Change the heat exchanger coil in the dryers to a steam coil. <p>The CGPC Toufen Plant has promoted natural gas boiler improvements and fuel substitutions, reducing carbon emissions by approximately 2,345 tons CO₂e annually; the TVCM Linyuan Plant has replaced high-efficiency pumps and air compression equipment, achieving annual energy savings of 1,705 GJ and a carbon reduction of 224 tons CO₂e.</p> <p>In 2025, CGPC Utilities optimized processes and operating conditions to promote refined fuel measures for Boiler #2, reducing the natural gas consumption per unit product, achieving energy savings of 16,952 GJ and a carbon reduction of 852 tons CO₂e. Additionally, a small module for process residual hydrogen recovery was introduced, completing the demonstration operation verification.</p>	
	Physi cal risks	High temperat ures and	The potential impact timeframe for this risk is long term, with the relevant financial impacts	I.Installation of new and replacement of old electromechanical and air conditioning equipment: 1.Emergency generator renewal.	

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			<p>unstable energy supply</p> <p>for this period as follows:</p> <ul style="list-style-type: none"> •To ensure the operational stability of production equipment under extreme weather conditions, routine maintenance and calibration of core equipment such as substations, generators, and chiller systems were strengthened this period. This resulted in related capital expenditures amounting to NT\$100 thousand and maintenance expenses totaling NT\$3,132 thousand. •Considering the long-term trend of global warming and the resilience of power supply, capital expenditures amounting to NT\$1,880 thousand were invested this period for the installation of new and replacement of old electromechanical and air conditioning equipment, to strengthen long-term operational stability, resulting in an increase in non-current assets. •Through strengthening energy infrastructure and equipment resilience, although capital expenditures and maintenance costs increase in the short term, it 	<p>2.Replacement of the old UPS batteries in the DCS control room.</p> <p>3.Battery replacement project for the main substation uninterruptible power supply system.</p> <p>4.Replacement and renewal of chiller.</p> <p>II.Routine maintenance of equipment:</p> <ol style="list-style-type: none"> 1.Annual maintenance for the main substation DC power supply and transformer. 2.Maintenance of ultra-high voltage and high voltage lines and insulator cleaning. 3.Regular testing of transformer insulation oil and dissolved gases in substations. 4.Annual maintenance for generator equipment. 5.UPS Equipment Annual Maintenance Project. 6.Inspection of high voltage electrical equipment in high voltage substations. 7.Chilled water main unit, cold storage, and air conditioning maintenance project.



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			<p>can effectively reduce future business interruption losses caused by high-temperature shutdowns or power restrictions.</p> <p>The potential impact timeframe for this risk is medium term and long term, with the relevant financial impacts for this period as follows:</p> <ul style="list-style-type: none"> •To address the potential increased risk of flooding under the long-term trend of climate change, periodic dredging of the plant's drainage system was carried out this period, with related maintenance expenses amounting to NT\$1,254 thousand. •In order to reduce the financial risks caused by extreme weather-related disasters, this period's investment in insurance increased by NT\$15,541 thousand compared to the previous year. •Through systematic waterproof engineering and investment in monitoring equipment, although there is a short-term increase in cash outflows from investment activities and maintenance costs, it can effectively reduce equipment 	<p>1.Flood control measures related to the CGPC Toufen Plant:</p> <ul style="list-style-type: none"> •Drainage Maintenance: The Engineering Department conducts monthly inspections and dredging of the plant's drainage system to ensure smooth water flow. •Flood Prevention Preparedness: Sandbags are prepared during typhoon warnings, and the plant has an adequate supply of flood prevention materials. •Drainage Improvement: Toufen Main Plant has completed the reconstruction of two external discharge outlets to enhance drainage efficiency; the second phase of the reconstruction project will be reviewed and planned in conjunction with the polymerization reactor replacement and renewal project. •Rainwater ditch renovation: In 2021, approximately NT\$12.11 million was invested in renovating the outdated rainwater ditches. <p>2.All factory areas have stormwater detention ponds that are regularly desilted to comply with regulations that require stormwater to naturally overflow into external drainage only 30 minutes after heavy rainfall. During this period, rainwater is collected in the stormwater detention ponds and pumped to the wastewater treatment plant.</p> <p>3.Risk Management: Commercial fire insurance (including typhoon and flood insurance) has been purchased to reduce risk.</p>

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			<p>damage, raw material dampness, and downtime losses caused by extreme storms, ensuring operational resilience and financial stability of the company in the face of climate change.</p>	
	opportunities	Introduction of Low-Carbon Energy	<p>The opportunity impact timeframe is short term, medium term, and long term, with the relevant financial impacts for this period as follows:</p> <ul style="list-style-type: none"> •To achieve the carbon reduction targets for the year, a green electricity procurement plan was implemented this period, with related electricity purchase expenditures amounting to NT\$9,098 thousand, reflected in the annual operating expenses. •Through the procurement of green electricity, although the Company increases its electricity purchasing costs in the short term, in the long term, it can reduce reliance on traditional fossil fuels, effectively mitigate the impact of future carbon fee cost increases, and enhance corporate green competitiveness and brand value. 	<p>1.Renewable Energy and Energy Supply Diversification: (1)Renewable energy and green electricity procurement. (2)Renewable Energy and Energy Supply Diversification.</p> <ul style="list-style-type: none"> •The group actively develops external renewable energy sites. By the end of 2024, the accumulated grid-connected capacity from solar projects reached 8.6 MW, capable of generating approximately 10.73 million kWh of green electricity annually. •Since 2019, the CGPC Toufen Plant has progressively completed seven phases of solar equipment installation, reaching a total installed capacity of 1,880.88 kWp. In 2025, 130,615 kWh were self-generated and used, and 154,000 kWh of green electricity were purchased, increasing the proportion of renewable energy and diversifying power supply risks. <p>2.The selection of steam supply sources prioritizes natural gas sources. 3.Focus on and participate in the renewable electricity market. 4.Additionally, a small module for process residual hydrogen recovery was introduced, completing the demonstration operation verification.</p>
	Enhance	The opportunity impact		1.Actively researching and developing innovative green products



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			<p>corporate reputation and brand awareness.</p> <p>timeframe is short term, medium term, and long term, with the relevant financial impacts for this period as follows:</p> <ul style="list-style-type: none"> •With the rising demand for transformation in the market, the contribution of operating revenue from sustainable related products (including PVC cooling leather and TPO automotive floor mats) amounts to NT\$18,340 thousand this period. •This period, NT\$4,000 thousand was invested in research and development expenses for sustainable-related products under development and in sustainable brand promotion expenses. 	<p>while continuously investing in the development of low-carbon products. The sales statistics for 2025 are as follows:</p> <table border="1"> <thead> <tr> <th>Product Item</th> <th>Year</th> <th>Sales unit</th> <th>Sales volume</th> <th>Sales Amount (NT\$ thousand)</th> </tr> </thead> <tbody> <tr> <td>PVC cooling leather</td> <td>2025</td> <td>Code</td> <td>48,809</td> <td>14,804</td> </tr> <tr> <td>TPO automotive floor mats</td> <td>2025</td> <td>kilograms</td> <td>17,565</td> <td>2,456</td> </tr> <tr> <td>Low carbon pipe (ISO 14021 recycled material content)</td> <td>2026 Q1</td> <td>ton</td> <td>20</td> <td>1,080</td> </tr> <tr> <td>Total Amount</td> <td></td> <td></td> <td></td> <td>18,340</td> </tr> </tbody> </table> <p>2.Certification affirmation:</p> <ul style="list-style-type: none"> •Completed in July 2025, ISO 14021 "Recycled Material Content Certification" for PVC pipes and electrical conduits, the certified PCR (Post-Consumer Recycled) products lead the mainstream market of low-carbon building materials. •CGPC obtained the "Clean Production Assessment and Green Building Label" in 2024; in 2025, it passed the [Clean Production] tracking audit and the certification of the Ministry of the Interior's [Candidate Green Building Certificate] system. <p>3.Promoting Circular Economy:</p> <ul style="list-style-type: none"> •Circular Regeneration Inputs: Since 2021, CGPC Building Materials Plant has integrated in-plant recycled materials, recycled PVC resin, and externally purchased recycled pellets into production. By 2025, the cumulative recycling volume 	Product Item	Year	Sales unit	Sales volume	Sales Amount (NT\$ thousand)	PVC cooling leather	2025	Code	48,809	14,804	TPO automotive floor mats	2025	kilograms	17,565	2,456	Low carbon pipe (ISO 14021 recycled material content)	2026 Q1	ton	20	1,080	Total Amount				18,340
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3. Describe the impact of extreme weather events and transition actions on financial performance.			<p>reached 12,880 tons, with the recycling and reuse rate accounting for approximately 24.2% of the pipe production for the Year 2025 (the single-year recycling volume for 2025 was 3,212 tons).</p> <ul style="list-style-type: none"> •Packaging Green Transformation: PVC small packaging bags have been fully replaced with heat-sealable PE bags, achieving 100% recycling and effectively reducing waste generation. •Project items invested in the year 2025: <ol style="list-style-type: none"> (1)ISO 14021 Recycled Material Low Carbon Pipe Certification Project. (2)Development of solvent-free PVC cloth paste project. (3)Development of solvent-free TPE cloth paste project. (4)PVC Water-based Adhesive for Electrical Tape project. (5)Conversion of plasticizers for adhesive tape fabric project. (6)TPE single material (slippers) project. (7)Oyster shell powder door panel (Antibacterial and mold-resistant) project. (8)Oyster shell powder piping (Antibacterial and mold-resistant) project. 	
	<p>Note: The scope above includes CGPC Toufen Plant, TVCM Linyuan Plant, and CGPCPOL Linyuan Plant.</p> <p>3.Impact of extreme weather events on financial performance: The Company refers to the IFRS S2 "Climate-related Disclosures" standards to assess the impact of climate-related risks and opportunities on business strategy and financial position. The Company identifies key factors through scenario analysis and incorporates response measures into the operational decision-making process. Physical risks refer to the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) "Taiwan Climate Change Key Indicators Atlas: AR6 Statistical Downscaling Edition" and research data from the National Science and Technology Center for Disaster Reduction. The scenarios adopted combine IPCC AR6 with "Shared Socioeconomic Pathways (SSP)" and "Representative Concentration Pathways (RCP)".</p>			



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			<p>The Company has chosen the SSP5-8.5 (very high greenhouse gas emissions) scenario as the baseline, estimating that carbon dioxide emissions will double by around 2050. It will conduct financial impact analyses for disasters such as "high temperatures," "flooding," and "drought."</p> <p>(1)Analysis of the Physical Impacts of Climate Events and Financial impacts:</p> <ul style="list-style-type: none"> • Severe Typhoon and Rainfall Risks: Although the number of typhoons affecting Taiwan is expected to decrease by about 15% by the middle of the 21st century, the proportion of severe typhoons is projected to increase significantly by approximately 100%, and typhoon rainfall is expected to increase by 20%. This trend may cause operational sites to be flooded due to heavy rainfall, leading to equipment damage or work stoppages, resulting in revenue losses. • Strong Winds and Extreme Wind Speeds: The maximum wind speed is expected to increase by approximately 4%. The threat of strong winds may cause damage to plant structures or interruptions in power facilities, subsequently increasing repair costs and operational expenses. • Long-term climate trends: By the end of the 21st century, the proportion of severe typhoons may increase by up to 50%, and typhoon rainfall may increase by 35%. In the long term, if no adaptation actions are taken, asset loss risks and operational uncertainties will continue to rise. <p>(2)Enhancing Resilience in Response to Physical Risks:</p> <p>To enhance strategic resilience and reduce potential financial losses, the Company adopts preventive adaptation actions.</p> <ul style="list-style-type: none"> • Enhancing Disaster Preparedness: In response to the threat of severe typhoons, the drainage systems and flood prevention facilities at the plant are being strengthened, and the wind and disaster resistance of buildings and equipment are being improved to reduce unplanned capital expenditures caused by equipment damage. • Enhancing Scenario Analysis: Continuously update physical risk scenario analysis tools to include high temperature and drought risks in financial evaluation, facilitating the planning of more precise adaptation management strategies. • Incorporating into decision-making processes: Integrate the aforementioned evaluation results into the Company's overall strategy resilience assessments to ensure that the financial impacts of climate change are considered in the early warning stage of business planning. <p>Impact on financial operations:</p> <p>In the context of transitioning to a low-carbon economy, The Company faces a wide range of challenges from policies and regulations, technological developments, and market demand. According to the analysis, key risks in the short term to long term include the imposition of carbon fees, greenhouse gas emissions cap, renewable energy regulations, and changing</p>	

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4. Describe how the			<p>consumer preferences. Although the demand for low-carbon products is increasing in the market, and the Company already has a sales foundation for related products and continues to conduct research and development, it is expected that the impact on sales volume will be minimal. However, operational costs and capital investments in the transformation process will have a substantial impact on the financials.</p> <p>To address transition risks, the Company has undertaken the following actions, which are reflected in its financial structure:</p> <p>■ Carbon Pricing and Energy Saving Project Management: The Company has officially implemented an internal carbon pricing mechanism, using a shadow price as a basis for investment evaluations, thereby enhancing execution opportunities for carbon reduction projects. Based on the imposition of carbon fee regulations announced by the Ministry of Environment, the estimated related carbon fee expenditures (operating expenses) are calculated according to emission levels. At the same time, significant funds were invested in the replacement of old motors, boilers, and chiller systems for energy-saving purposes. Although in the short term, capital expenditures result in increased depreciation and cash outflows, in the long term, the reduction in electricity expenses and carbon fee costs through improved energy efficiency will optimize profitability.</p> <p>■ Energy Transition and Introduction of Low-Carbon Power: To enhance energy autonomy, The Company actively develops self-built solar projects. Additionally, a green electricity procurement plan is being executed simultaneously, with related electricity purchase expenditures reflected in the operating expenses. Through self-generation and green electricity procurement, The Company aims to mitigate the impact of future increases in electricity carbon costs. By analyzing various data with the energy management system, it seeks to maximize improvement opportunities.</p> <p>■ Product innovation and enhancement of green competitiveness: The Company continues to invest in the research, development, and promotion of sustainable-related products, actively transforming and expanding the green supply chain market. This period, significant research and development expenses and certification costs were invested in PVC cooling leather, environmentally friendly non-toxic rubber/leather, and plastic products with low-carbon or recyclable characteristics, with active efforts to obtain international environmental and recycling certifications such as ISO 14021. These actions, although they increase the current period's research and promotion expenses, help enhance CGPC's corporate reputation and ensure long-term competitive advantage in the trends of green consumption and sustainable building materials.</p>	
			4. To establish a healthy and honest business philosophy, ensure stable operations, and sustainable development, and reduce	



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<p>identification, assessment, and management processes of climate risks are integrated into the overall risk management system.</p> <p>5.If scenario analysis is used to assess resilience to climate change risks, note the scenarios, parameters, assumptions, analytical factors, and key financial impacts used.</p>			<p>potential operational risks, the "Risk Management Policy and Procedure Methods" were approved by the Board of Directors in 2020. This enables Directors to accurately assess and supervise various existing or potential risks of the Company. Each responsible functional department conducts timely assessments and rolling adjustments based on the latest international economic situations, ESG regulations, and risk opportunity assessment management methods. The Audit Committee's project secretary reports the Company's risk management operations to the Board of Directors at least once a year, allowing them to understand the existing risks and subsequently provide more concrete recommendations on the Company's operational strategy.</p> <p>5.In response to the intensification of global climate change, adopt the TCFD framework to deepen the understanding of risk items that may be faced under extreme weather conditions and seize new business opportunities. Referencing the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and the National Science and Technology Center for Disaster Reduction, an assessment was conducted for the RCP 8.5 scenario to estimate the temperature rise, rainfall, flooding, and drought conditions between 2016 and 2035, listing three physical risk issues. These estimations are based on the group's strategy, industry characteristics, the country's Intended Nationally Determined Contributions (INDC), and TCFD indicators.</p> <p>Based on the nature of risk and opportunity factors, risks are categorized into physical risks and transition risks. Physical risks include flooding, drought, and high temperatures. Transition risks include policies and regulations, goodwill, technology, and market. Opportunities are divided into four aspects: resource efficiency, energy sources, products and services, and market.</p> <p>Physical risks refer to the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) "Taiwan Climate Change Key Indicators Atlas: AR6 Statistical Downscaling Edition" published in June 2023, and the "Climate Change Disaster Risk Map" published by the National Science and Technology Center for Disaster Reduction to estimate future long-term climate changes and potential climate risks. The scenarios adopted by IPCC AR6 combine "Shared Socioeconomic Pathways (SSPs)" and "Representative Concentration Pathways (RCPs)." The Company has chosen the SSP5-8.5 (very high greenhouse gas emissions) scenario as the baseline, estimating that carbon dioxide emissions will double by around 2050, to conduct future scenario analyses for climate disasters such as "high temperatures," "flooding," and "drought."</p> <p>Transition risks refer to the scenarios outlined in the World Energy Outlook (WEO) published by the International Energy Agency (IEA) in 2021. The report is divided into three scenarios based on different energy trends and climate policies: STEPS (Stated Policies Scenario), APS (Announced Pledges Scenario), and NZE (Net Zero Emissions Scenario). Among them, the</p>	

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<p>6.If there are transition plans for managing climate-related risks, note the content of the plan, and the indicators and targets used to identify and manage physical and transition risks.</p> <p>7.If internal carbon pricing is used as a planning tool, the basis for price setting should be noted.</p>			<p>NZE scenario assumes that all countries will achieve net-zero emissions by 2050, representing the most proactive implementation of reduction measures. In addition, it also references the "Taiwan's Pathway to Net-Zero Emissions by 2050: A General Note on Pathways and Strategies" published by the National Development Council in 2022. This is to align with the country's carbon reduction pathway and ensure the Company maintains resilience for sustainable operation amidst the impacts of extreme climate change.</p> <p>The main financial impacts include the government's carbon fee and water consumption fee policies, which will directly increase the Company's operational costs. In the short term, capital must be invested to improve energy and water resources efficiency. However, in the long term, through the introduction of energy-saving technologies, process recycling and reuse, and circular economy measures, operational costs will gradually decrease and Company competitiveness will be enhanced. In addition, the increase in raw material prices due to climate change will also affect production costs. The Company needs to invest in intelligent equipment to improve energy usage efficiency and resource recovery, thereby reducing financial risks and capturing market transformation opportunities to maintain long-term financial stability.</p> <p>6.In order to achieve the company's sustainability vision, The Company proactively implements corresponding response measures and management mechanisms through concrete actions. The production plants continuously carry out ISO 14064-1 greenhouse gas inventory and verification, plan and execute carbon reduction programs, and actively develop external renewable energy sites. By the end of 2025, the solar project at the CGPC Toufen Plant reached a total self-use capacity of 1,880.88 kWp.</p> <p>The Company plans a carbon reduction path according to the Group's target for 2030. The greenhouse gas emissions in 2025 have decreased by 33.4% compared to the 2017 baseline year, and the Company will continue to actively implement energy-saving and carbon reduction plans in the future. The medium-term carbon reduction strategy will focus on transitioning to low-carbon energy, enhancing energy efficiency, intelligent monitoring, and the establishment and use of renewable energy. The long-term carbon reduction strategy will continue to focus on low-carbon fuels, carbon capture and reuse technology, and negative carbon emission technologies to achieve carbon neutrality and promote sustainable development.</p> <p>7.To proactively respond to the government's carbon fee policy, effectively address climate change, and reduce carbon risk, the USI introduced an internal carbon pricing system in 2024. This system covers all its plants in Taiwan, with pricing based on the domestic carbon fee pricing foundation. Initially, the carbon price is set at NT\$300 per ton, with phased increases subject to rolling reviews. This system primarily integrates carbon costs into the company's decision-making and investment</p>	



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<p>8.If climate-related targets are set, note the covered activities, scope of greenhouse gas emissions, planning period, and annual progress; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, note the source and amount of carbon offset credits or the number of Renewable Energy Certificates (RECs).</p> <p>9.The execution status of greenhouse gas inventory and assurance, along with reduction targets, strategies, and specific action plans (fill in</p>			<p>evaluation processes, assesses the impact of carbon emissions on business operations, accelerates the implementation of carbon reduction measures, and drives low-carbon investments.</p> <p>To ensure the effective implementation of the mechanism, the group conducts regular annual management and verification of the execution status, completing the verification in May 2025 of each unit's actual performance in incorporating carbon pricing into project evaluations. This ensures that the mechanism can be substantively transformed into a driving force for low-carbon transition, thereby achieving the company's long-term sustainable development goals.</p> <p>8.Climate change is a global challenge faced by all. To align with international standards and address the needs of sustainable development, Taiwan announced on February 15, 2023, that the "Greenhouse Gas Reduction and Management Act" would be amended to the "Climate Change Response Act." In response to the impacts of climate change, carbon reduction has become a global collective goal. At the beginning of 2022, the Taita Group set a carbon reduction target for 2030, aiming for "a 27% reduction in carbon emissions by 2030 compared to 2017." Furthermore, in 2023, they established "carbon neutrality by 2050" as a long-term corporate goal. The Company plans a carbon reduction path for 2050 according to the Group's carbon reduction target. In order to achieve the company's sustainability vision, by the end of 2025, the CGPC Toufen Plant's solar installation reached a total self-use capacity of 1,880.88 kWp. The scope of greenhouse gas emissions, timelines, and annual progress information can be found in Item 9. Execution Status.</p> <p>9.Please provide detailed notes on [1-1-1 Greenhouse Gas Inventory Information, 1-1-2 Greenhouse Gas Assurance Information].</p>	

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<p>Note: This table is disclosed based on the content of the 2025 Sustainability Report. The related content above is still being finalized and confirmed. If there are any adjustments, the official release of the 2026 Sustainability Report (expected to be published by the end of August 2026) will prevail.</p> <p>1-1The execution status of the company's greenhouse gas inventory and assurance in the most recent two years.</p> <p>1-1-1Greenhouse Gas Inventory Information</p> <p>State the greenhouse gas emissions in the most recent two years (metric tons CO₂e), intensity (metric tons CO₂e per million NT dollars), and data coverage.</p> <p>1.The parent company entity should start inventory in 2025. 2.The subsidiary in the consolidated financial report should start inventory in 2026. CGPC's greenhouse gas emissions data in the most recent two years:</p> <table border="1"> <thead> <tr> <th>Year</th> <th colspan="2">2024</th> <th colspan="2">2025</th> </tr> <tr> <th>The Company</th> <th>Emission (CO₂e)</th> <th>Intensity (tons CO₂e per NT\$ million in revenue)</th> <th>Emission(CO₂e)</th> <th>Intensity (tons CO₂e per NT\$ million in revenue)</th> </tr> </thead> <tbody> <tr> <td>Category 1 (Direct Greenhouse Gas Emissions)</td> <td>22,463</td> <td rowspan="3" style="text-align: center;">/</td> <td>19,620</td> <td rowspan="3" style="text-align: center;">/</td> </tr> <tr> <td>Category 2 (Indirect Greenhouse Gas Emissions)</td> <td>68,197</td> <td>61,784</td> </tr> <tr> <td>Subtotal</td> <td>90,660</td> <td>81,404</td> </tr> <tr> <th>The subsidiary in the consolidated financial report</th> <th>Emission (CO₂e)</th> <th>Intensity (tons CO₂e per NT\$ million in revenue)</th> <th>Emission (CO₂e)</th> <th>Intensity (tons CO₂e per NT\$ million in revenue)</th> </tr> <tr> <td>Category 1 (Direct Greenhouse Gas Emissions)</td> <td>113,793</td> <td rowspan="3" style="text-align: center;">/</td> <td>97,200</td> <td rowspan="3" style="text-align: center;">/</td> </tr> <tr> <td>Category 2 (Indirect Greenhouse Gas Emissions)</td> <td>78,335</td> <td>95,091</td> </tr> <tr> <td>Subtotal</td> <td>192,128</td> <td>192,291</td> </tr> <tr> <td>Total</td> <td>282,788</td> <td>25.51</td> <td>273,695</td> <td>29.68</td> </tr> </tbody> </table>					Year	2024		2025		The Company	Emission (CO ₂ e)	Intensity (tons CO ₂ e per NT\$ million in revenue)	Emission(CO ₂ e)	Intensity (tons CO ₂ e per NT\$ million in revenue)	Category 1 (Direct Greenhouse Gas Emissions)	22,463	/	19,620	/	Category 2 (Indirect Greenhouse Gas Emissions)	68,197	61,784	Subtotal	90,660	81,404	The subsidiary in the consolidated financial report	Emission (CO ₂ e)	Intensity (tons CO ₂ e per NT\$ million in revenue)	Emission (CO ₂ e)	Intensity (tons CO ₂ e per NT\$ million in revenue)	Category 1 (Direct Greenhouse Gas Emissions)	113,793	/	97,200	/	Category 2 (Indirect Greenhouse Gas Emissions)	78,335	95,091	Subtotal	192,128	192,291	Total	282,788	25.51	273,695	29.68
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<p>Note 1: The inventory calculations for the 2024 and 2025 Years adopt the ISO 14064-1:2018 standard.</p> <p>Note 2: If in the 2024 and 2025 Years, the carbon emissions at the inventory sites do not exceed 5% of the total emissions and there are no significant operational changes, the emissions data from the first year (2023) will be used for calculations. The applicable sites include the Taipei offices of CGPC and TVCM, GGTC, CGPC America Corporation, CGPC (Zhongshan) Co., Ltd., and CGPC (BVI) Holding Co., Ltd.</p> <p>Note 3: ISO 14064-1:2018 version other notes, please refer to: (V) Implementation of Sustainable Development Initiatives and the Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference, III., Environmental risks, Item (IV) - Carbon Reduction Path Planning Note.</p> <p>Note 4: This table is disclosed based on the content of the 2025 Sustainability Report. The related content above is still being finalized and confirmed. If there are any adjustments, the official release of the 2026 Sustainability Report (expected to be published by the end of August 2026) will prevail.</p> <p>Note 1: Direct emissions (Category 1, which are direct emissions from sources owned or controlled by the Company), energy indirect emissions (Category 2, which are indirect greenhouse gas emissions from purchased electricity, heat, or steam), and other indirect emissions (Category 3, which are emissions resulting from company activities, not included in energy indirect emissions, but originate from sources owned or controlled by others).</p> <p>Note 2: The coverage of direct emissions and energy indirect emissions data should be handled according to the schedule stipulated in Article 10, Paragraph 2 of these guidelines, while other indirect emissions information may be voluntarily disclosed.</p> <p>Note 3: Greenhouse Gas Inventory Standards: Greenhouse Gas Inventory Protocol (Greenhouse Gas Protocol, GHG Protocol) or International Organization for Standardization, ISO 14064-1 released by the International Organization for Standardization (ISO).</p> <p>Note 4: The intensity of greenhouse gas emissions may be calculated per Unit of product/service or per revenue; however, it should at least state the data calculated per NT\$ million in revenue.</p> <p>1-1-2 Greenhouse Gas Assurance Information</p> <p>Explanation of Assurance Situation for the Last Two Years up to the Date of Publication of the Annual Report, including Scope of Assurance, Assurance Agency, Assurance Standards, and Assurance Opinions.</p> <p>1. The parent company entity should start assurance in 2027. 2. The subsidiary in the consolidated financial report should start assurance in 2028.</p> <p>The execution status of the greenhouse gas inventory and assurance for The Company and all its subsidiaries included in the consolidated financial report (including CGPC Polymer Corporation, TVCM, Global Green Technology Corporation, CGPC America Corporation, CGPC (BVI) Holding Co., Ltd, and Continental General Plastics (ZhongShan) Co.,Ltd) in the most recent two years is as follows:</p>				

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Promotion Item	Execution Status (Note 1)		Summary Note	The Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Y es.	N o		
<p>the Market Observation Post System," and disclose the complete verified information in the following Year's annual report.</p> <p>Note 2: The Assurance Agency should comply with the relevant regulations for assurance agencies of sustainability reports as stipulated by the Taiwan Stock Exchange Corporation and the Taipei Exchange, Republic of China (R.O.C.).</p> <p>Note 3: Please refer to the Best Practice Reference Examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange Corporation for disclosure methods.</p> <p>2.Reduction targets, strategies, and specific action plans for greenhouse gases.</p>				
<p>Specify the base year and its data for greenhouse gas reductions, reduction targets, strategies and specific action plans, and the achievement status of the reduction targets.</p> <p>CGPC actively promotes sustainable operations and set its first carbon reduction target in early 2022, planning to reduce carbon emissions by 27% by 2020 compared to 2017. In 2023, it further set a more challenging target, aiming to achieve carbon neutrality by 2050. This target covers the consolidated company and focuses on greenhouse gases in Category 1 (direct emissions) and Category 2 (indirect emissions).</p> <p>■Reduction strategies and specific action plans for greenhouse gases:</p> <p>Continuously implementing ISO 14064-1 greenhouse gas inventory and verification, promoting the energy management system, and planning and executing carbon reduction programs, the CGPC plants are actively pursuing carbon reduction initiatives, including: the Utility Section of the Raw Material Manufacturing Department performing energy-saving improvements on wastewater leveling pumps and Boiler #2; the Fabric Manufacturing Department replacing Extruder #35 and Roller Mill #37; and the Leather Manufacturing Department optimizing energy savings for the foaming oven blower. In addition, the company also updated light distillate high-efficiency pumps, air compressor motors, and changed the heat exchanger coil in the dryers to a steam coil, comprehensively enhancing energy efficiency.</p> <p>CGPC will continue to focus on addressing the challenges posed by climate change and actively promote carbon reduction targets and sustainable development strategies. Based on the achievements of 2024 and current carbon reduction strategies, CGPC looks forward to achieving higher targets of a 27% carbon reduction and carbon neutrality in 2030 and 2050.</p> <p>CGPC plans to enhance energy management and improve energy efficiency in the short term (by 2025). The Company has implemented an intelligent energy management system and continues to promote process energy-saving and carbon reduction improvement projects, integrating artificial intelligence technology to optimize processes for more efficient energy use and lower carbon emissions. At the same time, CGPC plans to repurpose solar equipment for self-use and procure green electricity in 2025 to further reduce dependence on gray energy.</p> <p>Medium term: 2025 to 2030, CGPC will promote low-carbon energy transformation, implement internal carbon pricing mechanisms, and incorporate carbon emission costs into decision-making processes, encouraging all employees and supply chain partners to participate in carbon reduction actions. The Company will continue to promote energy-saving and carbon reduction projects to ensure that greenhouse gas emissions decrease year by year, achieving the target of a 27% reduction in carbon emissions by 2030 compared to 2017.</p> <p>In the long term, CGPC will aim to achieve carbon neutrality by 2050 as its ultimate goal. To this end, the Company will continue to focus on carbon</p>				

Promotion Item	Execution Status (Note 1)		Summary Note	The Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Yes.	No.		
			<p>capture, utilization, and storage (CCUS) technology and negative carbon technologies, and integrate these innovative technologies into existing production and operational processes.</p> <p>In addition, CGPC will continuously enhance its climate change risk management by conducting risk analysis and developing response strategies based on different climate scenarios to ensure the Company's operational resilience. The Company will regularly review and update its carbon reduction targets and strategies, and disclose progress and results to stakeholders through publicly available sustainability reports.</p> <p>■ Achievement status of the reduction targets:</p> <p>In 2025, CGPC's self-inventory greenhouse gas emissions (consolidated subsidiaries) for Category 1 had a total emission of 116,800 tons of CO₂e, and Category 2 had a total emission of 156,800 tons of CO₂e, totaling 273,700 tons of CO₂e, representing a 33.4% decrease compared to the baseline year (2017 emissions of 410,600 tons of CO₂e).</p> <p>Note: The related content above is still being finalized and confirmed. If there are any adjustments, the official release of the 2025 Sustainability Report (expected to be published by the end of August 2026) will prevail.</p> <p>Note: It should be handled according to the schedule stipulated in Article 10, Paragraph 2 of these guidelines.</p>	

Note 1: If "Yes" is checked for the Execution Status, please specify the important policies, strategies, measures, and execution status adopted; if "No" is checked for the Execution Status, please explain the differences and reasons in the "The Differences with the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference" field, and describe plans for adopting relevant policies, strategies, and measures in the future. However, regarding the promotion of Items One and Two, TWSE/TPEX listed companies should specify the governance and supervision structure for sustainable development, including but not limited to the formulation of management policies, strategies, goals, and the review of measures. Additionally, describe the company's risk management policies or strategies related to environmental, social, and corporate governance issues associated with its operations, and the evaluation thereof.

Note 2: The principle of materiality refers to issues related to environmental, social, and corporate governance that have a significant impact on the company's investors and other stakeholders.



(VI)The State of Integrity Management Implementation and the Differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.

Evaluation Items	Operating Status (Note)			The Differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Ye s.	No	Summary Note	
<p>I. Formulating Integrity Management Policies and Plans</p> <p>(I) Has the company established an ethical business policy approved by the Board of Directors, and explicitly stated the policy and practices of ethical business in rules and external documents, along with the commitment of the Board of Directors and senior management to actively implement the business policy?</p> <p>(II) Has the company established a risk assessment mechanism for unethical conduct, regularly analyzed and evaluated business activities with higher risks of unethical conduct within its business scope, and accordingly formulated a plan to prevent unethical conduct, covering at least the preventive measures for each conduct item under Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?</p>	V		<p>(I) Integrity policy</p> <p>Based on the group's business philosophy of "steadfast and prudent management, professional operation, pursuit of excellence, and service to society," along with the corporate culture of "seeking truth from facts, honesty, and clarity," the Company has established the "Ethical Corporate Management Best Practice Principles," the "Procedures for Ethical Management and Guidelines for Conduct," and the "Codes of Ethical Conduct for Directors and Managerial Officers," approved by the Board of Directors to explicitly state the policy of ethical management. Both the Company's Directors and President have signed the declarations to adhere to the ethical management policy to fulfill the commitment to the business policy.</p> <p>(II) The Code of Integrity Management and Preventive Measures</p> <p>The Company, with the approval of the Board of Directors, has established the "Code of Integrity Management," created a risk assessment mechanism for unethical conduct, and regularly analyzes and evaluates business activities with higher risks of unethical conduct within its business scope. Based on this, it formulates preventive plans, regularly reviews the appropriateness and effectiveness of these plans, and strengthens related preventive measures.</p> <p>The preventive plans set by the Company cover the preventive measures for the following behaviors:</p>	In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.

Evaluation Items	Operating Status (Note)			The Differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Yes.	No	Summary Note	
(III)Has the company clearly defined operational procedures, conduct guidelines, disciplinary actions, and appeal systems for violations within the plan to prevent unethical conduct, effectively implemented and regularly reviewed and revised the aforementioned plan?	V		<ol style="list-style-type: none"> 1. Bribery and acceptance of bribes. 2. Provide illegal political donations. 3. Improper charitable donations or sponsorships. 4. Provide or accept unreasonable gifts, services, entertainment, or other improper benefits. 5. Infringement of trade secrets, trademark rights, patent rights, copyright, and other intellectual property rights. 6. Engaging in unfair competition practices. 7. The products and services, during research and development, procurement, manufacturing, provision, or sales, directly or indirectly harm the rights, health, and safety of consumers or other stakeholders. <p>(III) Integrity Management and Whistleblowing Channels</p> <ol style="list-style-type: none"> 1. The "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct" established by the Company with approval from the Board of Directors specifically regulate the matters to which Directors, Managerial Officers, employees, and substantial controllers should pay attention while executing their duties, as well as the disciplinary actions and appeal systems for violations. 2. The Company has established the "Procedures for Handling Reports of Illegal, Unethical, or Unethical Conduct," encouraging the reporting of any actions that are illegal or violate the Code of Ethical Conduct or the Integrity Management Best Practice Principles. Provide multiple whistleblowing channels, through which employees or external parties can report illegal, unethical, or dishonest conduct. These reports will be received by designated 	

Evaluation Items	Operating Status (Note)			The Differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Yes.	No	Summary Note	
			<p>personnel who will ensure the confidentiality of the whistleblower's identity and the content of the report. The whistleblowing channels are as follows:</p> <ul style="list-style-type: none"> ● Audit Committee mailbox: Set up on the company's website to handle reports from stakeholders such as shareholders and investors. ● Group Auditing Div.: Report hotline 2650-3783. ● Human Resources Department: Complaint hotline (extension 2609) and E-mail (usighr@usig.com). ● The employee complaint mailbox is located in the security office or next to the bulletin board in the plant area, and on the 6th floor of the Polypropylene Building for the Taipei office area. <p>In 2025, the Group Auditing Div. of the Company received an anonymous report regarding inaccurate supplier evaluations by colleagues. Upon verification, appropriate disciplinary actions were taken in accordance with the Employee Work Rules, and ongoing education and training sessions were conducted for awareness.</p>	
<p>II. Implementation of Integrity Management</p> <p>(I) Does the company evaluate the integrity records of its transaction targets and explicitly define the terms of ethical conduct in the contracts signed with these transaction targets?</p> <p>(II) Has the company established a dedicated unit under the Board of Directors to promote ethical corporate management, and does it report its integrity management policies, plans to prevent unethical conduct, and supervision and execution status to the Board of</p>	V	V	<p>(I) The Company requires the explicit stipulation of terms of ethical conduct in commercial contracts in accordance with the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct."</p> <p>(II) To ensure sound management of ethical operations, the Company has assigned the Corporate Governance Committee to formulate and oversee the implementation of integrity management policies and preventive measures. The Supervisor of Corporate Governance reports to the Board of Directors regularly (at least once a year).</p>	In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Yes.	No		
<p>Directors regularly (at least once a year)?</p> <p>(III)Has the company established a conflict of interest prevention policy, provided appropriate reporting channels, and effectively implemented them?</p>	V		<p>On November 4, 2025, the Supervisor of Corporate Governance reported to the Board of Directors on the annual execution status of ethical operations, including the following:</p> <ol style="list-style-type: none"> 1. Formulate relevant regulations for the Implementation of Integrity Management in accordance with legal and institutional systems, and thoroughly implement them. 2. Regularly analyze and evaluate risks of unethical conduct within the business scope, assess the risks using the "Checklist for Assessing Risks of Unethical Conduct," and upon evaluation, there is no significant risk for this Year. 3. Plan the internal organizational structure and establish monitoring mechanisms for business activities within the business scope that have higher risks of unethical conduct. 4. Promotion and coordination of integrity policy advocacy training. 5. Plan the whistleblowing system to ensure its effectiveness, and according to statistics, no illegal incidents have been reported this Year. 6. Assist the Directors and the President in evaluating whether the preventive measures established for the implementation of integrity management are effectively operating, and regularly assess compliance with related business processes, compiling reports on these evaluations. <p>(III)The Company's "Codes of Ethical Conduct for Directors and Managerial Officers" establishes a conflict of interest prevention policy and provides appropriate channels for Directors, Managerial Officers, and employees to note whether there are any potential conflicts of interest with the Company.</p>	



Evaluation Items	Operating Status (Note)			The Differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Yes.	No	Summary Note	
(IV)Has the company established an effective accounting system and internal control system for the implementation of integrity management, and has the internal audit unit drawn up relevant audit plans based on the evaluation results of the risk of unethical conduct, to verify the compliance of the plan to prevent unethical conduct, or engaged accountants to conduct audits?	V		(IV)The Company's accounting system and internal control system can operate independently and objectively. Internal Audit Personnel conduct relevant audits based on risk assessment. If any major violations or unethical conduct that may cause damage to the Company are found, a report will be prepared for the Independent Director and presented at the Audit Committee meeting. The Company's appointed accountants also regularly conduct internal control audits and hold regular meetings with management for discussions.	
(V)Does the company regularly hold internal and external Education and Training on ethical business practices?	V		(V)To facilitate the understanding and adherence to the group's integrity and ethical standards by the Company's Directors, Managerial Officers, and employees, the Company explicitly requires in the employment conditions that employees must comply with the group's integrity policy. Employees are required to sign a commitment to adhere to the Company's integrity policy on their first day of employment. Directors and senior managerial officers sign the ethical management declaration upon their appointment, and these documents are kept on file by designated personnel for reference. To ensure the implementation of integrity management and ethical conduct, The Company continuously promotes and regularly holds related training courses, using tests to strengthen employee awareness. In this year's Integrity Management Education and Training courses, a total of 1,692 participants, including employees and Directors, attended through December 31, 2025. The total training hours amounted to 2,048 hours. Details are as follows: The course details are as follows:	

Evaluation Items	Operating Status (Note)				The Differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.																																								
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			<table border="1"> <thead> <tr> <th>Course Name</th> <th>Course Hours</th> <th>Total number of participants</th> <th>Total Training Hours</th> </tr> </thead> <tbody> <tr> <td>AI Trends and Legal Risks Guide</td> <td>2</td> <td>99</td> <td>198</td> </tr> <tr> <td>Insider Trading Practical Cases and Related Legal Liabilities</td> <td>3</td> <td>7</td> <td>21</td> </tr> <tr> <td>Brave Journey to USIG Island</td> <td>2</td> <td>2</td> <td>4</td> </tr> <tr> <td>Legal Liabilities of Breach of Trust and Case Analysis</td> <td>3</td> <td>119</td> <td>357</td> </tr> <tr> <td>Protection and Reasonable Use of Patents</td> <td>2</td> <td>1</td> <td>2</td> </tr> <tr> <td>Introduction to the Trade Secrets Act and Case Analysis</td> <td>3</td> <td>1</td> <td>3</td> </tr> <tr> <td>Code of Conduct Training I</td> <td>1</td> <td>723</td> <td>723</td> </tr> <tr> <td>Code of Conduct Training II</td> <td>1</td> <td>740</td> <td>740</td> </tr> <tr> <td>Total</td> <td></td> <td>1,692</td> <td>2,048</td> </tr> </tbody> </table>	Course Name	Course Hours	Total number of participants	Total Training Hours	AI Trends and Legal Risks Guide	2	99	198	Insider Trading Practical Cases and Related Legal Liabilities	3	7	21	Brave Journey to USIG Island	2	2	4	Legal Liabilities of Breach of Trust and Case Analysis	3	119	357	Protection and Reasonable Use of Patents	2	1	2	Introduction to the Trade Secrets Act and Case Analysis	3	1	3	Code of Conduct Training I	1	723	723	Code of Conduct Training II	1	740	740	Total		1,692	2,048		
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Total		1,692	2,048																																										
<p>III.The operating status of the Company's whistleblowing system.</p> <p>(I)Has the company established a specific whistleblowing and reward system, and set up convenient reporting channels, as well as designated appropriate personnel to handle cases for the reported targets?</p>	V		<p>(I)On November 12, 2019, the Board of Directors approved amendments to the "Procedures for Handling Reports of Illegal, Unethical, or Unethical Conduct," which have been publicly disclosed on the Company's official website (URL: Publicly discloses the reporting channels, reward system, responsible personnel for acceptance, and protection for whistleblowers as follows:</p> <p>1.The whistleblowing channels are as follows:</p> <p>(1)Report in Person: Face-to-face explanation.</p>		In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.																																								



Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Yes.	No		
(II)Has the company established standard operating procedures for investigating reported matters, follow-up measures to be taken after the investigation is completed, and related confidentiality mechanisms?	V		<p>(2)Tel: 02-26503783 (3)Mail report: Group Auditing Div., 7F., No. 37, Jihu Rd., Neihu Dist., Taipei City, Taiwan (R.O.C.) (4)Whistleblowing made in oral form, such as in person or via telephone, should be documented in writing by the responsible personnel of the receiving unit, and marked as "Confidential." 2.Reward system: If the reported event is verified to be true and its contribution and resulting economic benefits are significant, the report may be submitted to the President for appropriate rewards to be given to the whistleblower. 3.Responsible personnel: (1)Audit Committee member: Handle reports from stakeholders such as shareholders and investors. (2)Group Auditing Div.: Handle reports from customers, suppliers, contractors, and others. (3)HR Department: Handle reports from internal colleagues. 4.Protection of Whistleblowers: For whistleblowers, participants in the investigation, and their content, the Company is committed to confidentiality and protection to ensure they are not subject to unfair treatment or retaliation. If the whistleblower is a colleague, the Company guarantees that the colleague will not suffer improper treatment as a result of the report.</p>	

(II)The "Procedures for Handling Reports of Illegal, Unethical, or Unethical Conduct," approved by the Board of Directors of the Company, clearly stipulates standard operating procedures for investigating reported matters and related confidentiality

Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Yes.	No		
(III)Has the company taken measures to protect whistleblowers from improper treatment as a result of their reporting?	V		mechanisms. Anonymous reports or those submitted without a real name, if the content stated or the attached evidence is specific and deemed necessary for investigation, can still be reported to the Chairman/President for case assignment and record creation, and be included as a reference for internal review. After accepting the report, an internal investigation of the evidence is conducted. If verified as true, the Company handles the situation according to the disciplinary regulations and relevant laws based on the legal implications or severity of the violation. (III)The aforementioned procedures clearly stipulate that whistleblowers or participants in the investigation should be committed to confidentiality and protection to ensure they are not subject to unfair treatment or retaliation.	
IV.Enhance information disclosure. Does the company disclose the content and effectiveness of its ethical corporate management best practice principles on its website and M.O.P.S.?	V		The Company places regulations and promotional information related to ethical corporate management in the "Integrity Management" section of the internal website for employees to access at any time. The Company has placed the "Code of Ethical Management" on the external website: (https://www.cgpc.com.tw/zh-tw/dirServices/frmServices2.aspx) and disclosed information related to ethical management in the annual report (also available on the Market Observation Post System).	In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.



Evaluation Items	Operating Status (Note)		Summary Note	The Differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reason for the Difference.
	Ye s.	No		
<p>V.If the Company has established its own ethical management principles according to the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," please specify the differences in its operations compared to the set principles: The Company, with approval from the Board of Directors, has established the "Codes of Ethical Conduct for Directors and Managerial Officers," the "Ethical Corporate Management Best Practice Principles," the "Procedures for Ethical Management and Guidelines for Conduct," the "Code of Conduct for Employees Regarding Concurrent and Part-time Work," and the "Procedures for Handling Reports of Illegal, Unethical, or Unethical Conduct." There is no significant difference in their operation.</p>				
<p>VI.Other important information that helps understand the state of the company's ethical management operations: (such as the company reviewing and amending its established ethical management principles, etc.) The Company has established relevant internal regulations based on the revised "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" announced by the competent authority and the "Corporate Governance Best Practice Principles" revised on August 4, 2022. On November 1, 2022, the Board of Directors approved revisions to The Company's "Procedures for Ethical Management and Guidelines for Conduct." The Supervisor of Corporate Governance also reports regularly to the Board of Directors, with the most recent report on the operation status of ethical management presented on November 4, 2025.</p>				

Note: Regardless of checking "Yes" or "No," the Summary Note field should be clearly stated.

(VII)Other important information sufficient to enhance understanding of the state of the company's implementation of corporate governance:

The Company regularly conducts audits of its subsidiaries and performs regular analysis and review of their financial and business information in accordance with the supervision and management regulations for subsidiaries as stipulated in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies."



(VIII)Implementation status of the internal control system.

1.Internal Control Declaration:

The 2025 Internal Control System Statement has been publicly disclosed and filed on the Market Observation Post System (MOPS). For details, please refer to the "Single Company/Corporate Governance/Company Regulations/Internal Control/Internal Control Declaration Announcement" section on the MOPS website.

<https://mopsov.twse.com.tw/nas/cont06/c1305114011150316.pdf>

2.Accountant's review report on the project's examination of the internal control system by commissioned accountants: Not applicable.

(IX)Resolutions of the Shareholders' Meeting and Board of Directors During the Most Recent Fiscal Year and Up to the Publication Date of the Annual Report.

1.Shareholders' meeting

Meeting year	Meeting time	Resolutions
2025	May 27, 2025	<p>The minutes of the shareholders' meeting were announced on the M.O.P.S. on June 9, 2025. The important resolutions and execution status are as follows:</p> <ol style="list-style-type: none"> 1.Acknowledgment of the 2024 accounting schedules. Execution Status: The resolution was passed. 2.Acknowledgment of the 2024 profit distribution. Execution Status: The resolution was passed. Distribute a cash dividend of NT\$87,157,574 to shareholders, with August 1, 2025 set as the record date, and the distribution was completed on August 21, 2025. 3.Discuss the amendments to the "Articles of Incorporation". Execution Status: The resolution was passed. 4.Re-elect nine Directors of the Company. Five Directors elected: Wu, Yi-Gui, Hu, Chi-Hong, Wu, Pei-Ji, Tung, Han-Lin, Wu, Hung-To. Four Independent Directors elected: Li, Zu-De, Hsu, Chen-I, Chang, Chen-Ming, Wang, Ding-Chang. Execution Status: At this Shareholders' General Meeting, 9 Directors (including 4 Independent Directors) were elected for a three-year term, from May 27, 2025 to May 26, 2028, and assumed office after this Shareholders' General Meeting. 5.Discuss the Directors' permission for competitive activities. Execution Status: The resolution was passed.

2.Board of Directors

Meeting year	Meeting time	Resolutions
The first time in 2025.	March 4, 2025	<ol style="list-style-type: none"> 1.Ratification of handling endorsements and guarantees for the subsidiary CGPC Polymer Corporation. 2.Ratification of a new three-year Medium term loan limit with Cathay United Bank. 3.Acknowledgment of the 2024 accounting schedules. 4.Acknowledgment of the 2024 profit distribution. 5.Approve the amendments to certain provisions of the "Articles of Incorporation." 6.Approve the establishment of the Company's "Scope of Basic-Level Employees." 7.Re-elect Directors at this year's Shareholders' meeting. 8.Approve the proposal to the Shareholders' meeting to lift the restrictions on competitive activities for the newly appointed Directors. 9.Approve the convening of matters related to the 2025 Shareholders' meeting. 10.Approve the establishment of the period and location for accepting shareholder proposals. 11.Authorize the Chairman to sign and deliver short-term credit loan agreements and related documents with financial institutions. 12.Approval of the evaluation of the independence and suitability for the appointment of Certified Public Accountants for the Year 2025. 13.Approved the appointing of accountants for the year 2025. 14.Issuance of the 2024 "Internal Control System Statement." 15.By donating to the USI Educational Foundation.
The second time in 2025.	April 8, 2025	The list of nominees for Directors (including Independent Directors) nominated by shareholders holding more than 1% of the shares was approved.
The third time in 2025.	May 2, 2025	<ol style="list-style-type: none"> 1.Passed the consolidated financial report for the first quarter of 2025. 2.By approving the provision of funding loans to CGPC Polymer Corporation.
The fourth time in 2025.	June 2, 2025	<ol style="list-style-type: none"> 1.Elect Wu, Yi-Gui as the Chairman of the Company. 2.Appoint Independent Directors Li, Zu-De, Hsu, Chen-I, and Wang, Ding-Chang as members of the Company's Payroll Remuneration Committee. 3.Appoint Independent Directors Hsu, Chen-I, Chang, Chen-Ming, and Wang, Ding-Chang as members of the Company's ESG Committee.
The fifth time in 2025.	August 5, 2025	<ol style="list-style-type: none"> 1.Ratification of handling endorsements and guarantees for the subsidiary CGPC Polymer Corporation. 2.Ratification of a new three-year Medium term loan limit with The



Meeting year	Meeting time	Resolutions
		<p>Export-Import Bank of ROC.</p> <p>3.Ratification of issuing a Letter of Support for TVCM's financing case.</p> <p>4.Ratification of issuing a Letter of Support for CGPC Polymer Corporation's financing case.</p> <p>5.Ratification of signing and delivering short-term credit loan agreements and related documents with financial institutions.</p> <p>6.Passed the consolidated financial report for the second quarter of 2025.</p> <p>7.Approved the acquisition of CGPC Polymer Corporation's ordinary shares through the 2025 cash capital increase.</p> <p>8.Approve the amendments to certain provisions of the "Board of Directors Performance Evaluation Method."</p> <p>9.Approve the revision of the company's internal control system.</p> <p>10.Approved the 2024 Sustainability Report.</p> <p>11.Approve the competitive activities of the Managerial Officer.</p>
The sixth time in 2025.	November 4, 2025	<p>1.Ratification of a new three-year Medium term loan limit with The Export-Import Bank of ROC.</p> <p>2.Ratification of handling endorsements and guarantees for the subsidiary CGPC Polymer Corporation.</p> <p>3.Passed the consolidated financial report for the third quarter of 2025.</p> <p>4.Approved the budget for the Year 2026.</p> <p>5.Approved the remuneration of the Certified Public Accountant for the Year 2025.</p> <p>6.Approved the overdue receivable from the state-owned land use rights recovery agreement by Continental General Plastics (ZhongShan) Co., Ltd., a subsidiary of The Company, does not constitute a loan in nature.</p> <p>7.Approve the amendments to certain provisions of the "Procedures for Transactions with Related Parties, Specific Companies, and Corporate Groups."</p> <p>8.Approve the amendments to certain provisions of the "Board of Directors Performance Evaluation Method."</p> <p>9.Approve the revision of the company's internal control system.</p> <p>10.Approve the 2026 audit plan.</p>
The first time in 2026.	March 4, 2026	<p>1.Ratification of renewing a two-year Medium term loan limit with Yuanta Commercial Bank.</p> <p>2.Ratification of handling endorsements and guarantees for the subsidiary CGPC Polymer Corporation.</p> <p>3.Acknowledgment of the 2025 accounting schedules.</p> <p>4.Acknowledgment of the 2025 profit distribution.</p>

Meeting year	Meeting time	Resolutions
		5. Approve the amendments to certain provisions of the "Procedures for the Acquisition or Disposal of Assets." 6. Approve lifting the restrictions on prohibiting Directors from engaging in competitive activities. 7. Approve the convening of matters related to the 2026 Shareholders' meeting. 8. Approve the establishment of the period and location for accepting shareholder proposals. 9. Approve the amendments to certain provisions of the "Compensation Policy and Method for Directors and Managerial Officers." 10. Approve the review of the Company's "Scope of Basic-Level Employees." 11. Approval of the evaluation of the independence and suitability for the appointment of Certified Public Accountants for the Year 2026. 12. Approved the appointing of accountants for the year 2026. 13. Authorize the Chairman to sign and deliver short-term credit loan agreements and related documents with financial institutions. 14. Issuance of the 2025 "Internal Control System Statement." 15. By donating to the USI Educational Foundation.

(X) Recorded or Written Statements from Any Director or Supervisor Expressing Dissent to Significant Resolutions Passed by the Board of Directors in the Most Recent Year, as Well as up to the Date of Publication of This Annual Report: None.

IV. Information on CPA Professional Fees

(I) Information on CPA Professional Fees

Amount Unit: NT\$ thousand

Name of CPA firm	Accountant	Audit period of the accountant	Audit fees	Non-audit fees	Total	Note
Deloitte & Touche, Taipei, Taiwan, Republic of China	Chang, Cheng-Hsiu	2025	3,600	640 (Note 3)	4,240	
	Liu, Yi-Ching					

Note 1: If during the year the Company changes its accountant or accounting firm, the audit period should be listed separately, and the reasons for the change should be noted in the Note column. Additionally, the audit and non-audit fees paid should be disclosed in order. Non-audit fees should be accompanied by a note explaining their service content.

Note 2: Please specify the content of non-audit fee services: (e.g., tax certification, assurance, or other financial advisory consulting services)



Note 3: Tax certification NT\$500 thousand, limited assurance fee for the sustainability report NT\$140 thousand.

1. If the audit fees paid for the year of changing the accounting firm are less than the audit fees for the year before the change, the audit fees before and after the change and the reasons should be disclosed: Not applicable.
2. If the audit fees decrease by more than 10% compared to the previous year, the amount, percentage, and reasons for the decrease should be disclosed: Not applicable.

(II) The audit fees referred to above are the fees paid by the company to the certified accountants for the audit, review, re-examination of financial reports, and the review of financial forecasts.

V. Information on Change of CPA

(I) Regarding the former accountant:

Date of Change	Starting from the first quarter of 2025.		
Reason for the Change and Note	Due to internal job rotations at Deloitte & Touche, Taipei, Taiwan, Republic of China, starting from the first quarter of 2025, Certified Public Accountants Huang, Hsiu-Chun and Chiu, Cheng-Chun are replaced by Certified Public Accountants Chang, Cheng-Hsiu and Liu, Yi-Ching.		
The note pertains to the termination or non-acceptance of the appointment by the appointer or accountant.	Principal		Accountant
	Situation		Appointer
	Voluntary termination of appointment		Not applicable.
	No longer accepts (continues) the appointment		
Opinions and reasons for audit reports issued with opinions other than unqualified opinions in the latest two years.	No such situation.		
Any differing opinions with the Issuer?	Have	Accounting principles or practices	
		Disclosure in the financial report.	
		Audit scope or Steps	
		Others	
	No	✓	
Note: Not applicable.			
Other items for disclosure (items in Item 1-4 to Item 1-7, Subparagraph 6, Article 10 of the Regulations shall be disclosed)	No.		

(II) Regarding the successor accountant:

Name of CPA firm	Name of CPA firm: Deloitte & Touche, Taipei, Taiwan, Republic of China
Name of CPA	Certified Public Accountants Chang, Cheng-Hsiu and Liu, Yi-Ching
Date of Appointment	Starting from the first quarter of 2025.
Consultation matters and results regarding the accounting treatment methods for specific transactions or accounting principles and the potential opinions issued on financial reports prior to the appointment.	No
Written opinions of the successor accountant regarding disagreements with the former accountant's matters.	No

(III) The response of the former accountant regarding the matters stipulated in Article 10, Item 6, Subparagraph 1 and 2-3 of these guidelines: Not applicable.

VI. The Company's Chairman, General Manager, or Any Managerial Officer in Charge of Finance or Accounting Matters Has in the Most Recent Year Held A Position at the Accounting Firm of its Certified Public Accountant or at An Affiliated Enterprise of Such Accounting Firm: No such situation.



VII. Any Transfer of Equity Interests and/or Pledge of or Change in Equity Interests (During the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report) by a Director, Managerial Officer, or Shareholder with a Stake of More than 10 Percent

(I) Change in Equity Interests of Directors, Supervisors, Managerial Officers, and Major Shareholders

Unit: shares

Title (Note 1)	Name	2025		Up to the Year As of 2026/03/31	
		Number of shares held Change (amount)	Number of pledged shares Change (amount)	Number of shares held Change (amount)	Number of pledged shares Change (amount)
Major Shareholders	Union Polymer Int'l Investment Corp.	0	0	0	0
Director	Wu, Yi-Gui (Representative of Union Polymer Int'l Investment Corp.)	0	0	0	0
	Lin, Han-Fu (Representative of Union Polymer Int'l Investment Corp.) (Dismissed on 2025/5/27)	0	0	Not applicable	
	Hu, Chi-Hong (Representative of Union Polymer Int'l Investment Corp.) (Newly appointed on 2025/5/27)	0	0	0	0
Shareholder	Asia Polymer Corporation	0	0	0	0
Directors	Wu, Pei-Ji (Representative of Asia Polymer Corporation)	0	0	0	0
	Liu, Han-Tai (Representative of Asia Polymer Corporation) (Dismissed on 2025/5/27)	0	0	Not applicable	
	Tung, Han-Lin (Representative of Asia Polymer Corporation) (Newly appointed on May 27, 2025)	0	0	0	
Shareholder	USIFE Investment Co., Ltd.	0	0	0	0
Director	Wu, Hung-To (Representative of USIFE Investment Co., Ltd.)	0	0	0	0
Independent Director	Li, Zu-De	0	0	0	0
	Zheng, Ying-Bin (Dismissed on May 27, 2025)	0	0	Not applicable	
	Hsu, Chen-I	0	0	0	0
	Chang, Chen-Ming	0	0	0	0
	Wang, Ding-Chang (Newly appointed on May 27, 2025)	0	0	0	0
CEO	Wu, Yi-Gui	0	0	0	0
Vice Chairman	Lin, Han-Fu (Dismissed on May 27, 2025)	0	0	Not applicable	

Title (Note 1)	Name	2025		Up to the Year As of 2026/03/31	
		Number of shares held Change (amount)	Number of pledged shares Change (amount)	Number of shares held Change (amount)	Number of pledged shares Change (amount)
General Manager	Hu, Chi-Hong	0	0	0	0
Deputy General Manager and Plant Manager	Chen, Wan-Ta (Newly appointed on May 5, 2025)	0	0	0	0
Supervisor of Corporate Governance	Chen, Yung-Chih	0	0	0	0
Manager of the Accounting Division	Jun-Feng Li	0	0	0	0
Chief of the Finance Department	Wu, Hui-Hsueh	0	0	0	0

Note 1: Shareholders holding more than 10% of the total shares of the company should be specified as major shareholders and listed separately.

(II) Equity transfer information: The transferees of equity interests transferred by Directors, Supervisors, and Major Shareholders are non-related parties, and there are No equity transfers by Managerial Officers: Not applicable.

(III) Equity pledge information: The pledgees of equity interests pledged by Directors, Supervisors, and Major Shareholders are non-related parties, and there are No equity pledges by Managerial Officers: Not applicable.

VIII. Information on shareholders whose shareholding ratio ranks among the top ten and whether they are related parties or have spousal or within second-degree kinship relationships.

2026.3.28

Name (Note 1)	Shares held by me		Shares currently held by spouse and minor children		Holding shares in the name of others in total having shares.		The names and relationships of the top ten shareholders who are related parties or have spousal or within second-degree kinship relationships with each other. (Note 3)		Note
	Number of shares	Shareholding ratio (Note 2)	Number of shares	Shareholding ratio (Note 2)	Number of shares	Shareholding ratio (Note 2)	Name (or Name)	relationship	
Union Polymer Int'l Investment Corp. Representative: Wu, Yi-Gui	145,079,236	24.97%	—	—	—	—	APC , TTC	The same Chairman	
Asia Polymer Corporation Representative: Wu, Yi-Gui	46,886,185	8.07%	—	—	—	—	UPIIC, TTC	The same Chairman	
Fubon Life Insurance Co., Ltd. Representative: Lin, Fu-Xing	28,468,000	4.90%	—	—	—	—	No	No	



Name (Note 1)	Shares held by me		Shares currently held by spouse and minor children		Holding shares in the name of others in total having shares.		The names and relationships of the top ten shareholders who are related parties or have spousal or within second-degree kinship relationships with each other. (Note 3)		Note
	Number of shares	Shareholding ratio (Note 2)	Number of shares	Shareholding ratio (Note 2)	Number of shares	Shareholding ratio (Note 2)	Name (or Name)	relationship	
TAITA Chemical Co., Ltd. Representative: Wu, Yi-Gui	11,516,174	1.98%	—	—	—	—	UPIIC, APCIC	The same Chairman	
Global Life Insurance Co., Ltd. fully entrusted the investment account to Allianz Global Investors Taiwan Limited.	4,656,000	0.80%	—	—	—	—	No	No	
Citibank, N.A. (Taiwan Branch) is entrusted with the custody of the SBL/PB Investment Account of Berkeley Capital Securities Co., Ltd.	4,283,950	0.74%	—	—	—	—	No	No	
JPMorgan Chase Bank, N.A., Taipei Branch is entrusted with the custody of the investment account of JP Morgan Securities Co., Ltd.	3,943,193	0.68%	—	—	—	—	No	No	
Representative of China General Terminal & Distribution Corporation: Zhang, Hong-Jiang	2,940,788	0.51%	—	—	—	—	No	No	
JPMorgan Chase Bank, N.A., Taipei Branch is entrusted with the custody of the Advanced Total International Stock Index Fund Investment Account of the Series Fund of Advanced StarLight Fund Company.	2,871,597	0.49%	—	—	—	—	No	No	
JPMorgan Chase Bank, N.A., Taipei Branch is entrusted with the custody of the Vanguard Emerging Markets Stock Index Fund Investment Account managed by Vanguard Group, Inc.	2,700,926	0.46%	—	—	—	—	No	No	

Note 1: All of the top ten shareholders should be listed. For corporate shareholders, the name of the corporate shareholder and the name of the representative should be listed separately.

Note 2: The calculation of the shareholding ratio refers to the shareholding ratio calculated in one's own name, the name of a spouse, minor children, or holding shares in the name of others.

Note 3: Shareholders, both corporate and individual, listed above should disclose their relationship with each other in accordance with the issuer's financial report preparation guidelines.

IX. Total Number of Shares and Total Equity Stake Held in Any Single Enterprise by the Company, its Directors and Supervisors, Managerial Officers, and Any Companies Controlled Either Directly or Indirectly by the Company

Total equity stake

December 31, 2025 Unit: shares

Reinvestment businesses (Note 1)	The Company's investment		Investment by Directors, Supervisors, Managerial Officers, and Directly or Indirectly Controlled Enterprises		Total Investment	
	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)
TVCM	259,707,456	87.31	0	0	259,707,456	87.31
CGPC Polymer Corporation	72,508,657	100.00	0	0	72,508,657	100.00
CGPC (BVI) Holding Co., Ltd	14,808,258	100.00	0	0	14,808,258	100.00
China General Terminal & Distribution Corporation	25,053,469	33.33	0	0	25,053,469	33.33
CGPC America Corporation	100	100.00	0	0	100	100.00
Acm Electronics Corporation	3,566,526	1.67	1,526,750	0.72	5,093,276	2.39

Note 1: It is an investment accounted for equity method by the company.

Chapter III. Funding Status

I.Capital and Shares

(I)Source of Share capital

1.Total Types of Shares Issued as of the Publication Date of the Annual Report:

Unit: shares; NT dollars

Year and month	Issue Price	Authorized share capital		Paid-in share capital		Note		
		Number of shares	Amount	Number of shares	Amount	Source of Share capital	For those paying for shares with property other than cash	Others
2021.9	10	650,000,000 shares	6,500,000,000	581,050,494 shares	5,810,504,940	Capital increase from retained earnings of 276,690,710 yuan (Note 2-(1))	No	No

Note 1:Data for the year up to the publication date of the annual report should be included.

Note 2:The additional capital increase should note the effective (approved) Date and document number: (1) October 8, 2021, approved by Letter No. 11001176700.

Note 3:If stocks are issued below the nominal amount, it should be prominently indicated.

Note 4:For those paying for shares with monetary claims or technology, it should be clearly stated, and the type and amount of the contribution should be noted.

Note 5:If it is a private placement, it should be prominently indicated.

Unit: shares

Types of shares	Authorized share capital			Note
	Outstanding shares (Note)	Unissued shares	Total	
Registered common shares	581,050,494 shares - listed	68,949,506 shares	650,000,000 shares	

Note: Please indicate whether the stock belongs to a publicly listed company or one listed on TPEX (if trading is restricted on the exchange, it should be noted).

2.Summary of the reporting system related information:

Types of Securities	Scheduled Issuance Amount		Issued Amount		Purpose and expected benefits of the issued portion	Scheduled issuance period for the unissued portion	Note
	Total number of shares	Approved Amount	Number of shares	Price			
Not applicable.							

(II)List of Principal Shareholders

2026/03/28

Name of the principal shareholders	Shares	Number of shares held (Unit: shares)	Shareholding ratio (%)
Union Polymer Int'l Investment Corp.		145,079,236	24.97%
Asia Polymer Corporation		46,886,185	8.07%
Fubon Life Insurance Co., Ltd.		28,468,000	4.90%
TAITA Chemical Co., Ltd.		11,516,174	1.98%
Global Life Insurance Co., Ltd. fully entrusted the investment account to Allianz Global Investors Taiwan Limited.		4,656,000	0.80%
Citibank, N.A. (Taiwan Branch) is entrusted with the custody of the SBL/PB Investment Account of Berkeley Capital Securities Co., Ltd. SBL/PB Investment Account		4,283,950	0.74%
JPMorgan Chase Bank, N.A., Taipei Branch is entrusted with the custody of the investment account of JP Morgan Securities Co., Ltd.		3,943,193	0.68%
China General Terminal & Distribution Corporation		2,940,788	0.51%
JPMorgan Chase Bank, N.A., Taipei Branch is entrusted with the custody of the Advanced Total International Stock Index Fund Investment Account of the Series Fund of Advanced StarLight Fund Company.		2,871,597	0.49%
JPMorgan Chase Bank Taipei Branch is the entrusted custodian of the Vanguard Emerging Markets Equity Index Fund investment account managed by the Vanguard Group.		2,700,926	0.46%

(III)Dividend policy of the company and its implementation status.

1.Dividend policy as stipulated in the Company's Articles of Association.

If the Company has profits for the Year, director and employee remuneration should be distributed, with director remuneration not exceeding one percent of the annual profit, and employee remuneration not less than one percent of the annual profit. However, if there are still accumulated losses, an amount for compensation should be reserved in advance.

Of the total employee compensation allocated in accordance with the preceding paragraph, the proportion of front-line employees shall not be less than 40 percent of that amount.

The aforementioned employee remuneration can be distributed in the form of stocks or cash, and employees of the Company's subsidiaries may also receive distribution when certain Conditions



are met. The specific conditions are determined by the Board of Directors.

If the Company's annual final accounts have a post-tax surplus, it should first offset the losses from previous Years. If there is still a balance, after allocating 10% for the legal reserve, it becomes the distributable surplus for the Year. Together with the accumulated undistributed surplus from previous Years and the balance after the appropriation or reversal of special surplus reserves in accordance with regulations or the instructions of competent authorities, it forms the accumulated distributable surplus. The Board of Directors will propose a plan for surplus distribution, which will be submitted for resolution at the Shareholders' meeting according to legal procedures. The Shareholders' meeting may retain all or part of the surplus based on the business situation.

When resolving to distribute surplus, as the Company's industry is in its maturity stage, considering the needs for research and development and diversified operations, shareholder dividends shall not be less than ten percent of the distributable earnings for the Year, with cash dividends being no less than ten percent of the total dividends. However, if the distributable earnings per share for the Year are less than 0.1 Yuan, distribution may be waived.

2.The situation of the proposed dividend distribution at this Shareholders' meeting:

The Company had no profits for 2025, therefore no director and employee remuneration will be distributed.

For information regarding the distribution of director, supervisor, and employee remuneration, please refer to the "M.O.P.S." on the Taiwan Stock Exchange Corporation.

3.When significant changes to the expected dividend policy are anticipated, they should be noted:

The Company does not anticipate any significant changes to the dividend policy as of the publication date of the annual report.

(IV)The impact of the proposed stock dividend distribution at this Shareholders' meeting on the Company's business performance and earnings per share:

Financial forecasts for 2026 have not been prepared, therefore there is No need to disclose forecast information.

Item	Year	2026 (Estimated)
Initial paid-in capital (Unit: NT dollars)		\$5,810,504,940
Dividend and Distribution Status for the Year (Note 1)	Cash dividend per share (Unit: NT dollars)	\$0.10
	Number of shares allocated per share from capital increase from retained earnings	0 shares
	Number of shares allocated per share from capital increase from capital surplus	0 shares
Changes in business performance	Operating profit	Not applicable (Note 2)
	The operating profit growth (or decline) rate compared to the same period last year.	
	Net profit after tax	
	The operating profit growth (or decline) rate compared to the same period last year.	
	Earnings per share	
	The earnings per share growth (or decline) rate compared to the same period last year.	
	Annual average return on investment (the reciprocal of the annual average price-to-earnings ratio)	
Pro forma earnings per share and price-to-earnings ratio	If all capital increases from retained earnings are distributed as cash dividends	Pro forma earnings per share
		Formulated annual average return on investment (the reciprocal of the annual average price-to-earnings ratio)
	If capital increase from capital surplus is not carried out	Pro forma earnings per share
		Formulated annual average return on investment (the reciprocal of the annual average price-to-earnings ratio)
	If capital increase from capital surplus is not carried out and capital increase from retained earnings is distributed as cash dividends.	Pro forma earnings per share
		Formulated annual average return on investment (the reciprocal of the annual average price-to-earnings ratio)

Note 1: There were no profits for 2025, therefore no director and employee remuneration was distributed, as approved by the Board of Directors on March 4, 2026.

Note 2: The Company does not require the preparation of public financial forecasts; therefore, information regarding changes in business performance, pro forma earnings per share, and price-to-earnings ratio is not applicable.

(V) Director and employee compensation:

1. The percentage or range of director and employee compensation as stipulated in the Company's Articles of Association:

(1) Director and employee compensation:

Director remuneration shall not exceed one percent (1%) of the distributable earnings for the current fiscal year.

(2) Employee compensation:

Employee remuneration shall not be less than one percent (1%) of the distributable earnings for the current fiscal year. Of the total employee compensation distributed as mentioned above, the proportion of compensation distributed to frontline employees shall not be less than 40% of that amount.

2. The basis for estimating the Director and employee compensation amount for the current period, the calculation basis for the number of shares for compensation allocation, and the accounting treatment when there are discrepancies between the actual allocation amount and the estimated amount:

(1) The basis for estimating the Director and employee compensation amount for the current period:

(1)-1 Employee remuneration is calculated according to the company's articles of association, not less than 1% of the annual profit. The Company had no profits for 2025, therefore no employee remuneration will be distributed.

(1)-2 Director remuneration is calculated according to the company's articles of association, not exceeding 1% of the annual profit. However, The Company had no profits for 2025, therefore no director remuneration will be distributed.

(2) The calculation basis for the number of shares for allocating the Director and employee compensation amount for the current period: Not applicable.

(3) The accounting treatment when there are discrepancies between the actual allocation amount and the estimated Director and employee compensation amount for the current period: After the end of the year, if there are significant changes in the distribution amount as resolved by the Board of Directors, the changes will adjust the originally recognized annual expense. If there are still changes in the amount at the time of the Shareholders' meeting resolution, it will be handled as a change in accounting estimate and adjusted in the accounts for the year of the Shareholders' meeting resolution. If the Shareholders' meeting resolves to distribute employee remuneration in the form of stocks, the number of shares is determined by dividing the amount of the resolved remuneration by the fair value of the stock. The fair value of the stock refers to the closing price on the day before the date of the Shareholders' meeting resolution (considering the effects of ex-rights and ex-dividends).

3. Proposed distribution of 2025 Year employee compensation and other information as approved by the Board of Directors on March 4, 2026:

(1) Distribution of the Director and employee compensation amount.

Director Remuneration: None.

Employee compensation: None.

(2)The above amount and the estimated amount recognized for the annual expenses:

Difference in number: None.

Reason: Not applicable.

Handling situation: Not applicable.

4.The actual distribution of employee and Director compensation for the previous year (including the number of shares distributed, amount, and stock price), and any discrepancies with the recognized employee and Director compensation should specify the difference, reasons, and handling situation:

Unit: NT\$ thousand

Item	2025 Year employee and director compensation		Difference in number	Reason for the Difference and Handling Situation
	Number recognized in the financial report	Actual allocation number		
Employee compensation:	0	0	0	No profit, no allocation.
Director Remuneration:	0	0	0	No profit, no allocation.

5.The Company participates in an annual salary survey of the petrochemical industry peers to assess market salary levels and make appropriate adjustments and plans for employee salaries (the average salary adjustment for employees in 2025 was about 3.2%). Special salary adjustments are made for outstanding talents with excellent performance to achieve a market-competitive salary level.

Average Salary:

Item	Content	2025	Difference from the previous year
1	Number of full-time employees not holding supervisory positions	545	(68)
2	Average annual salary of full-time employees not holding supervisory positions (thousand)	971	10
3	Median salary of full-time employees not holding supervisory positions (thousand)	918	11

Note :1.Number of full-time employees not holding supervisory positions.

Note :2.Average annual salary of full-time employees not holding supervisory positions.

Note :3.Relevant disclosure content can refer to Article 3, Paragraph 1, Item 31 of the "Regulations Governing Information Reporting of Foreign Fund Institutions Listed as Securities Companies and Offshore Index Stock Exchange-Traded Funds."

Note :4.This table does not include subsidiaries, only the average annual salary of full-time employees not holding supervisory positions at CGPC.

(VI) Situation of the Company Buying Back Its Own Shares During the Most Recent Fiscal Year and Up to the Publication Date of the Annual Report:

No such situation.

II. Issuance of Corporate Bonds

- (I) Issuance of Corporate Bonds: None.
- (II) Conversion of corporate bond data: None.
- (III) Exchange of corporate bond data: None.
- (IV) Summary of Corporate Bond Issuance: None.
- (V) Attached Warrant Corporate Bond Data: None.

III. Issuance of Preferred Stocks: None.

IV. Issuance of Global Depository Receipts: None.

V. Exercise of Employee Stock Option Plan and Managerial Officers Who Obtained Employee Stock Options and Names, Acquisition, and Subscription Situation of the Top Ten Employees in Terms of the Number of Shares Available for Subscription as of the Date of Publication of the Annual Report: None.

VI. Issuance of Restricted Stock Awards and Managerial Officers Who Obtained Restricted Stock and Names and Acquisition Situation of the Top Ten Employees as of the Date of Publication of the Annual Report: None.

VII. Status of New Share Issuance in Connection with Mergers and Acquisitions: None.

VIII. The State of Implementation of the Company's Capital Allocation Plans

- (I) Content and Execution Status of Plans for Previously Issued or Privately Placed Securities That Have Not Been Completed as of the End of the Quarter Before the Publication Date of the Annual Report: None.
- (II) Plans for Previously Issued or Privately Placed Securities Completed Within the Last Three Years with Benefits Not Yet Evident as of the End of the Quarter Before the Publication Date of the Annual Report: None.

IV. Overview of Operations

I. Business Activities

(I) Scope of Business:

1. Main businesses:

- (1) Manufacture plastic and its required raw materials.
- (2) Manufacture processed plastic products and the chlor-alkali they require.
- (3) Provide technical services (including design and installation), and manufacture and sell chemical machinery and equipment (including vinyl chloride monomer (VCM) plant equipment).
- (4) Manufacture, store, transport, sell, import, export, and resell vinyl chloride monomer (VCM).
- (5) Engage in environmental testing and pollution remediation.
- (6) Import, export, store, transport, and sell of ethylene dichloride (EDC).
- (7) Conduct distribution and contract processing of the above products.
- (8) Provide research and promotion services related to the above businesses.

2. Main products and their proportion in operations:

Product Category	Ratio
Vinyl chloride monomer	11%
PVC resin, PVC compound and chlor-alkali	66%
PVC construction products: Pipes, pipe fittings, door panels and anti-corrosion protection panels	7%
PVC film: flexible film, rigid film, semi-rigid film, laminating film, printed film	8%
PVC leather: leather and sponge leather	8%

3. Plans for new product development:

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ● Utilizing a 30L PVC polymerization reactor to analyze the impact of various additives on product quality ● New formulations testing in a 30L experimental reactor | <ul style="list-style-type: none"> ● Antimony-free formulation (PVC leather products) ● TPE single material (sports shoes) ● Inkjet-printed leather ● Replacement of imported |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



<ul style="list-style-type: none"> ● Translucent leather/fabric products ● Mechanical mask PP board ● Development of solvent-free PVC/TPE coated fabrics ● Low-VOC PVC/TPE series sheet products ● TPO apron leather ● TPO single material (slippers) ● Conductive PVC sheets ● Cooling-release PVC sheets ● Low-smoke flame-retardant PVC sheets ● Anti-static transparent TPO film/sheets ● Non-PVC adhesive tape fabrics ● TPO release sheets ● TPU treadmill belts / conveyor belts ● Low-amine foamed leather ● Antimony-free formulation (PVC film products) ● Development of sponge leather for casting-like furniture 	<ul style="list-style-type: none"> cooling color paste ● TPO garden hoses ● Integrated cushion leather (water-repellent fabric surface) ● PVC water-based adhesive for electrical tapes ● Conversion of plasticizers for earth adhesive tape fabrics ● ISO 14021 Certification for eco-friendly recycled content pipes ● Antibacterial and mold-resistant piping ● TPO vacuum cushion leather ● Solvent-free surface treatment for PVC/TPE leather ● PE/CBC easy-tear adhesive tape fabrics ● Development of SEMI PU Semi-finished Products ● Development of semi-rigid printing products ● Development of third-generation stain-resistant PVC leather
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(II) State of the Industry

1. Current state and development of the industry:

In 2025, the severe spillover effects from China's petrochemical industry and weak demand in the PVC market led to a significant drop in VCM procurement prices, even reaching the lowest levels since 2008. This situation imposed immense operational pressure.

In terms of raw materials:

EDC: In the first half of 2025, with stable global demand for alkali, chlor-alkali plants maintained steady operations. However, constrained by relatively high ethylene prices, the selling price of EDC in nearby Asian regions remained elevated. Subsequently, with the weakening of the VCM market, the onset of a tariff war, and delays in India's various policies regarding PVC, the overall demand for vinyl was not optimistic. Furthermore, the continuous arrival of overseas EDC shipments exerted market pressure, causing prices to

quickly decline, even reaching their lowest levels since 2008. Subsequently, chlor-alkali plants faced losses and began adjusting production volumes. With the tightening of supply, prices gradually stabilized. However, with continued weak demand from downstream and the successive supply of overseas shipments, EDC prices fluctuated around the breakeven point.

Ethylene: In the first half of the year, capacity misalignment and frequent maintenance in downstream operations led to wider margins and firm spot prices. In the second half of the year, the continuous release of new capacity in China, estimated to reach 8 million tons for the entire year, along with a rapid decline in oil prices from their highs, caused spot prices to retreat and narrowed the margins.

Environmental testing and pollution remediation:

The Company's innovative technology aligns with the United Nations Sustainable Development Goals (SDGs), specifically SDG 6: Clean Water and Sanitation and SDG 15: Life on Land. We focus on enhancing environmental microbial technology by eliminating traditional remediation methods such as groundwater extraction, excavation, chemical acid washing and physical heat treatment. All remediation activities are carried out in situ, minimizing land disturbance and excavation and effectively preventing soil exposure and ecological damage. Our approach utilizes bacterial degradation methods and introduces substrates to support the growth of native microorganisms, replacing chemical injection processes to clean up contaminants in a sustainable manner.

2.The correlation among the upstream, midstream and, downstream of the industry:

The Company is a midstream and downstream producer of plastic materials and products in the petrochemicals industry. The upstream material EDC is supplied by Formosa Plastics Corporation and foreign companies. Ethylene is supplied by CPC Corporation and foreign companies. Liquid chlorine is supplied by Taiwan Chlorine Industries Ltd. EDC is cracked to produce VCM and hydrochloric acid gas. Ethylene, oxygen, and hydrochloric acid produce EDC via oxychlorination. VCM is polymerized into PVC resin, which is then supplied to domestic and overseas secondary plastic processing plants for the production of a series of PVC products such as plastic leather, plastic films, plastic pipes, and pellets.

3.Product development trends and competition:



In the current PVC industry in Taiwan, the annual production volume of VCM at the Company and Formosa Plastics Corporation is 485 thousand tons and 1.644 million tons respectively. The annual production capacity of PVC resin is 470,000 tons for the Company, 1.785 million tons for Formosa Plastics Corporation, and 150,000 tons for Ocean Plastics Co., Ltd. The main downstream processing industrial players in need of the material include manufacturers of plastic tapes, plastic sheets, and building materials.

In 2025, the global economy continued to be affected by geopolitical conflicts such as the Russia-Ukraine conflict and the Israel-Iran war, the U.S.-China trade war, the imposition of reciprocal tariffs by the United States on countries worldwide, and surging energy prices in Europe. The petrochemical industry was in decline and China's overcapacity in raw materials to downstream industrial products exacerbated the situation. Global commercial activity was facing the dual blows of weak demand and low-price competition, particularly hitting the petrochemical and plastic derivatives industries with widespread losses. As for China, GDP growth continued to be hampered by sluggish conditions in the real estate market.

In 2025, the PVC resin market was impacted by the aggressive low-price dumping of excess production capacity from the U.S. and China in overseas markets, leading to a supply-demand imbalance and weak market transactions. The Northeast Asian market prices fell from US\$ 740 per metric ton to US\$ 640 per metric ton by the end of the year. After a year of price competition, many manufacturers faced losses. In Q4, European and American production plants began to reorganize capacity and reduce supply. In the first quarter of 2026, the Chinese government initiated a new round of economic infrastructure planning, which included inventory and elimination of high-cost, energy-intensive, low-output enterprises, as well as the announcement of the cancellation of export tax rebate subsidies. This move was aiming to rectify price disorder to enhance corporate profits. The PVC market in 2026 is expected to see healthier volume and price dynamics, thus reversing the supply-demand imbalance.

In 2025, the Company focused on stable operations, continually replacing energy-intensive equipment, leveraging AI to improve energy use efficiency, strictly controlling costs, and reducing inventory risks. The domestic and international sales strategies focused on minimizing impairment by prioritizing

high-value specifications and managing prices and quantities. At the same time, efforts were made to expand new distribution channels to diversify the market and strengthen customer relationship management to enhance market share.

Environmental testing and pollution remediation: This includes a range of techniques tailored to address soil and groundwater contamination. For soil remediation, common methods include soil vapor extraction, land-farming, excavation and removal, solidification, and dilution through mixing soil. For groundwater remediation, techniques primarily include extraction and treatment, chemical oxidation, air sparging, and bioremediation. Remediation strategies must consider several critical factors, including the characteristics and concentration of the contaminants, the remediation schedule and budget, and the effectiveness of the chosen methods. In addition, remediation approaches must be adapted to address environmental concerns and public acceptance.

Since the enactment of Taiwan's Soil and Groundwater Pollution Remediation Act, the number of remediation companies has grown to over one hundred. Traditionally, remediation approaches have relied on single-method applications, which often result in significant energy and resource consumption, impacting both the environment and the economy. The Company emphasizes an integrated approach that adapts remediation methods based on different stages of remediation, different levels of contamination, and various environmental conditions. This dynamic strategy of adapting integrated methods has gained the recognition and trust of both public authorities and the private sector.

(III) Technology, Research and Development

- 1.R&D expenses for 2025: NT\$34,697 thousand.
- 2.R&D expenses for 2026 as of the publication date of the Annual Report: NT\$8,538 thousand.
- 3.Successfully developed technologies and products
 - (1)Successfully developed technologies
 - (1-1) GRS Global Recycling System Certification
 - (1-2) #7 AI application in drying process
 - (1-3) ISO 14021 Certification for eco-friendly recycled content pipes
 - (1-4) 30L PVC polymerization experiment
 - (1-5) AI monitoring of moisture in PVC resin
 - (1-6) Study and analysis of color variance in PVC resin
 - (2)Successfully developed products



- (2-1)ISO 14021 eco-friendly recycled content pipes
- (2-2)Development of solvent-free PVC/TPE coated fabrics
- (2-3)PVC water-based adhesive for electrical tapes
- (2-4)Conductive PVC sheets
- (2-5)Mechanical mask PP board
- (2-6)Translucent leather/fabric products
- (2-7)Conversion of environmental protection plasticizers for adhesive tape fabric
- (2-8)Low-VOC PVC/TPE series sheet products
- (2-9)TPO apron leather
- (2-10)TPO single material (slippers)

4.R&D projects in the most recent fiscal year

Unit: NT\$ thousand

R&D Project	Current Progress	Addition al R&D Expenditures Required	Estimated Time to Complete Mass Production	Major Factors Affecting the Success of R&D in the Future
Anti-static transparent TPO film/sheets	50%	500	Before the end of 2026	Equipment, formulas and process conditions
Non-PVC adhesive tape fabrics	25%	500	Before the end of 2026	Formulas and process conditions
TPO release sheets	25%	500	Before the end of 2026	Formulas and process conditions
Low-amine foamed leather	25%	500	Before the end of 2026	Formulas and process conditions
Antimony-free formulation (PVC film products)	25%	500	Before the end of 2026	Formulas
TPU treadmill belts / conveyor belts	25%	500	Before the end of 2026	Formulas and process conditions
Cooling-release PVC sheets	75%	300	Before the end of 2026	Formulas and process conditions
Low-smoke flame-retardant PVC sheets	75%	300	Before the end of 2026	Formulas and process conditions
Antimony-free formulation (PVC leather products)	75%	300	Before the end of 2026	Formulas
Replacement of imported cooling color paste	75%	300	Before the end of 2026	Formulas
TPO garden hoses	75%	300	Before the end of 2026	Formulas
TPE single material (sports shoes)	50%	300	Before the end of 2026	Formulas and process conditions
Inkjet-printed leather	25%	300	Before the end of 2026	Process conditions
Integrated cushion leather (water-repellent fabric surface)	25%	300	Before the end of 2026	Coating formulas and process conditions

R&D Project	Current Progress	Additional R&D Expenditures Required	Estimated Time to Complete Mass Production	Major Factors Affecting the Success of R&D in the Future
Utilizing a 30L PVC polymerization reactor to analyze the impact of various additives on product quality	50%	30	Before the end of 2026	Formulas and process conditions
New formulations testing in a 30L experimental reactor	50%	30	Before the end of 2027	Formulas and process conditions
Energy generation through residual hydrogen	100%	0	Before the end of 2025	Equipment and process conditions
#6 AI application in drying process machine	100%	0	Before the end of 2025	Equipment and process conditions
Translucent leather/fabric products	100%	0	Before the end of 2025	Formulas and process conditions
Mechanical mask PP board	100%	0	Before the end of 2025	Formulas and process conditions
Development of solvent-free PVC/TPE coated fabrics	100%	0	Before the end of 2025	Formulas and process conditions
Low-VOC PVC/TPE series sheet products	100%	0	Before the end of 2025	Equipment, formulas and process conditions
TPO apron leather	100%	0	Before the end of 2025	Formulas and process conditions
TPO single material (slippers)	100%	0	Before the end of 2025	Formulas and process conditions
Conductive PVC sheets	100%	0	Before the end of 2025	Equipment, formulas and process conditions
PVC water-based adhesive for electrical tapes	100%	0	Before the end of 2025	Formulas and process conditions
Conversion of plasticizers for earth adhesive tape fabrics	100%	0	Before the end of 2025	Formulas and process conditions
ISO 14021 Certification for eco-friendly recycled content pipes	100%	0	Before the end of 2025	Recycled material traceability and management

(IV) Long-term and Short-term Business Development Plans

1.Short-term plans:

VCM:

Implementing rigorous production and sales management to maintain stable high output and quality, and actively developing reliable sources of raw materials, seeking alliances and cooperative advantages with industry peers. These efforts are aimed at minimizing losses and strengthening the Company's position during periods of market weakness.

PVC resin:

(1)Actively establishing cooperative and mutually beneficial relationships with key customers, the domestic market share in 2025 increased to 25.6%, up 1.6% from 24% in 2024. In 2026, we



will continue to strengthen our relationships with core customers and develop new clients to increase PVC resin sales volume and market share.

- (2) By flexibly leveraging product diversification and the division of labor between the Toufen Main Plant and Linyuan Plants, the Company aims to fragment the market and customer base while screening for customers with strong credit ratings. Additionally, the Company will strengthen sales and distribution channels in key markets. Increasing direct sales to manufacturers will help balance market fluctuations during peak and off-peak seasons, mitigate the risk of order concentration with traders, and address inventory challenges caused by low-price competition from China.

Chlor-alkali:

- (1) Domestic demand for industrial chemicals in 2025 remained roughly flat compared to 2024. The price of liquid caustic soda in Asia showed a downward trend in 2025 due to China's shrinking domestic demand and substantial exports. In 2026, we will continue to strengthen partnerships with key customers, including TSMC, and enhance sales channel relationships. Our production and sales strategy will focus on improving customer service quality, ensuring stable supply, and increasing sales volume.
- (2) To tackle competition from imported products, both in terms of increased import volumes and pricing, the sales strategy for 45% liquid caustic soda emphasizes continuously strengthening relationships with core customers, ensuring a basic production-sales balance, and expanding sales in neighboring regions to increase profits.

PVC processed products:

- (1) Optimizing the pipe product portfolio, promoting PCR products, increasing the market share in the construction pipe sector, and actively participating in the supply for public projects to enhance profitability.
- (2) Promoting the application of environmental protection materials in multiple industries, enhancing the added value of products and brand image, pursuing material innovation and alignment with ESG trends to increase sales volume and profits.
- (3) Enhancing product awareness and expanding business opportunities for plastic leather/sheets through media advertising, AI-driven improvements to product website design, and participation in various major global exhibitions.

- (4) Forming cross-industry alliances to develop high-performance non-PVC products, enhancing the supply advantages of various types of leather, expanding product portfolios, and promoting horizontal integration across industries to strengthen product competitiveness.
- (5) Upgrading the FORBID anti-fouling agent by improving the formula to enhance anti-fouling effects, and developing water-based formulations and matte, skin-friendly products to expand market demand.
- (6) Maintaining stable operations in the North American agricultural machinery interiors and seat leather sector, with ongoing development of new products to compete for annual sole-supplier positions from major North American tractor seat manufacturers. Developing a modular product offerings to increase direct customer engagement, thereby helping to drive increased sales. In addition to the existing OEM truck market, further efforts will focus on developing electric vehicle seats, flame-retardant and smoke-suppressant leather for public transportation, and interior leather to expand the scope of product applications.
- (7) Upgrading marine leather from anti-mold and antibacterial to antiviral level to comply with REACH and market demands. Simultaneously, enhancing anti-UV formula for the European market to meet both EU and U.S. regulations.
- (8) Improving formulas and related labels in line with regulatory requirements of Prop #65 in the North American market; hence, market operations in this region are expected to be sounder and more robust.
- (9) Strengthening the reduction and recycling for reuse of green products, in compliance with the Global Recycled Standard (GRS). Continuing to optimize the upgrading of eco-friendly materials such as TPO and TPU, targeting environmentally conscious markets, including furniture, marine applications, automotive and motorcycle seating, car floor mats, exhaust ducts, lightweight stain-resistant travel luggage, digitally printed motorcycle seats, baby strollers, antiviral medical beds, and footwear.
- (10) Upgrading cooling leather and launching translucent leather and antiviral products, promoting them in markets such as furniture, interior decoration, marine applications, automotive/motorcycle applications, door panels, and footwear.
- (11) Establishing a B2C sales model to promote high-value-added new products. Responding to evolving market demands driven by



environmental changes through material innovation and the concept of environmental protection.

(12) Developing new distribution channels for the automotive tape cloth market in India and Europe, with substantial sales growth expected in the automotive tape cloth sector.

(13) Participating in trade shows and leveraging e-commerce and online platforms to seize market opportunities across various sectors.

Environmental testing and pollution remediation:

In addition to soil and groundwater on-site remediation operations, our services encompass engineering and technical consulting, high-resolution site characterization, monitoring planning for underground environmental around storage tanks, microbial application development, molecular biological testing, and the sale of remediation agents (including biological agents, biological substrates, emulsified substrates, and compound potassium permanganate). We strive to provide comprehensive and diversified solutions while staying at the forefront of emerging contaminants and the latest environmental remediation technologies worldwide.

2. Long-term plans:

VCM:

Despite the challenging petrochemical market and the spillover of excess raw materials from China, overall demand remains weak, making a substantial recovery unlikely in the short term. However, TVCM has initiated structural improvements in process safety, environmental protection, and production management, continuously optimizing energy usage efficiency and enhancing management effectiveness. Additionally, both raw material and finished product prices are relatively low this year. With disciplined production and sales management, the operational performance is expected to be better than last year.

PVC resin:

With the replacement of outdated polymerization equipment, there are plans to launch various new special specifications to target high-value industries and differentiated processing powders. This is expected to enhance efficiency and profitability while driving increased sales of general products. In the second quarter of 2026, China will cancel the PVC export tax rebate, which is favorable for the Company to gain a larger market share in South Asia, Southeast Asia, and the Middle East markets.

Chlor-alkali:

Maintaining a full production and sales strategy, fully utilizing existing production capacity, update debottlenecking the hydrochloric acid furnace to increase yield and stabilize product quality. Aligning with the electronics industry to promote the path to net-zero carbon emissions and meet ESG demands, gaining customer trust and achieving mutual growth. Long-term planning to provide electronic-grade hydrochloric acid lays a solid foundation for the future expansion of chlor-alkali products.

PVC processed products:

- (1) Enhancing research on processing technologies and improving equipment and its environment in order to produce differentiated products, thereby segmenting the competitive traditional products.
- (2) Improving the capacity to build machinery and raw materials to produce products with high-added value and expand production capacity for professional products to increase market share.
- (3) Continuously promoting products to countries and regions with high economic growth such as the Middle East, South Asia, and South America. The product portfolio to be promoted includes SRT stain-resistant leather, cooling leather, translucent leather, automotive leather, as well as products for stationery, furniture lamination and decoration, pools, adhesive sheets, and environmental protection materials.
- (4) Searching for information on fashion and trends to continuously develop trendy emboss and color combinations,. Jointly developing new PVC plastic products with industry partners to create a more complete product portfolio to facilitate customer acquisition.
- (5) Aligning with the updated environmental protection regulations, continuously adjusting formulations, implementing supporting measures, and optimizing equipment to enhance product value.
- (6) Continuing the research and promotion of environmentally friendly materials across industries including shoes, automotive, furniture, marine, flooring, and more. The Company will further reduce the production cost of environmental protection materials and apply for patents and trademarks to protect intellectual property, thereby improving market competitiveness and acceptance.
- (7) Continue to monitor changes in Middle East geopolitics, economic and technological competition between the United States and China, and developments in the Russia-Ukraine conflict. Global economic recovery is expected to be slow in 2026, accompanied by increased trade protectionism. Attention will be given to changes in supply-demand dynamics and trade flows associated with the



relocation of downstream production bases. Ensuring production processes comply with government ESG regulations, promoting environmental sustainability through carbon reduction and recycling initiatives.

- (8) Conducting carbon footprint verification for exported raw materials, promoting diversified applications of key leather and film products, and advancing PCR applications in domestic building materials to enhance brand competitiveness.

Environmental testing and pollution remediation:

Recognizing that a single remediation technology is often insufficient for site restoration, we focus on integrating multiple technologies into comprehensive site remediation strategies. By continuously combining novel physical, chemical, and biological technologies, we have developed a treatment train system that enhances the environmental sustainability of remediation processes. In particular, we emphasize bioremediation methods that utilize proprietary innovations such as long-lasting biodegradable substrates and the cultivation of microbial degradation for specific local pollution. This approach reduces carbon footprint and carbon emissions, creating mutual benefits for both environmental protection and economic efficiency.

II. Analysis of the Market as well as Production and Marketing Situation

(I) Market Analysis:

1. Sales regions and market share for major products

VCM:

For VCM, the ratio of domestic sales to exports to the Company's own use is 17:1:82.

PVC resin:

For PVC resin, the ratio of domestic sales to exports to the Company's own use is 17:76:7. The main export regions are Bangladesh, India, Southeast Asia, South America, Middle East, and Africa.

Chlor-alkali:

Chlor-alkali products are sold mainly to Hsinchu Science Park, Central Taiwan Science Park, and northern regions, accounting for approximately 80% of product sales. The main customers for these products are electronics and petrochemical industries. The Company's market share in the domestic market is approximately 3% for liquid caustic soda and approximately 16 to 18% for hydrochloric acid and liquid bleach.

PVC processed products:

- (1)Construction: Sales are mainly concentrated on domestic sales. The Company's domestic market share is approximately 20% for PVC pipes and 35% for PVC door panels.
- (2)Film: The ratio of domestic sales to exports is 65: 35, and the Company's market share in the domestic market is approximately 20%. These products are exported mainly to the Americas, Europe, Australia, South Africa, Russia, Japan, and Southeast Asia.
- (3)Leather: The ratio of domestic sales to exports is 33:67, while its market share in the domestic market is approximately 40%. These products are exported mainly to North America, Europe, Australia, China, and India.

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

VCM:

From 2024 to 2025, the Asian VCM market experienced a prolonged period of significant undervaluation in VCM prices due to weak PVC demand, prompting producers to reduce operating rates or extend maintenance shutdowns to mitigate losses. However, at the beginning of 2026, as the PVC market began to stabilize and bottom out, coupled with tightening VCM supply and inventories, VCM prices were able to rise, although short-term procurement remained cautious. In the medium to long term, market dynamics will depend on the performance of PVC. As the oversupply of PVC stabilizes and inventories decline, the market is expected to bottom out and stabilize. Subsequently, VCM supply is expected to tighten, leading to a potential increase in price spreads.

PVC resin:

- (1)Having experienced overcapacity in the PVC market in 2025, resulting in deteriorating industry conditions and losses for most manufacturers, some production lines in Europe and the U.S. were permanently shut down. In China, outdated equipment was eliminated and tax rebate policies were adjusted. In the first quarter of 2026, this clearly drove up market prices. Orders from major overseas markets such as India, Bangladesh, Southeast Asia, and Latin America are expected to gradually return to non-China systems. Northeast Asian manufacturers are anticipated to see increased transaction volumes, and profit margins are expected to improve.
- (2)The domestic market is expected to see a demand recovery with the strengthening of international market conditions. China's cancellation of export tax rebates and the reduction of tariffs on US exports to 15% are expected to drive growth in the domestic



processing industry. The demand for public infrastructure projects and the Taiwan Power Company's efforts to strengthen the power transmission and distribution network will keep the domestic industry stable, with sales volume expected to grow by 3-5% compared to 2025.

Chlor-alkali:

Major domestic chemical users, mainly in the TSMC semiconductor-driven electronics industry, continue to expand capacity, resulting in sustained increasing demand, and it is expected that growth will be maintained in 2026.

PVC processed products:

- (1)Constructions: In 2026, with continued credit control by the central bank and unrelaxed bank lending restrictions, the real estate market is expected to remain in correction, suppressing the commencement of private construction projects. However, the government's ongoing promotion of urban renewal and the record-high public construction budget are expected to support demand in the construction materials market.
- (2)Film: Looking ahead to 2026, traditional film and sheet products will continue to face low-priced competition from Chinese products, further squeezing production and sales space for domestic manufacturers. The Company's sheet/film orders focus on the development of niche products, allowing us to avoid direct competition with Chinese products and strengthen our market position by avoiding price-cutting competition. In 2026, the tariffs between Taiwan and the United States are settled. Domestic and international economic conditions are expected to recover gradually each quarter. Coupled with a stable customer base in both domestic and international markets, the continuous development of environmental protection (ESG) products and entry into new markets are anticipated to gradually yield positive results, supporting a recovery in sales.
- (3)Leather: Looking ahead to 2026, we anticipate continued expansion in domestic sales, particularly in customized products for automotive and motorcycle brands. Additionally, we will strengthen indirect export channels and collaborate with brands to promote environmentally friendly materials such as TPO and antiviral medical mats. For exports, we will continue to maintain stable operations in the US market. After the tariff reduction, we have the advantage of lower tariffs compared to competing countries such as Vietnam, India, Mexico, and China. Through the

execution of new product development and the expansion of multiple product portfolios by our production, sales, and research teams, we anticipate that sales volume will increase gradually each quarter in 2026.

3.Competitive niches

VCM:

TVCM is committed to improving process equipment to stabilize production and maximize capacity. By sourcing competitive raw materials and enhancing production efficiency to reduce costs, we aim to expand the overall profit of the industry chain.

The storage tanks at the Kaohsiung Intercontinental Container Terminal were completed, significantly increasing storage capacity. This improvement is expected to result in lower base prices for key raw materials compared to last year, giving TVCM a competitive advantage in procurement. The Company will strategically manage inventory levels and stock up when raw material prices are low to strengthen its competitive edge. In addition, active efforts are being made to explore potential export markets, promote cooperation with industry peers, expand production capacity to reduce costs and to diversify sales risks.

PVC resin:

Stable and customer-suitable quality, fast and accurate delivery, full understanding of customer processing characteristics are the keys to the Company's competitiveness in both domestic and export markets.

Chlor-alkali:

- (1) Long-term cooperation with companies in Hsinchu Science Park and Central Taiwan Science Park has established a great reputation for the Company's quality and services.
- (2) The Company is close to Hsinchu Science Park and Central Taiwan Science Park, providing advantages in supply responsiveness.

PVC processed products:

- (1) Own brand with established brand recognition.
- (2) Sound quality control and after-sales services.
- (3) Wide range of current product lines and downstream sales categories prevent the peak and low seasons of a single industry from impacting overall sales volume.
- (4) Vertical integration of VCM, PVC resin, and downstream processing.
- (5) A well-established team of technical professionals.
- (6) An extensive international sales network.



- (7) Comprehensive IATF16949 (International Automotive Task Force) and ISO 9001 quality management system provide outstanding quality assurance.
 - (8) The Company is able to comply with increasingly rigorous environmental protection regulations such as Prop#65, REACH, RoHS, and GRS to provide a favorable basis for export markets.
4. Favorable and unfavorable factors affecting the Company's development prospects and corresponding countermeasures.

VCM:

● Favorable factors:

- (1) Vertical integration of VCM and PVC resin.
- (2) Fully seizing sources of the main raw material EDC and ethylene.
- (3) Effectively manage inventory and production capacity to mitigate operational risks.

● Unfavorable factors:

- (1) With the increasingly strict domestic environmental protection policy, accelerated implementation of draft resolutions related to energy conservation and carbon reduction, supporting measures and grace periods were below expectations, thereby limiting the transformation and development of the petrochemical industry.
- (2) Domestic energy prices continue to rise without decline, and the overall increase has exceeded levels acceptable to petrochemical manufacturers, putting significant pressure on production operations.
- (3) The unpredictable international situation and the increasing frequency of extreme weather events have led to significant fluctuations in the transportation, pricing, and supply of raw materials. Additionally, the surge in newly added production capacity has resulted in an oversupply, further exacerbating market imbalances.

● Response measures:

- (1) Upgrade production equipment, accelerate the improvement and investment of energy conservation, water conservation, electricity conservation facilities, and carbon emissions reduction while improving operation efficiency to maintain high productivity.
- (2) Continuously communicating with the government about the Company's plan for fulfilling corporate social responsibility and environmental responsibility in order to achieve consensus on related issues.
- (3) Performing continuous control on the source of competitive raw materials and adopting flexible production and sales strategies in response to evolving market changes.

- (4) Enhancing the storage capacity for EDC and VCM and the relationship with industry peers, carefully adjusting inventory, identifying optimal market entry points for procurement, strengthening vertical integration advantages, and increasing overall profitability.

PVC resin:

● Favorable factors:

- (1) The production of PVC at the Company's Toufen plant and Linyuan plant complement each other, enabling a more diversified product mix, sufficient inventory levels, and flexible, timely delivery.
- (2) Vertical integration of VCM, PVC resin, and secondary processed products.
- (3) Customer relation and service enhancement.
- (4) Continuously achieving breakthroughs in production and sales to effectively reduce production costs.
- (5) The Company has embarked on a series of production equipment upgrades, including polymerization tanks and other multifaceted updates. Energy-saving and carbon reduction improvements and AI projects are being progressively refined. The anticipated benefits include an increase in production capacity, enhancement of product quality, reduction in energy consumption, and an expanded capability to produce special types of powder. These advantages are expected to further strengthen the Company's competitive edge.

● Unfavorable factors:

- (1) The global economic recovery outlook remains uncertain, with excess PVC resin production capacity and inventory reduction pressures persisting in the U.S. and China. The global PVC market's supply and demand are unlikely to balance in the short term, requiring continued caution in response.
- (2) Taiwan and the main PVC consumer countries have not signed the FTA. Compared to China, Japan, Korea and Southeast Asian countries where manufacturers could enjoy tariff preferences, the sales space for products made in Taiwan has been compressed.

● Response measures:

- (1) Actively seeking to meet the downstream processing material needs of markets in Southeast Asia, India, Bangladesh, South America, and others, aiming to establish stable cooperative relationships.
- (2) The demand for PVC powder in India and Bangladesh is growing rapidly. By actively utilizing channels through agents and traders, the Company is deeply cultivating its customer base and expanding its source of orders.



- (3) Proactively applying for various certifications to meet regulatory requirements for raw materials and processed products, as well as to expand business opportunities. The completed or ongoing applications include ISO 14001 environmental management system certification, SGS 2021 greenhouse gas testing declaration, carbon footprint certification.
- (4) Seeking long-term support from key customers in each region.
- (5) Enhancing product quality, developing distinctive products, and strengthening marketing differentiation.
- (6) Streamlining organizational operations, improving operational efficiency and enhancing customer service.

Chlor-alkali:

● Favorable factors:

- (1) The Company has made long-term efforts to build product quality that consistently meets the needs of its customers' processing requirements.
- (2) Key customers are actively expanding their production capacity, while overall market demand continues to show steady and sustained growth.

● Unfavorable factors:

- (1) The low price of domestic secondary hydrochloric acid continues to impact the volume and price dynamics of the hydrochloric acid market.
- (2) The domestic caustic soda market faces competition from China imports, with price pressures eroding profits.

● Response measures:

- (1) Segmenting sales markets to establish stable sales and distribution channels.
- (2) Continuously increasing production quality and efficiency, and optimizing production and sales planning.

PVC processed products:

● Favorable factors:

- (1) Vertical integration of upstream and downstream processing.
- (2) Sound quality control and after-sales services with own brand.
- (3) A well-established team of technical professionals.
- (4) The environmentally friendly materials have obtained Global Recycle Standard (GRS) certification; Automotive leather has received IATF16949 certification.
- (5) Research and development in new high value-added and environmental protection products.
- (6) Continuous improvement of equipment, process, and quality.

- (7) Establishing overseas sales locations and shoring up sales channels to expedite market expansion.
 - (8) The Company has printed its identification labels on PVC leather and PVC film sold domestically and abroad in order to increase brand awareness and effectively increase customers' willingness to purchase.
 - (9) The continuous research and development and promotion of environmentally friendly materials contribute to enhancing product differentiation and market promotion. In 2026, plans are underway to launch new product promotions in the Americas for the furniture, ship, and automotive interior markets, with an expectation of increased profits and performance in the American market.
 - (10) Applying surface resin processing technologies and expanding applications to PVC leather, film and other products, the Company is expected to increase sales volume in the agricultural machinery internal furnishing market and seats market in the United States.
 - (11) Accelerating the promotion and application of cooling leather products in outdoor seat upholstery.
- Unfavorable factors:
 - (1) The development of high-value-added and differentiated products is not yet complete, and technological advancement is still needed.
 - (2) The cost of green eco-friendly materials is high, and at this stage, market acceptance is low.
 - (3) OEM automotive leather exports are restricted by rigorous quality requirements and the long testing and development schedule delays qualification certification.
 - (4) Environmental regulations in Europe and America are becoming increasingly stringent. In North America, there are restrictions on the addition of flame retardants to furniture leather, necessitating adjustments to product formulations and the reorganization of sales regions.
 - (5) The competition between low-priced products in the same industry at home and abroad and the tariff barriers set by various countries have set up bottlenecks in the Company's plan for market expansion.
 - (6) Some markets use other materials, such as R-PVB, to replace PVC.
 - Response measures:
 - (1) Winning public projects and obtaining rights to supply building materials for private construction projects.
 - (2) Continuously researching and developing environmentally friendly materials and high added-value products. Establishing and obtaining



the GRS/PCR certification for environmentally friendly materials to enhance competitiveness.

- (3) Segmenting sales by product and market to acquire markets for high value-added products.
- (4) Continuing to reduce production costs and improve production technology. Building VOC treatment equipment to meet regulatory requirements and significantly improve product competitiveness.
- (5) Actively developing new products and applying for patents for inventions or new types of patents.
- (6) Developing business opportunities in emerging markets and launching new products to capture market share.
- (7) Using the successful featured products sold in North America to make promotion in other shipping or furniture markets overseas; the main target regions are Europe, Australia, and Asia.
- (8) Cooperating with U.S. professional channels of OEM automotive leather and leveraging their profession to accelerate market entry into the automobile industry supply chain.
- (9) Establishing strategic alliances with domestic and overseas brands to develop and promote new materials.
- (10) Engaging in information exchange about products and horizontally promoting featured products from different regions to markets across the five continents.

(II) Important Uses and Production Processes of Major Products

1. VCM:

VCM is mainly used to produce PVC resin and the main material is EDC. VCM and hydrochloric acid are produced in cracking. Ethylene, oxygen, and hydrochloric acid produce EDC via oxychlorination (reverse reaction).

2. PVC resin:

PVC resin is mainly used for producing flexible film/sheet, leather, rigid film/sheet, rigid pipes, and extrusion construction products. The materials include VCM, initiators, and dispersants and it is produced through polymerization and drying processes.

3. Chlor-alkali:

Mainly used in water treatment and the production of food MSG, synthetic fibers, detergents, dyes, pulp, steel, etc. Industrial salt, auxiliary materials, and water are refined into pure brine, which is then electrolyzed using ion-exchange membrane technology to produce liquid caustic soda, hydrogen and chlorine. The chlorine is further reacted with hydrogen and liquid caustic soda to synthesize hydrochloric acid and bleaching solution.

4.PVC constructions:

Production of PVC pipes, foamed PVC pipes, door panels, and foamed door panels and sewer lining mainly for buildings (water pipes, rain/ sewage drainage pipes, wire-protection sleeves, room door, bathroom door and panels) and public construction projects (water supply and drainage construction, wire-protection sleeves, and wastewater sewage construction). Raw materials include PVC resin and stabilizing agents which undergo procedures including mixing, gelatinization, extrusion, cooling, and cutting flaring.

5.Soft PVC film:

They are used for the production of plastic cloths, half-rigid cloths, stationery cloths, waterproof membranes, swimming pool cloths, net cloths, blowing cloths, adhesive cloths, furniture cloths, advertisement cloths, raincoat cloths, tablecloths, shower curtain cloths, and curtain cloths. They are produced from PVC resin, plasticizers, and other auxiliary materials which are mixed under low or high temperature before undergoing procedures including gelatinization, filtering, deferred pressure, cooling, and coiling extraction. They can also be printed or attached with other materials to increase added value.

6.PVC leather:

We produce foaming sponge leather, non-foaming PVC leather, and leather with surface processing and needle holes for ventilation. They are mostly used as covering for seats for various cars, motorcycles, bicycles, and boats, sofas, SPA coverings, shoe leather, baseball gloves, sports equipment, and covering for medical seats. They are produced from (1) PVC resin, plasticizers, and other auxiliary materials, (2) non-PVC eco-friendly materials which undergo procedures including mixing, gelatinization, filtering, pressing with plastic cloth machines, adhesive backing, pattern printing, and foaming with foaming furnaces or patterning with patterning machines. They can also undergo secondary surface printing, stain-resistance, anti-slip, and anti-scratching or other special treatments to increase added value.

(III)Supply of Major Raw Materials

- 1.The main raw materials of VCM are EDC and ethylene. Long-term contracts have been signed with suppliers to ensure a stable supply of these raw materials.
- 2.The main raw material of PVC resin is VCM, which is produced by the Company for its own use.
- 3.The main raw material of alkali-chlorine is industrial salt. Long-term contracts have been signed with suppliers to ensure a stable supply of these raw materials.



4. The main raw material of PVC film and leather are PVC resin and plasticizers, and the supply status is as follows:
 - (1) PVC resin: PVC resin is mostly produced and used by the Company and only small quantities are purchased from external sources.
 - (2) Plasticizers: They are mainly supplied by Nan Ya Plastics Corporation, and special plasticizers are purchased from abroad.
5. The main raw material of PVC construction products is PVC resin, which is mainly self-produced and supplied, and thus the source of this raw material is stable.

(IV) Names of Customers Accounting for 10% or More of Total Purchases (Sales) in Either of the Last Two Years, and the Amounts and Percentages Thereof, and Reasons for Changes

1. Suppliers with purchase amount exceeding 10% of total purchase in the most recent two years (Note 1):

Unit: NT\$ thousand

Item	2024				2025				Q1 2026 (Note 2)			
	Name (Note 1)	Amount	Ratio to Net Purchases of Goods [%]	Relationship with the Issuer	Name (Note 1)	Amount	Ratio to Net Purchases of Goods [%]	Relationship with the Issuer	Name (Note 1)	Amount	Ratio to Net Purchases of Goods of the First Quarter of the Current Year [%]	Relationship with the Issuer
1	Company A	1,205,614	18.04%	No	Company A	1,311,559	27.59%	No	Company A	242,399	19.11%	No
2	Company B	1,411,819	21.13%	No	Company B	808,350	17.01%	No	Company B	401,600	31.67%	No
3	Company C	1,375,054	20.58%	No	Company C	596,709	12.55%	No	Company D	175,883	13.87%	No
4	Company D	428,505	6.41%	No	Company D	461,308	9.70%	No	—	—	—	No
5	Others	2,261,684	33.84%	(Note 3)	Others	1,575,573	33.15%	(Note 3)	Others	448,296	35.35%	(Note 3)
	Net Purchases	6,682,676	100.00%		Net Purchases	4,753,499	100.00%		Net Purchases	1,268,178	100.00%	

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

Note 2: As of the publication date of this annual report, if financial information of companies that are publicly listed or whose shares are traded on TPEX were recently audited or reviewed by CPAs, such information should be disclosed.

Note 3: No suppliers who account for more than ten percent of the total purchases of goods. Proportion of purchases from related parties: 2024: 5.47%; 2025: 0.64%; First quarter of 2026: 0.10%.

* Reasons for increase and decrease in purchases: Considering the supply volume, prices, delivery time, the Company's production plan and inventory, the purchase amount from different suppliers varies each year.

2. Customers with sales amount exceeding 10% of total sales in the most recent two years (Note 1):

Unit: NT\$ thousand

	2024				2025				Q1 2026 (Note 2)			
Item	Name (Note 1)	Amount	Ratio to Annual Net Sales of Goods [%]	Relationship with the Issuer	Name (Note 1)	Amount	Ratio to Annual Net Sales of Goods [%]	Relationship with the Issuer	Name (Note 1)	Amount	Ratio to Net Sales of Goods of the First Quarter of the Current Year [%]	Relationship with the Issuer
1	A	1,215,377	10.96%	No	There are no customers accounting for more than 10% of the total sales.				B	268,823	10.05%	No
2	Others	9,871,348	89.04%	Note 3					Others	2,405,082	89.95%	Note 3
	Net sales	11,086,725	100%						Net sales	2,673,905	100%	

Note 1: List the name of customers who account for more than ten percent of the total sales and their amount and proportion of sales in the most recent two fiscal years. However, if the name of suppliers or counterparties who are individuals or non-related persons cannot be revealed due to contractual agreements, their codes shall be indicated.

Note 2: As of the publication date of this annual report, if financial information of companies that are publicly listed or whose shares are traded on TPEX were recently audited or reviewed by CPAs, such information should be disclosed.

Note 3: No customers who account for more than ten percent of the total sale. Sales to related parties: 2024:0.04%; First quarter of 2026: None.



III. Employee Information

Information on employees in the last two years and as of the printing date of the annual report

Year		2024	2025	2026/03/31
Number of Employees	Staff	346	325	311
	Workers	515	471	436
	Total	861	796	747
Average Age		46	47	47
Average Years of Services		17	17	17
Educational Attainment (%)	Doctorate/Master's	11%	12%	13%
	Bachelor's	35%	38%	37%
	Junior College	14%	13%	14%
	Senior High School	37%	35%	34%
	Below Senior High School	3%	2%	2%

IV. Information on Environmental Protection Expenditure

- (I) Losses incurred due to environmental pollution in the most recent year and up to the date of publication of this annual report (including compensation and violations identified in environmental protection inspections; details shall include the date of penalty, penalty reference number, applicable legal provisions violated, description of violations, and penalty details) and the amount of such penalties:

2026/03/31

Date of Penalty/Document No.	Regulation Violated	Amount of Penalty (NT\$ thousand)	Facts of Violation	Corrective Measures
January 8, 2026 Kao-Shi-Huan-Ju-Kong-Zi No. 11443288800 (Environmental Protection Bureau, Kaohsiung City Government)	Air Pollution Control Act Article 23, Paragraph 1	220	During inspections conducted by personnel of the Kaohsiung City Environmental Protection Bureau on May 23, 2025, at the process blower drain outlet(MF-6901B), a flame ionization detector measured a	1.The primary treatment unit and aeration tank of the wastewater plant are covered with an exhaust system. [Regular Monitoring] Weekly VOCs concentration sampling for TVA-2020. 2.The equipment improvement for the



Date of Penalty/Document No.	Regulation Violated	Amount of Penalty (NT\$ thousand)	Facts of Violation	Corrective Measures
			<p>VOC concentration of 14,408 ppm at the drain, indicating the blower drain waste was ineffectively collected. This does not meet the standards stipulated in Article 13, Paragraph 1 of the "Volatile Organic Compound Air Pollution Control and Emission Standards," and is a violation of the Air Pollution Control Act Article 23, Paragraph 1.</p>	<p>wastewater air stripping tower (C-6251) involves switching to a separate steam supply to stabilize the stripping temperature and steam flow, facilitating stable control of the tower bottom temperature and reducing the COD of the raw wastewater. [Regular Monitoring] Quality Control Sector Staff regularly test COD. 3.The MF-6901B drain is modified for sealed collection to the tail gas condensate recovery system, and the engineering unit is evaluating the applicability of a dual-seal blower. [Regular Monitoring] Weekly VOCs concentration sampling for TVA-2020.</p>

(II) Corresponding countermeasures (including possible improvement measures of current and future) and possible expenditures:

1.Environmental protection policies:

- (1)Comply with relevant environmental protection and occupational safety and health regulations and relevant requirements derived from such regulations.
- (2)Continuously conserve and reuse resources and energy, and reduce industrial waste.
- (3)Prevent pollution, reduce potential risks in operations.
- (4)Continuously provide employees with education and training, and carry out work related to environmental protection and occupational safety and health.
- (5)Actively communicate with customers and residents, manage suppliers and contractors, and encourage all employees to participate in work related to environmental protection and occupational safety and health.

(6) Thoroughly implement environmental management system to enhance environmental performance and reduce environmental safety risks in communities.

2. Expected environmental protection expenditures:

Unit: NT\$ thousand

Year	2026	Amount
Item	1. Industrial waste cleanup and disposal charges	25,000
	2. Operating and maintenance charges for waste gas treatment equipment	20,730
	3. Operating and maintenance charges for wastewater treatment equipment	13,930
	4. Air pollution prevention charges	7,000
	5. Regular applications for inspection of stationary sources of pollution	2,300
	6. Carbon fee	2,000
	7. Toxic chemical substances testing fee	120
Expected expenditures		71,080

(III) In response to European Union's Restriction of Hazardous Substances (RoHS) directives:

The Company is RoHS-compliant, and RoHS has no effect on the Company's financial operations.

V. Labor Management Relations

(I) The Company's employee benefits, continuing education, training, retirement systems, and the status of their implementation, as well as the status of agreements between labor and management, and all measures aimed at preserving the rights and interests of employees:

1. Employee welfare measures:

The Company's salary system determines employees' salaries in accordance with the employees' academic background, expertise, skills, and seniority. It does not discriminate between genders, religions, races, or political affiliations. In addition to fixed wages, employees' salaries also include performance bonuses, year-end bonus, etc.

The Company makes annual salary adjustments according to profitability. The average employee pay rise for 2025 was about 3.2%. Employee remuneration shall not be less than one percent of the distributable earnings for the current fiscal year, and of the total employee remuneration so allocated, not less than forty percent shall



be distributed to non-managerial employees.

The Company regularly arranges health checkups every year. The head office in Taipei is equipped with a gym and shower rooms. The plants are staffed by certified nurses to provide employees with health care and medical assistance. Female employees are provided with menstrual leave and independent spaces for breastfeeding. We cooperate with childcare and educational institutions to provide childcare services.

Toufen Main Plant includes single dormitories and dormitories for family members for domestic employees, offering long-term accommodation for non-local staff. The dormitory is equipped with recreational facilities such as basketball courts, table tennis rooms, and lounges.

Employees who have been employed for three months or more (inclusive) or their spouses who give birth are eligible for a maternity subsidy of NT\$10,000 per child. Employees' applications for unpaid parental leave can be submitted before their children reach the age of three and the leave can be extended for up to two years.

The Company has established the Employee Welfare Committee and sets aside funds for the welfare fund in accordance with the Employee Welfare Fund Act. The Company manages the use of the employee welfare fund for various beneficial activities to promote the physical and mental health of employees. All employees of the Company are entitled to fair access to all benefits provided by the Employee Welfare Committee. The retention and use of the employee welfare fund are processed by the Employee Welfare Committee.

2. Employee education and training:

- (1) The Company has formulated employee training regulations. We regularly conduct surveys on employee training needs every year in accordance with the regulations and formulate annual training plans. The Company also prepares budgets for training and conducts various types of training. All employee training in professional skills, management skills, and seminars are included in the scope of training. Employees can improve their skills and knowledge through supervisors' instructions, onsite instructions, and digital learning.
- (2) In order to combine both employee training and promotion, the Company has specifically established general education courses for promotion in order to encourage employees to actively learn

and study. Employees must complete the prescribed courses before they can be officially promoted. Employees with potential are administered training for trainee supervisors to train base-level supervisors.

(3) For employees who demonstrate a strong willingness to learn and develop their potential, the Company provides grants for part-time degree programs at domestic universities, which are supplemented with career adjustments in their respective positions.

(4) Employee training is recorded and archived. Every year, employees have to attend at least 8 hours of internal training, which is taken into account during the employee's performance appraisal. At the end of each course, the Company conducts employee opinion surveys and prepares review reports. Satisfaction surveys are conducted from time to time to collect employees' opinions and recommendations on employee training as a reference for improving training.

(5) Employee training implementation status: A total of 7,023 participants took part in training programs in 2025, and training fees totaled NT\$1,570 thousand.

Training Name	Training Participant	Training Name	Training Participant
#7 Gluing Machine Operation Training	PVC Leather Sector I staff	Rupture Disc Training	Engineering Department personnel
Case Study on Incident Investigation Procedures and Drill	Relevant staff members	Initial and Refresher Training for Oxygen Deficiency Operation Supervisors	Relevant staff members
Generative AI Workshop and Seed Instructor Advanced Enhancement Class	Designated personnel	Energy Baseline and Energy Review Education and Training Course	Designated personnel
Corrosion, Energy Consumption, and Overhaul Management Workshop for Chemical Plants	Relevant staff members	Energy Management Personnel Training	Relevant staff members
Maintenance Hazards Notification and Operational Safety Awareness and Joint Agreement Organization Promotion Meeting	Relevant staff members	Kaohsiung City's Pipeline Excavation Engineering Manager Certification Training Program	Relevant staff members
Fire Command Skills Training Program	Relevant staff members	Piping Supervision Engineer Training Program	Relevant staff members
2025 Weight Management Program's Strength Training for Muscle Building	General staff	In-Service Training and Refresher Course for Aerial Work Platform Operators	Related operation personnel
Special Safety and Health Training Course for High-Altitude Work Personnel	Related operation personnel	Efficient Parent-Child Communication Techniques	Relevant staff members
AI Manufacturing Power: Practical Application of ChatGPT in the Manufacturing Industry	Relevant staff members	Financial Report Analysis and Decision-Making	Relevant staff members
25kg Packaging Machine TOPAS Equipment Operation Training	Raw Material Storage and Transportation Sector staff	Education and Training for Enhancing the Knowledge and Skills of Occupational Safety and Health Personnel: "Practical Training Course on Automated Inspection of Pipeline System Components"	Designated personnel
DCS Panel Control Principle and Operation Training	Relevant staff members	On-the-Job Safety and Health Training for High-Pressure Gas Operation Supervisors	Related operation personnel
Promotion of New ESG Knowledge and Key Points of the Yearly ESG Report	Designated personnel	Basic Education and Training on High-Pressure Transfer Methods	Designated personnel
Overview of GHP Process	Chlor-Alkali Sector personnel	CPR+AED (Automated External Defibrillator) First Aid Course	Relevant staff members
Basic Education and Training on PVC	Sales personnel	Work Permit Safety Training	General staff



Training Name	Training Participant	Training Name	Training Participant
IEM Gas Chromatography Instrument Training	Quality Control Sector staff	Health Risk Assessment Specialist	Relevant staff members
Workshop on IE4 Motor Selection Subsidy, Fan Energy-Saving Fundamentals, and Practical Case Studies	Designated personnel	Net-Zero Carbon Strategies: Geothermal Energy and Carbon Sequestration Technology Development	Relevant staff members
Preliminary Hazard Analysis (PrHA)	Designated personnel	A Brief Discussion on the Causes and Treatment of Neuralgia	Relevant staff members
IFRS S1/S2 Sustainability Disclosure Standards Training	Related operation personnel	Problem Analysis and Solution	Relevant staff members
ISO 50001 Energy Management System Internal Auditor Training	Internal audit personnel	Introduction to Basic Financial and Cost Management	Supervisors
ISO System Management Training (Including Policy and Objective Management Programs)	Relevant staff members	Forklift Operator Safety and Health On-the-job Education and Training	Related operation personnel
Procedure Hazop Hazard Analysis Method	Designated personnel	Mixing and Extrusion Processing Technology Practices	Designated personnel
PSM Platform Operation Training (Incident Investigation, Compliance Audit)	Relevant staff members	On-Site Equipment Power Isolation and Supply Procedures	Relevant staff members
Process Safety Management (PSM) Overview and Education and Training	Chlor-Alkali Sector personnel	Safety and Health On-the-Job Education and Training for First-Class Pressure Vessel Operators	Related operation personnel
Retraining on TAF Certification Articles and Full Item Test Standards	Inspection personnel	Communication and Effective Leadership within the Organization	Supervisors
Emergency Response and Education and Training for Equipment Malfunction/VCM Plant Process Overview	Relevant staff members	Safety and Health On-the-Job Education and Training for Personnel Handling or Using Hazardous Materials and Engaging in Hazardous Operations	Related operation personnel
VOC Control Equipment Training	Leather Sector II staff	Building High-Performance Teams	Relevant staff members
Acetylene Fusion Welding Equipment Operators Training Course and Refresher Training	Related operation personnel	Industrial Evidence of Smart Manufacturing and Digital Decision-Making	Relevant staff members
Ethylene Underground Pipeline Emergency Response Drill	Relevant staff members	Labor Law Course	Human Resources personnel
Training Course for Heavy Truck Driver's License	Designated personnel	International Trends in Circular Economy and Industry Cases	Relevant staff members
Education and Training on Insurance Related to Small-Scale Engineering	Engineering Department personnel	Legal Awareness and Response in the Intelligent Era	General staff
Work Instruction, Development Planning, and Implementation	Supervisors and relevant staff members	Foaming Furnace and Printing Machine Operation Training, Customer Quality Requirements and Production Management	Leather Sector II staff
Insider Trading Practical Cases and Related Legal Liabilities	General staff	Ionizing Radiation Continuing Education Course	Relevant staff members
Business Management Under Uncertain Environmental Risks	Supervisors	Comprehensive Guide to Tax Financial Planning	Relevant staff members
Internal Control Practices for the Management of Sustainability Information for Internal Audit Personnel	Audit representatives	CGTD AI Application Management Practices - Safety Detection System and Intelligent Image Recognition	Relevant staff members
Introduction to Chemical Process Unit Operations	Designated personnel	Interface Operation and User Note for the Chlor-alkali Products System	General staff
Grievance and Conflict Management	General staff	Protection and Reasonable Use of Patents	General staff
Commonwealth Leader Campus	Relevant staff members	USIGE and GGTC Business Introduction and Current Development Status	Relevant staff members
Refresher Training for Class A and C Occupational Safety and Health Business Supervisors	Relevant staff members	Shaft Seal Maintenance Training	Raw Material Maintenance Sector personnel
How to Improve Work Efficiency?	General staff	Business Innovation and Management	General staff
Managers' Awareness of Workplace Misconduct	General staff	Glass Wool Building Materials & Eco-Friendly PVC Materials	Relevant staff members
Processed Product Cost Calculation Course	Designated personnel	Business Rejuvenation	Relevant staff members
Procurement Procedure Education and Training	Designated personnel	Introduction and Applications of Ferrite Cores and Silicon Carbide	Relevant staff members

Training Name	Training Participant	Training Name	Training Participant
Security Risks of Generative AI and Guidelines for Safe Use	General staff	Ink and Laser Printer Operation Training	Rigid Pipe Sector personnel
Senior Wastewater Treatment Personnel Onboarding and Continuing Training	Relevant staff members	Acceptance Standards for Newly Purchased and Outsourced Rotating Equipment Parts	General staff
Analysis of Internal Control Practices for Corporate Greenhouse Gas Inventory Management	Designated personnel	Education and Training for Introduction and Application of the Group's New Coating Products	General staff
Global Minimum Tax Education and Training Seminar	Designated personnel	Formulating Business Strategy Planning and Development	General staff
Chilled Water Mainframe Sustainable Energy Efficiency Net Zero Carbon Reduction Plan	General staff	Loader / Skid-Steer Loader (Operation Training)	Related operation personnel
Effective Motivation and Leadership	Supervisors	Information Security Course	General staff
Finding Opportunities in Challenges and Creating Value in Transformations	General staff	Writing and Guidance for Carbon Fee Autonomous Reduction Plan	Relevant staff members
Radiation Protection Annual Refresher Training	Related operation personnel	Understanding Group Insurance Benefits	Relevant staff members
Occupational Safety and Health Continuing Education for Hazardous Operation Supervisors	Related operation personnel	Internal Audit Workshop for Laboratories	Designated personnel
Customer Objection Quality Training	PVC Leather Technical and Product Sector personnel	Process Safety Management (PSM) Training - Equipment Integrity, Change Management, and Process Safety Information	General staff
Precautions for Working with Organic Solvents and Supervisor Refresher Training	Relevant staff members	Network Copyright and Legal Use of Software	General staff
Self-Defense and Fire Marshalling Team Training	Designated personnel	Emergency Response Drills	Relevant staff members
Digital Transformation for Administrative Personnel and Practical AI Application Training	Relevant staff members	Non-Destructive Testing Technology Training Class_Visual Testing (VT), Intermediate Ultrasonic Testing (UT)	Professional technical personnel
Initial Training for Fire Prevention Managers	Designated personnel	Inspection and Certification Testing, Comparison, and Practical Training	Inspection personnel
Typhoon Emergency Response Drills	Relevant staff members	Emergency Response to Acid and Alkali Spills	General staff
Explosion-Proof Electrical Supervision and On-Site Inspection Practice Training Program	Designated personnel	Quality Awareness and Workplace Safety Matters Awareness	Leather Sector II staff
Safety and Health On-the-Job Education and Training for Fixed Crane Operators	Related operation personnel	Instrument Calibration and Quality Management Workshop	Designated personnel
Social Engineering Drills: Email Security and Email Scams Prevention	General staff	Offsite Long-Distance Pipeline Maintenance and Operation Procedures	Relevant staff members
On-the-Job Training for Air Pollution Control Personnel	Professional technical personnel	Wastewater Process Safety Education and Training	Utility Sector personnel
Security Inspector Training Program	Designated personnel	Onboarding and Continuing Training for Waste Management Technical Personnel	Relevant staff members
On-the-Job Training Course for Operational Level Toxic and Concerned Chemicals Emergency Response Personnel	Professional technical personnel	Heat Exchanger Maintenance Training	Engineering Department personnel
Introduction to Letter of Credit Insurance and Case Studies on International Trade Fraud	General staff	Overview of the PVC Film Machine Process and Routine Maintenance	PVC Leather Sector I staff
Leadership and Communication	Supervisors	Understanding and Prevention of Noise	General staff
First Aid Personnel On-the-Job Safety and Health Education and Training	Designated personnel	Presentation Skills	Relevant staff members
Prospects for the U.S.-China Economy and Taiwan's Industrial Economy after the U.S. Election	Supervisors	Machine Clearing and Anti-Entanglement Safety Drill	PVC Film Technical and Product Sector personnel
Command Level Toxic and Concerned Chemicals Emergency Response Personnel	Professional technical personnel	Environmental Analysis Techniques Workshop - Microbial Assessment and Biological Toxicity Testing Techniques	Relevant staff members
Toxic Disaster Emergency Drills and Self-Defense and Fire Marshalling Team Drills	Relevant staff members	Introduction to the Trade Secrets Act and Case Analysis	General staff
On-the-Job Training for Professional Technical Management Personnel of Toxic and Concerned Chemicals	Relevant staff members	Practical Training Program for Mechanical Material Testing and Failure Analysis	Designated personnel



Training Name	Training Participant	Training Name	Training Participant
Pump Maintenance Training	Related operation personnel	UMC's Circular Economy Strategy and Supply Chain	General staff
BP Texas Refinery Fire and Explosion Incident in the United States	General staff	Safety and Health On-the-Job Education and Training for Boiler Operators	Related operation personnel
Flame Retardant Education and Training	R&D Department personnel	Catalyst 650A Storage Education and Training	Designated personnel
Legal Liabilities of Breach of Trust and Case Analysis	General staff	Security Guard Training Course	Relevant staff members
Miaoli County 2025 Labor Safety and Health and Occupational Disaster Advocacy Meeting	General staff	Overview of Transformer Insulation Oil Testing	Instrumentation and Electrical Sector personnel

3.Employee retirement system:

- (1)The Labor Pension Act was effective on July 1, 2005. The retirement pension provisions of the Labor Standards Act continue to apply to incumbent employees and a Labor Pension Reserve Fund Supervision Committee was established. Every month, 10% of each employee's salary is allocated to the pension reserve fund, and retired employees can receive their pension in accordance with the law.
- (2)After the implementation of the Labor Pension Act, the Company contributes 6% of each employee’s monthly salary to the individual pension account established with the Bureau of Labor Insurance for: (i) all new employees and incumbent employees who elect to participate in the Labor Pension Act system; and (ii) incumbent employees who initially elect to remain under the Labor Standards Act and subsequently switch to the Labor Pension Act system within five years.
- (3)Employees can also voluntarily contribute another 6% of their individual salaries every month separately as retirement pension. The voluntary pension contribution shall be fully deducted from the employee's total comprehensive income for the year.
- (4)After choosing to follow the retirement pension system stated in the Labor Pension Act, employees shall not be allowed to switch to the retirement pension system stated in the Labor Standards Act again.

4.Employer/employee agreement and protection of various employee rights:

The management attends meetings of the corporate union board of directors each month. The Company has established the Regulations Governing the Handling of Employee Complaints, Opinions and Feedback and organizes periodic Labor-Management meetings to listen to employees' opinions and effectively resolve labor-management issues.

5.Related certifications obtained from the relevant competent

authorities by personnel associated with the transparency of financial information:

Department	Name	Relevant Study Certifications
Accounting Division	Li, Chun-Feng	Certificate Number for the 2008 CPA Special Examination for Professional and Technical Personnel: (96)Zhuan-Gao-Kuai-Zi No. 000328
		How to apply Robotic Process Automation (RPA) to enhance the effectiveness of internal control
		Legal Liabilities of Financial Crimes in the Digital Age and Compliance Practice Analysis
Auditing Division	Chiang, Kang-Nien	Certified Internal Auditor (CIA)
		Audit Practices Seminar on "Information Security Protection" and "Cloud Security"
		Analysis of Funding Loans, Endorsements and Guarantees, and Regulations and Practices for the Acquisition and Disposal of Assets

6. Employee code of conduct or ethics:

In accordance with the Labor Standards Act and relevant laws, employees' work rules and various management systems (described below) have been established in order to maintain workplace discipline and order among employees.

- (1) Every employee is given an Employee Work Rules Handbook which specifies the behavior or work ethic of employees, including employment, dismissal, working hours, vacation, leave, rewards and punishments, performance appraisal, retirement and welfare.
- (2) Pre-employment training for new employees covers education on work ideals, ethics, quality management system, environmental protection, occupational safety and health management.
- (3) Signing of Letter of Undertaking by employees: This document establishes the employees' commitment towards maintaining the confidentiality of information regarding the Company's tangible and intangible operating assets, preventing the employees from infringing on the interests of the Company and so on.
- (4) Disclosure on the Company's website: The "Codes of Ethical Conduct for Directors, Supervisors and Managerial Officers," "Ethical Corporate Management Best Practice Principles," "Employee Work Rules," "Code of Conduct for Employees Regarding Concurrent and Part-time Work," and "Procedures for Handling Material Insider Information."

7. Protection measures for work environment and employees' personal safety:



- (1) With regard to the promotion of environmental protection and occupational safety and health, the Company not only complies with the relevant laws and regulations but also expects to meet internationally recognized standards. The Company has successfully certified for ISO 14001 (environmental management system), ISO 45001 (occupational health and safety management system), TOSHMS (Taiwan Occupational Safety & Health Management System), and introduced Process Safety Management (PSM), establishing a sound management system to provide a safe and healthy working environment.
- (2) Each plant has a corporate labor union. The Occupational Safety and Health Committee has been set up in accordance with the Occupational Safety and Health Act. Labor representatives are appointed by labor unions. The percentage of committee members is more than one-third of the members, which is higher than the number stipulated by the regulations. The Committee meets once per quarter. Labor representatives voice the opinions of all employees and discuss issues relating to environmental protection and safety and health.

Summary of discussions of the Occupational Safety and Health Committee in 2025:

- (2-1) Work environment monitoring, assessment, review, and
- (2-2) Near miss incident reward promotion
- (2-3) Toufen Main Plant noise control area
- (2-4) Promotion of the Rules for Prevention of Organic Solvent
- (2-5) Regulations for hazard and risk signboards
- (2-6) Fire pipeline valve setting, maintenance, and lubrication
- (2-7) Overview on incident reporting requirements, recipients, and procedures for places stipulated under Fire Services Act Article 19
- (2-8) Annual occupational safety and health goals management
- (2-9) Annual occupational safety and health management plan
- (2-10) Investigation reports for accidents/near miss incidents
- (2-11) Promotion of major occupational hazard by the Group
- (2-12) Observation of the 2025 First-Half Linyuan Industrial Park Chemical Disaster Emergency Response and Regional Mutual Aid Drill
- (2-13) Maintenance safety and health promotion meeting and joint operations coordination meeting
- (2-14) Health promotion seminar

- (2-15)Fire system management plan - Deficiencies items
 - (2-16)Environmental safety important notes - Group audit
 - (2-17)Work environment monitoring for the second half of
- (3)The Company has established the "Contractor Environmental Safety and Health Management Guidelines" for contractor safety management. The content includes pre-work education and training, hazard awareness during coordination meetings, safety checks and work safety permits must be obtained before giving permits to the construction, and strengthened safety supervision during construction.

CGPC provides safety training for contractors and organizes contractor operation safety and health management training before each construction project to improve construction safety and overall health standards. A total of 683 training sessions were organized to improve construction safety and overall health standards.

- (4)The Company has established the "Safety and Health Inspection and Environmental Protection Inspection Guidelines" to conduct inspections on the safety and health-related matters of the plant in order to ensure the safety of the operations as well as the personnel. If any defects are found, notices are given and the deadline for improvement depends on the nature of the event.

In 2025, during the safety and health inspections conducted by supervisors at all levels, the total number of deficiencies identified: 2,257 items; improvements: 2,164 items; improvement rate: 96%.

- (5)Strengthening routine self-inspections and actively participating in activities of the Labor Safety and Health Promotion Associations of Toufen and Zhunan Industrial Parks.
- (6)Actively attending activities held by Taiwan Responsible Care Association (TRCA) in the chemical engineering industry, improving safety and environmental protection performance, reducing injuries from accidents, ensuring financial profitability, increasing company output, implementing community services, and acting as a good neighbor to the community based on the spirit.
- (7)The Company provides its employees with comprehensive health care. In addition to the formulation of guidelines related to employee assistance services and gender equality in the workplace, the Company also provides group insurance, annual health checkups, sports and fitness equipment, as well as



organizes various outdoor recreational activities and talks on mental, emotional and spiritual health.

8. Fulfilling social responsibilities:

- (1) The Company makes contributions to our social and economic well-being.
 - (2) The Company encourages its employees to participate in various service activities to promote community and social development.
 - (3) The Company complies with government regulations and dedicates full effort to reduce the negative impact of business activities on the environment to achieve its goals in environmental protection policies (e.g. adopting environmentally friendly coolants and energy-saving lighting equipment to reduce carbon emissions and greenhouse gases).
 - (4) The Company does its best to take into account local cultural and social traditions when implementing various business activities.
 - (5) The Company has always been committed to the principle of equal opportunities and recognizes the contribution of employees from different backgrounds. The Company adopts an open selection process and hires the right talent for the right position, instead of restricting employees' career development based on their race, gender, age, religion, nationality, or political affiliation.
- (II) Losses incurred as a result of labor disputes in the most recent year and up to the date of publication of this annual report (including violations identified in labor inspections under the Labor Standards Act; details shall include the date of penalty, penalty reference number, applicable legal provisions violated, description of violations, and penalty details), together with an estimate of potential losses to date and in the future and the corresponding mitigation measures:

The Company has always paid serious attention to communication and harmony between the employer and employees, and labor disputes can be communicated and overcome through mutual trust. Hence, there has not been any labor dispute in recent years. Based on the good relations between the employer and employees, no labor dispute is expected to happen in the future.

VI. Cybersecurity Management

(I) Cyber Security Risk Management Framework

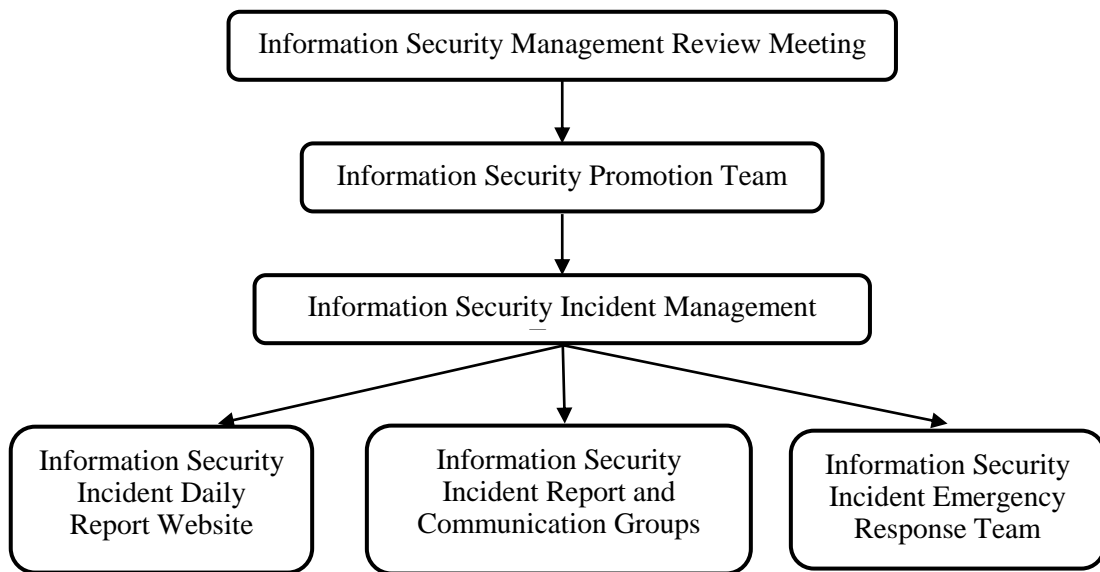
The following paragraphs describe the risk management framework for cyber security, cyber security policies, specific management plans, and resources devoted to cyber security management.

1. Cyber security risk management framework:

- (1) Information security management organizations:

The Company holds an annual "Information Security Management Review Meeting" to review the six key inputs of the information security management system, including: (i) the status of actions from previous management reviews; (ii) changes in internal and external issues relevant to the information security management system; (iii) information security performance feedback; (iv) feedback from interested parties; (v) the status of risk assessment results and risk treatment plans; and (vi) opportunities for continual improvement. Based on the review, the Company determines two key outputs of the information security management system: (i) decisions related to continual improvement; and (ii) any need for changes to the information security management system, ensuring the achievement of information security management objectives.

Organizational Structure of Information Security Management Review Meeting



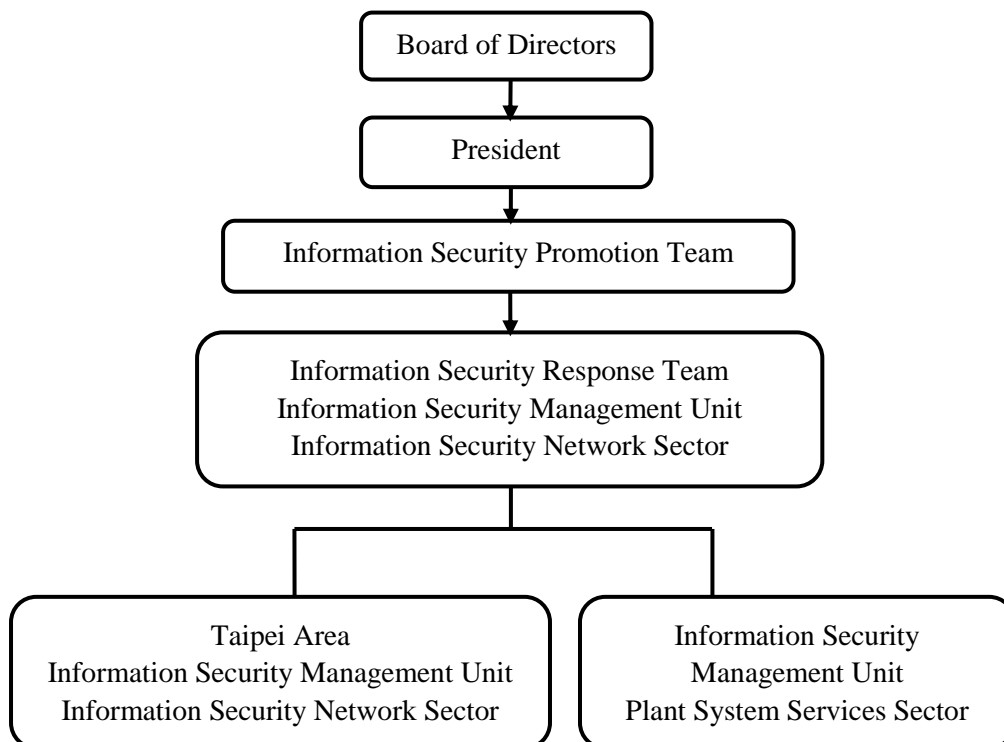
(2) Information and communication security organization framework:

In accordance with the Company's internal standard operating procedures titled "Information Security Implementation Organization Regulations," an "Information Security Promotion Team" is established to oversee the operation of internal information security management. This includes clearly defining the roles and responsibilities of each promotional organization involved. Annual meetings are convened regularly once per year. Should there be a significant information security incident, the Company may convene a meeting immediately. The Director of the Group's Information System Div. serves as the convener of the



Information Security Promotion Team, responsible for organizing meetings, deliberating on, and arbitrating meeting decisions. The supervisors of units under the jurisdiction of the Information System Div. are members of the Team. In the event of a material information security incident, the director of the Information System Div. shall report to the President or heads of related departments.

Organizational Structure of Information Security Promotion Team



Responsibilities of Information Security Promotion Team:

- (2.1) Formulate the information security risk management framework and information security policy
- (2.2) Conduct information security risk assessment and analysis
- (2.3) Conduct information security maintenance and implementation
- (2.4) Verify the effectiveness of information security operation implementation

2. Information security policy:

- (1) Information security management policies and frameworks:

- (1.1) ISO 27001 Information security system:

The ISO 27001: 2013 information security management system has been established since 2014 and continuously

operated and promoted. The Company entrusts an external professional information security certification and inspection company to carry out annual examinations. In 2025, the ISO/IEC 27001:2022 upgrade verification was completed successfully. We have passed the certification and inspection for 11 consecutive years (at present, the certificate is valid from July 4, 2023 to July 3, 2026).

(1.2)NIST Cyber Security Framework (CSF):

The Cybersecurity Framework (CSF) developed by the National Institute of Standards and Technology (NIST) is included.

(2)Enterprise information security risk management and continuous improvement framework:

Based on the ISO 27001 information security management system supplemented by the NIST Cyber Security Framework, the Company has strengthened its risk control measures, enhanced information security resilience, and developed the ability to withstand, contain, and quickly recover from information security incidents in order to continue to provide critical operational services.

(3)Specific management plan:

(3.1)Vulnerability scanning inspections: Regularly conduct vulnerability scanning inspections on the server's operating system to identify potential risks for system corrections or propose compensatory measures and improve information security. It has been implemented for 10 consecutive years.

(3.2)Information asset control: Establish an information asset management platform to record the information assets, mark asset items, use status, and maintenance records, and conduct regular inspections and maintenance.

(3.3)Firewall and industrial control equipment (OT): Adopt Palo Alto networks PA-3220. The new generation Layer 7 firewall system improves the execution efficiency of filtering incoming and outgoing packets and effectively reduces the risk of exposure due to system vulnerability.

(3.4)Critical servers: Deploy Crowd Strike/XDR endpoint detection software that utilizes non-signature-based artificial intelligence (AI) and machine learning (ML) models to instantly analyze potential attack behaviors, thereby mitigating both known and unknown threats.



- (3.5)Email: Adopt the Microsoft Office 365 solution, supplemented with Advanced Threat Protection (ATP) services, to enhance the capability to defend against unknown malicious software links and phishing emails. By migrating email servers to the cloud and progressively reducing the number of Active Directory (AD) and Domain Controller (DC) servers, the potential attack surface is minimized.
 - (3.6)Office equipment (IT): Utilize Trend Micro antivirus software to detect abnormal network usage behaviors. For example: monitor user computer logins to the Active Directory (AD) servers and internet usage behaviors, enabling immediate blocking of attacks.
 - (3.7)VPN: To prevent hackers from remotely attacking the VPN and thereby infiltrating the internal network, which poses a security risk to the Company, the Group Information System Div. has activated the SAML mechanism (MFA verification is required for VPN connections) to enhance the security level.
 - (3.8)Regular cybersecurity inspections are conducted annually for corporate laptops connected to external networks to ensure compliance with the latest information security policies. This process helps identify and address potential security vulnerabilities in a timely manner, reducing the risk of external threats or cyberattacks.
 - (3.9)Personnel information security management: To prevent the occurrence of hacker invasion or data leakage, the Company provides information personnel with information security education and training for four hours every year.
 - (3.10)Social engineering drills: At least twice a year, the Company contracts external professional information security consulting firms to conduct social engineering drills. This practice aims to enhance employee awareness regarding information security, thus protecting data integrity and preventing unauthorized access, alterations, and theft.
- (4)Resources devoted to information and communication security management:

Information security has become a critical issue for the Company's operations. The corresponding management measures and resource allocation plans are as follows:

- (4.1)Dedicated personnel: The Company has established a dedicated corporate organization, the Information Security Network Sector. This sector is responsible for planning,

technical implementation, and auditing of information security measures to ensure continuous enhancement and protection of information security.

- (4.2) Certification: The Company has successfully passed the ISO 27001 information security certification for 11 consecutive years without any significant deficiencies noted during security audits.
- (4.3) Customer satisfaction: There have been no significant information security incidents, nor have there been any complaints related to the loss of customer data.
- (4.4) Education and training: All IT personnel have completed two annual information security training sessions and assessments. All employees participate in one annual social engineering phishing drill, totaling 365 participant instances.
- (4.5) Information security investment: The total investment in information security measures amounted to approximately NT\$1,600 thousand.
- (4.6) Information security announcements: 8 information security bulletins were issued.

(II) Major Information and Communication Security Incidents

List of the losses, possible impacts and responses to major information and communication security incidents incurred in the most recent year and up to the date of printing of the annual report, and, if not reasonably estimable, the facts that are not reasonably estimable.

As of the printing date of the annual report, the Company has not suffered any loss or possible impact due to a major information security incident.

(III) Information and Communication Security Risks and Countermeasures

1. Information technology security risks:

Plant operation and maintenance (O&M) management is central to the manufacturing industry. The production processes are mainly managed and controlled using Operational Technology (OT) systems, such as distributed control systems (DCS) and supervisory control and data acquisition (SCADA) systems. To ensure production stability, the operation systems or programs are often not upgraded or updated after installation, and are the so-called legacy systems. The information security protection of such systems is weaker than the ordinary information technology (IT) systems, such as ERP, CRM and OA software and hardware equipment.

2. Management measures for information technology security:



- (1) Regular audits are conducted by the Company's internal audit department and external professional information security consultants, and we also invite the Taiwan branch of the British Standards Institution (BSI), a leading international certification Company, to conduct annual ISO 27001 certification audits. In addition to reviewing the risk management framework for information and communications security, we also provide counseling and prevention services on internal and external issues and conduct information and communications security risk assessment and analysis.
 - (2) The Group's email system has fully implemented the multi-factor authentication (MFA) mechanism. Besides the first password verification, additional tools are used for a second layer of identity verification to enhance security levels.
 - (3) The Company deploys Fortinet next-generation Layer 7 firewalls for industrial control (OT) systems to enhance the execution efficiency of filtering incoming and outgoing packets and effectively reduce the risk of system vulnerability exposure.
 - (4) Strengthening control of external devices on industrial control systems: Access to USB devices is restricted to prevent data leaks and mitigate attacks from external information security threats, thereby safeguarding the production line from disruptions.
 - (5) External storage media health checks: Comprehensive inspections of external storage media are conducted to reduce the risk of data loss and hidden information security threats. This includes routine virus scanning, checking, and inventorying of all external devices.
 - (6) For the operating systems of servers and other equipment, we appoint an external professional information security consulting company to conduct vulnerability scans every year to find potential risks and make system corrections or propose compensatory measures to address them.
 - (7) Enhanced personnel information security management: To prevent incidents such as hacking intrusions or data breaches, IT personnel are required to undergo at least four hours of information and communications security education training annually. Additionally, by sharing the latest in information security knowledge, the Company aims to elevate employees' awareness of information security.
3. Promotion, development, and application of generative AI (GenAI) technology:

In light of the rapid development of generative AI (GenAI) technology, the Group Information System Div. identifies internal use cases for its application. This includes applying it to intelligent manufacturing and the reengineering of administrative processes, aiming to reduce manual operation time and increase operational accuracy. The Company has conducted several education and training sessions regarding generative AI technology and provided generative AI tools for internal employees within the Group.

VII.Important Contracts

Nature of Contract	Counterparty	Contract Term	Main Content	Restrictive Provisions
Material Purchase Contract	Dampier Salt Limited	January 1, 2024~December 31, 2025	CGPC and Dampier signed a contract for the purchase of solar salt, with the price of the material agreed by both the buyer and the seller.	No
Material Purchase Contract	Mitsui & Co.,Ltd.	January 1, 2026~December 31, 2026	TVCM and Mitsui & Co., Ltd. signed a contract for the purchase of dichloroethane, with the price of the material agreed by both the buyer and the seller.	No
Material Purchase Contract	Mitsubishi Corporation	January 1, 2026~December 31, 2026	TVCM and Mitsubishi Corporation signed a contract for the purchase of dichloroethane, with the price of the material agreed by both the buyer and the seller.	No
Material Purchase Contract	CPC Corporation, Taiwan	January 1, 2026~December 31, 2026	TVCM and CPC Corporation signed a contract for the purchase of ethylene. The price is agreed upon by both parties.	No
Long-Term Loan Agreement	Bank of China Taipei Branch	March 15, 2024~March 14, 2027	Enhancing financial structure and strengthening working capital for CGPC.	Maintaining a certain financial ratio
Long-Term Loan Agreement	Cathay United Bank	December 30, 2024~December 30, 2027	Enhancing financial structure and strengthening working capital for CGPC	No
Long-Term Loan Agreement	Yuanta Bank	December 18, 2025~December 18, 2027	Enhancing financial structure and strengthening working capital for CGPC	Maintaining a certain financial ratio
Long-Term Loan Agreement	The Export-Import Bank of ROC	August 1, 2025~August 1, 2028	Enhancing financial structure and strengthening working capital for CGPC	No
Long-Term Loan Agreement	Chang Hwa Bank	August 27, 2025~August 27, 2030	Enhancing financial structure and strengthening working capital for CGPC	No



Nature of Contract	Counterparty	Contract Term	Main Content	Restrictive Provisions
Long-Term Loan Agreement	Chang Hwa Bank	December 27, 2024~December 27, 2031	To fund CGPC's financial requirements for the Polymerization Reactor Project	No
Long-Term Loan Agreement	Chang Hwa Bank	February 15, 2022~February 15, 2027	To fund CGPC's financial requirements for the automatic storage retrieval system (ASRS) project	No
Long-Term Loan Agreement	Yuanta Bank	April 15, 2022~April 15, 2027	To fund CGPC's financial requirements for the automatic storage retrieval system (ASRS) project	Maintaining a certain financial ratio
Long-Term Loan Agreement	Yuanta Bank	July 15, 2024~July 15, 2029	To fund CGPC's financial requirements for VCM storage tank construction	Maintaining a certain financial ratio
Long-Term Loan Agreement	Yuanta Bank	September 12, 2024~September 11, 2026	Enhancing financial structure and strengthening working capital for CGPCPOL.	Maintaining a certain financial ratio
Long-Term Loan Agreement	Bank SinoPac	July 31, 2025~July 31, 2028	Enhancing financial structure and strengthening working capital for CGPCPOL.	Maintaining a certain financial ratio
Long-Term Loan Agreement	Hua Nan Bank	September 15, 2023~September 15, 2026	Enhancing financial structure and strengthening working capital for CGPCPOL.	No
Long-Term Loan Agreement	First Bank	December 12, 2025~December 12, 2028	Enhancing financial structure and strengthening working capital for CGPCPOL.	No
Long-Term Loan Agreement	Cathay United Bank	October 15, 2021~October 15, 2026	To fund TVCM's financial requirements for the Kaohsiung Intercontinental Container Terminal Project phase 2	No
Long-Term Loan Agreement	Taipei Fubon Bank	October 15, 2021~October 15, 2026	To fund TVCM's financial requirements for the Kaohsiung Intercontinental Container Terminal Project phase 2	Maintaining a certain financial ratio
Long-Term Loan Agreement	E. SUN Bank	November 15, 2021~November 15, 2027	To fund TVCM's financial requirements for the Kaohsiung Intercontinental Container Terminal Project phase 2	No
Long-Term Loan Agreement	Bank of Taiwan	February 15, 2022~February 15, 2027	To fund TVCM's financial requirements for the Kaohsiung Intercontinental Container Terminal Project phase 2	No
Long-Term Loan Agreement	Yuanta Bank	April 15, 2022~April 15, 2027	To fund TVCM's financial requirements for the Kaohsiung Intercontinental Container Terminal Project phase 2	Maintaining a certain financial ratio

V. Review and Analysis of Financial Position and Performance and Risk Items

I. Financial Position

Comparative Analysis of Financial Position

Unit: NT\$ thousand

Item	Year		Change (amount)	Change (%)	Note
	End of 2024	End of 2025			
Current assets	6,702,735	4,401,466	(2,301,269)	(34.33)	1
Investment accounted for using equity method	336,665	320,026	(16,639)	(4.94)	
Property, plant and equipment	9,753,364	11,062,510	1,309,146	13.42	
Other assets	1,282,312	1,643,127	360,815	28.14	2
Total assets	18,075,076	17,427,129	(647,947)	(3.58)	
Current liabilities	4,924,846	4,029,423	(895,423)	(18.18)	
Long-term borrowings	2,851,015	4,214,762	1,363,747	47.83	3
Deferred income tax liabilities	602,255	602,856	601	0.10	
Net defined benefit liability	214,148	191,382	(22,766)	(10.63)	
Other liabilities	166,972	150,364	(16,608)	(9.95)	
Total liabilities	8,759,236	9,188,787	429,551	4.90	
Share capital	5,810,505	5,810,505	0	0.00	
Capital surplus	20,018	21,077	1,059	5.29	
Retained earnings	2,874,214	1,875,473	(998,741)	(34.75)	4
Other equity	34,845	18,876	(15,969)	(45.83)	5
Total equity attributable to owners of the Company	8,739,582	7,725,931	(1,013,651)	(11.60)	
Non-controlling interests	576,258	512,411	(63,847)	(11.08)	
Total equity	9,315,840	8,238,342	(1,077,498)	(11.57)	

1. The main reasons and impact of major changes in assets, liabilities, and shareholders' equity in the last two years (with changes of at least 20% and more than NT\$10 million in the beginning and the end periods):

- (1) Current assets decreased primarily due to effective inventory management, resulting in a reduction in inventory balance of NT\$600 million compared to the end of 2024, along with the reallocation of certain current assets to support operating funds.
- (2) The primary reason is the increase in deferred income tax assets by NT\$340 million.
- (3) The increase was primarily attributable to funding requirements of approximately NT\$4.5 billion for the renovation of polymerization reactors and related process equipment at the Toufen Main Plant. Part of the funding was met through borrowings, resulting in an increase of NT\$1.36 billion in long-term borrowings.
- (4) The primary reason is the net loss of NT\$980 million in 2025.
- (5) The main item is the exchange difference on the conversion of financial statements of overseas operating units.

2. If the impact is significant, describe the future response measures: None.



II. Financial Performance

(I) Comparative Analysis of Financial Performance

Unit: NT\$ thousand

Item \ Year	2024	2025	Change (amount)	Change (%)	Note
Net sales revenue	11,086,725	9,220,952	(1,865,773)	(16.83)	
Cost of goods sold	10,876,143	9,570,867	(1,305,276)	(12.00)	
Gross profit	210,582	(349,915)	(560,497)	(266.17)	1
Operating expenses	1,053,289	910,027	(143,262)	(13.60)	
Profit from operations	(842,707)	(1,259,942)	(417,235)	49.51	1
Non-operating revenue (expenses)	(77,247)	(67,344)	9,903	(12.82)	
Profit (loss) before income tax	(919,954)	(1,327,286)	(407,332)	44.28	
Income tax expense (income)	(168,591)	(345,057)	(176,466)	104.67	
Net (loss) profit for the year	(751,363)	(982,229)	(230,866)	30.73	
Other comprehensive income (loss) for the year (net amount after taxes)	71,327	(7,513)	(78,840)	(110.53)	2
Total comprehensive income (loss) for the year	(680,036)	(989,742)	(309,706)	45.54	

1. Analysis of changes in the ratio of increase or decrease in the most recent two years (if the gross profit of sales changes by more than 20%, the difference analysis shall be made as shown in Table (2); If the change is less than 20%, the analysis shall be exempted):

- (1) In 2025, China continued to add new production capacity, maintaining high operating rates throughout the year. However, with a sluggish domestic market, the significant supply-demand imbalance led to increased dumping in overseas markets, causing prices of upstream and downstream petrochemical products to fall, thereby compressing the margin between key products and raw materials. The Company's sales volume decreased by 29,000 metric tons, leading to a reduction in revenue of NT\$1.03 billion. Additionally, price declines further reduced revenue by NT\$840 million. The cost decreased by NT\$120 million, primarily due to a reduction in raw material costs, with EDC and ethylene costs decreasing by US\$110/mt (-22%).
- (2) Other comprehensive income decreased by NT\$80 million, primarily due to higher remeasurement gains from the defined benefit plans of the Company and its equity-method affiliates in the previous period.

2. The sales volume forecast and the basis, and the possible impact on the Company's future financial operations and response plans for the upcoming year:

In 2026, China is committed to rectifying excess production capacity and addressing price disorders with clear policies. The impact of U.S. tariffs on downstream manufacturing is gradually fading, and demand for PVC in emerging markets is recovering, with clear signs of a bottoming out in the PVC market.

In challenging times, the Company steadily advances organizational transformation and structural improvement. Beyond replacing outdated and energy-intensive equipment, it continues to apply AI-driven technologies to enhance energy efficiency and management effectiveness. Simultaneously, there is a focus on diversifying processed products and developing high-value differentiated products while exploring B2C marketing models to increase added value. In terms of energy conservation and carbon reduction, the Company promotes ESG initiatives, complies with regulations, and strengthens corporate resilience. In the future, we will continue to implement workplace safety, environmental protection, and carbon reduction processes, strengthen corporate governance, and fulfill social responsibility. These efforts aim to achieve an annual sales target of 420,000 metric tons and ensure sustainable corporate operations.

(II) Analysis Table of Changes in Sales Margin:

Unit: NT\$ thousand

	Increase (Decrease) Amount Between Periods	Reason for the Difference			
		Price Difference	Cost Difference	Sales Mix Difference	Quantity Difference
Sales Margin	(560,497)	(841,697)	121,125	176,465	(16,390)
Note	<p>In 2025, China continued to add new production capacity, maintaining high operating rates throughout the year. However, with a sluggish domestic market, the significant supply-demand imbalance led to increased dumping in overseas markets, causing prices of upstream and downstream petrochemical products to fall, thereby compressing the margin between key products and raw materials. The Company's sales volume decreased by 29,000 metric tons, leading to a reduction in revenue of NT\$1.03 billion. Additionally, price declines further reduced revenue by NT\$840 million. The cost decreased by NT\$120 million, primarily due to a reduction in raw material costs, with EDC and ethylene costs decreasing by US\$110/mt (-22%).</p>				

III. Cash Flows

Cash Flow Analysis Table

Unit: NT\$ thousand

Cash Balance at the Beginning of the Period	Net Cash Inflow (Outflow) from Operating Activities for the Year	Cash Inflows (Outflows) from Non-Operating Activities for the Year	Cash Surplus Amount	Remedial Measures for Cash Inadequacy																
				Investment Plan	Financial Plan															
1,523,912	(87,482)	(924,010)	512,420	-	-															
<p>1. Analysis of current year's cash flow change:</p> <p>(1) Operating activities: The net cash outflow of NT\$80 million, mainly due to an outflow of NT\$1.33 billion from net loss before tax, an inflow of NT\$830 million from depreciation and amortization, an inflow of NT\$610 million from inventory changes and an outflow of NT\$400 million from accounts and notes payable. In addition, there was an inflow of NT\$180 million from financial assets at fair value through profit or loss.</p> <p>(2) Investment activities: The net cash outflow was NT\$1.6 billion, primarily due to NT\$2.01 billion spent on the acquisition of property, plant, and equipment.</p> <p>(3) Financing activities: The net cash inflow was NT\$680 million, primarily driven by a net inflow of NT\$780 million from long-term and short-term borrowings (including short-term notes), offset by dividend payments totaling NT\$90 million.</p> <p>2. Liquidity improvement program: Not applicable.</p> <p>3. Cash liquidity analysis for the following year:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Cash balance at the beginning of the period:</td> <td style="width: 20%; text-align: right;">512,420</td> <td style="width: 20%;">thousand</td> </tr> <tr> <td>Expected annual net cash inflow (outflow) from operating activities:</td> <td style="text-align: right;">421,803</td> <td>thousand</td> </tr> <tr> <td>Expected annual cash inflows (outflows) from non-operating activities:</td> <td style="text-align: right;">(395,985)</td> <td>thousand</td> </tr> <tr> <td>Expected annual cash inflows (outflows):</td> <td style="text-align: right;">25,818</td> <td>thousand</td> </tr> <tr> <td>Expected cash balance</td> <td style="text-align: right;">538,238</td> <td>thousand</td> </tr> </table>						Cash balance at the beginning of the period:	512,420	thousand	Expected annual net cash inflow (outflow) from operating activities:	421,803	thousand	Expected annual cash inflows (outflows) from non-operating activities:	(395,985)	thousand	Expected annual cash inflows (outflows):	25,818	thousand	Expected cash balance	538,238	thousand
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Expected annual cash inflows (outflows):	25,818	thousand																		
Expected cash balance	538,238	thousand																		



IV. Impact of Significant Capital Expenditures in the Most Recent Fiscal Year on Financial Performance

(I) Application of Major Capital Expenditures and Sources of Funds:

Unit: NT\$ thousand

	Actual Or Expected Sources of Funds	Actual Or Expected Completion Date	Total Fund Required	Actual and Expected Expenditures		
				2024	2025	2026
(1) Expansion of new production lines						
#4 dryer renewal project	Own funds	December 31, 2026	209,500	182,307	4,960	22,233
New natural gas steam boiler project	Own funds	March 31, 2026	58,249	54,471	3,778	0
Condensation recirculation system upgrade for polymerization	Own funds	July 31, 2026	15,000	12,435	1,004	1,561
800RT freezer chiller system renewal project	Own funds	May 31, 2026	61,500	55,702	88	5,710
VCM spherical tank renewal project	Own funds (partial loan)	December 31, 2026	538,000	184,731	77,869	275,400
Initial planning for polymerization reactor replacement and renewal project	Own funds	December 31, 2026	80,000	34,370	110	45,520
New mobile rack system and loading dock project	Own funds	September 30, 2025	39,085	37,217	1,868	0
#7&8 PVC film machine retirement project	Own funds	December 31, 2026	70,000	60,047	1,577	8,376
Purchase of critical equipment for polymerization reactor replacement and renewal project	Own funds (partial loan)	December 31, 2026	290,000	120,811	81,293	87,896
Polymerization reactor replacement and renewal project	Own funds (partial loan)	December 31, 2026	4,500,000	407,397	1,512,536	2,580,067
Construction project for new 150 tons pure water facility	Own funds	May 31, 2025	36,685	36,668	17	0
Installation of a new nozzle, inspection, and modification of OSBL pipelines for T-343D spherical tank	Own funds	December 31, 2026	22,000	32	1,589	20,379
Newly constructed warehouse for PVC film products	Own funds	December 31, 2026	69,000	0	11	68,989
Purchase of SP-1105 automatic tank cleaning gun assemblies	Own funds	February 28, 2026	12,000	10,853	2	1,145
Heat exchanger coil improvement project for dryers	Own funds	August 29, 2025	31,455	0	31,455	0
SP-1202AB vibrating screen replacement project	Own funds	December 31, 2026	20,000	472	15,231	4,297
Project of construction of original storage tank and ancillary equipment and utilities for Intercontinental Container Terminal Project phase II	Own funds (partial loan)	June 30, 2026	2,178,000	1,895,183	7,713	275,104
Project of ethylene external industrial pipeline of Intercontinental Container Terminal Project phase II	Own funds	December 31, 2025	263,000	243,051	17,981	1,968

	Actual Or Expected Sources of Funds	Actual Or Expected Completion Date	Total Fund Required	Actual and Expected Expenditures		
				2024	2025	2026
C-6204 VCM tower project	Own funds	December 31, 2024	109,812	109,812	0	0
E-6151 reactor spare production project	Own funds	April 30, 2024	106,897	106,897	0	0
Project of expansion of Intercontinental Container Terminal Project phase II EDC and VCM storage tanks	Own funds (partial loan)	April 30, 2024	481,842	481,842	0	0
T-6030 storage tank update	Own funds	December 31, 2026	45,000	34,210	0	10,790
Renewal of fixed equipment	Own funds	December 31, 2026	169,450	81,709	26,042	61,699
Annual maintenance/ pipelines and equipment maintenance	Own funds	December 31, 2026	88,495	46,278	21,327	20,890
Rotating equipment parts	Own funds	December 31, 2026	75,000	32,352	6,444	36,204
69KV transformer replacement project	Own funds	December 31, 2025	28,529	29	28,500	0
Instrumentation and equipment replacement and maintenance	Own funds	December 31, 2026	26,100	11,561	4,524	10,015
(2) Information system update						
Fiber optic backbone replacement and server room renovation project in Toufen Main Plant	Own funds	June 30, 2024	14,426	14,426	0	0
(3) Industrial and security facilities						
Nitrogen system construction	Own funds	March 31, 2026	19,965	11,299	8,666	0
Catalyst storage freezer system update and backup project	Own funds	December 31, 2026	10,000	3,606	2,973	3,421
Renewal of the pedestrian bridge attached to the square tube bridge across Ziqiang Road	Own funds	May 31, 2026	53,000	8,041	41,684	3,275
Replacement and renewal of public utilities along Ziqiang Road	Own funds	May 31, 2026	25,000	6,572	16,201	2,227
Underground cable distribution project for high voltage poles on Huaxia Second Road	Own funds	March 31, 2026	50,000	35,808	8,132	6,060
Replacement of thermal oil pumps	Own funds	December 31, 2027	75,300	0	0	75,300
Underground pipeline intelligent probe pipe inspection project	Own funds	December 31, 2026	68,800	8,979	26,323	33,498
(4) Pollution prevention						
Addition of backup tank for VOC dissolved air flotation system	Own funds	December 31, 2026	17,150	1,709	13,838	1,603
Scrubber tail gas alkaline washing tower	Own funds	December 31, 2026	10,000	0	0	10,000
F-6801 burner modification project	Own funds	December 31, 2028	70,000	0	0	70,000
Total			10,038,240	4,330,877	1,963,736	3,743,627



(II) Potential Benefits Expected:

The above major capital expenditures are renewal projects to maintain current production efficiency and enhance equipment safety, increase production capacity, reduce energy consumption, and minimize VOC emissions.

V. Investment Policy in the Most Recent Fiscal Year, Key Factors Affecting Profit or Loss, Improvement Plans, and Investment Plans for the Coming Year

(I) The reinvestment of the Company and its subsidiaries in 2025 exceeding 5% of the paid-in capital: None.

(II) Investments expected in the next year that exceed 5% of paid-in capital: None.

VI. Risk Analysis and Assessment

(I) Impacts of fluctuations in interest rates and foreign exchange rates and inflation on the Company's profitability and associated action plans:

1. 2025 interest income (payment) and exchange gain (loss):

Item	2025 (NT\$ thousand)
Net interest income (expenses)	(82,932)
Net currency exchange gain (loss)	(46,394)
Ratio of net interest income (expense) to net revenue	(0.90%)
Ratio of net interest income (expenses) to net income before tax	6.25%
Ratio of net currency exchange gain (loss) to net revenue	(0.50%)
Ratio of net foreign exchange gain (loss) to net income before taxes	3.50%

2. Interest rate:

In order to reduce the risk of interest rate fluctuation, idle funds will be invested in fixed deposits of banks, beneficiary certificates of money market funds, buyback transactions of bonds (bills) and REITs.

To address both short-term and medium-to-long-term funding needs, financial institution credit limits are carefully planned and managed to ensure utilization remains below 50%. This approach safeguards liquidity and provides flexibility in allocation. Additionally, interest rate trends are closely tracked to strike an optimal balance between fixed and floating rate allocations. These measures are designed to control financing costs while maintaining a strong and stable financial structure.

3.Exchange rate:

Hedging is based on the net foreign currency position generated by the Company's business. In addition to closely observing the trend of the international foreign exchange market, it also avoids its risks in a timely manner through spot foreign exchange dumping and forward foreign exchange contracts.

4.Inflation:

The main cost of the Company is the raw material cost, and the product's selling price fluctuates in the same direction as the raw material cost. The Company continuously evaluates the impact of assets and liabilities exposed to interest rate fluctuations on the Company.

(II)Policies regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and future countermeasures to be taken:

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

The Company's "Regulations Governing the Acquisition and Disposal of Assets" stipulate that it shall not engage in high-risk and high-leverage investments. We have also made the "Procedures for Lending Funds to Others" and performed pre-funding evaluation and follow-up measures.

2.Endorsements and guarantees:

Ensure to implement the prior evaluation and subsequent follow-up according to the Company's "Endorsements and Guarantees Procedures."

3.Derivatives transactions:

The Company engages in derivative commodity trading for the purpose of avoiding operational management risks. The trading commodities are mainly undertaken as forward foreign exchange and speculative operations are not involved. Additionally, the Company chooses financial institutions with better conditions as trading counterparts to avoid credit risk.

(III)Future R&D Projects and Estimated R&D Expenditure:

1.Future research and development plan: Planned and executed by the Methods and Technology Department, Processing R&D Department, and Production Technical Units.



2.Expected R&D expenditures

Unit: NT\$ thousand

R&D Project	Current Progress	Additional R&D Expenditures Required	Estimated Time to Complete Mass Production	Major Factors Affecting the Success of R&D in the Future
Negative carbon materials (biochar products)	0%	1,000	Before the end of 2026	Formulas and process conditions
Anti-static transparent TPO film/sheets	50%	500	Before the end of 2026	Equipment, formulas and process conditions
Non-PVC adhesive tape fabrics	25%	500	Before the end of 2026	Formulas and process conditions
TPO release sheets	25%	500	Before the end of 2026	Formulas and process conditions
Low-amine foamed leather	25%	500	Before the end of 2026	Formulas and process conditions
Antimony-free formulation (PVC film products)	25%	500	Before the end of 2026	Formulas
TPU treadmill belts / conveyor belts	0%	500	Before the end of 2026	Formulas and process conditions
Microbially biodegradable leather	0%	500	Before the end of 2026	Formulas
PVC agricultural machine four-way leather (mildew-resistant tape)	0%	500	Before the end of 2026	Formulas and process conditions
PVC special medical adhesive tape (Pacific Hospital Supply)	0%	500	Before the end of 2026	Formulas and process conditions
PVC American marine tape	0%	500	Before the end of 2026	Formulas and process conditions
Weather-resistant PVC pipe coating products	0%	500	Before the end of 2026	Formulas and process conditions
Cooling-release PVC sheets	75%	300	Before the end of 2026	Formulas and process conditions
Low-smoke flame-retardant PVC sheets	75%	300	Before the end of 2026	Formulas and process conditions
Antimony-free formulation (PVC leather products)	75%	300	Before the end of 2026	Formulas
Replacement of imported cooling color paste	75%	300	Before the end of 2026	Formulas
TPO garden hoses	75%	300	Before the end of 2026	Formulas
TPE single material (sports shoes)	50%	300	Before the end of 2026	Formulas and process conditions
Inkjet-printed leather	25%	300	Before the end of 2026	Process conditions
Integrated cushion leather (water-repellent fabric surface)	25%	300	Before the end of 2026	Coating formulas and process conditions
Utilizing a 30L PVC polymerization reactor to analyze the impact of various additives on product quality	50%	30	Before the end of 2026	Formulas and process conditions
New formulations testing in a 30L experimental reactor	50%	30	Before the end of 2027	Formulas and process conditions

- (IV) Impact of changes of the important domestic and foreign policies and laws on the Company's finance and business, and countermeasures:
1. Impact on financial operations:
 - (1) Please refer to Chapter IV, Overview of Operations, Item 4, Information on Environmental Protection Expenditures, Sub-item (3): Response to the European Union's Restriction of Hazardous Substances (RoHS) Directive of the Annual Report.
 - (2) Continuously monitor the impact of newly applicable IFRSs, various tax incentives, and other regulatory updates on the Company.
 - (3) Continuously assess the impact of the EU Carbon Border Adjustment Mechanism (CBAM), domestic carbon pricing, the imposition of carbon tax and carbon fee, and the impact of the "Climate Change Response Act."
 2. Response measures:

The Company has a legal department to assess and respond to legal risks, review important contractual documents and legal instruments in advance and alert risks, and provide legal advice to deal with legal matters as needed to protect the Company's rights and interests and reduce default risks and losses. In addition, the Group Accounting Div. monitors changes in relevant accounting and tax laws and regulations, evaluates their impact on the Company's financial operations, formulates appropriate response measures, and discuss with the CPA to ensure adequate advance planning.
- (V) Impacts of changes in technology (including information and communication security risks) and industry on the Company's financial operations, and related response measures:
Please refer to Chapter IV, Overview of Operations, Item 6: Cybersecurity Management. of the Annual Report.
- (VI) Impact of changes in corporate image on the Company's risk management, and response measures:
The Company has always upheld the professional and integrity of the operating principles, paid attention to corporate governance, corporate social responsibility, therefore, there is no foreseeable risk associated with changes in corporate image.
- (VII) Expected benefits and possible risks of mergers and response measures: Not applicable.
- (VIII) Expected benefits and possible risks to expand the plants and the response measures: The Company does not have a plant expansion plan.



(IX) Risks resulting from consolidation of purchasing or sales operations and response measures:

The Company has always been focusing on the petrochemical and plastics market information research and evaluation and strengthening the production, marketing and procurement and other operational strategic planning to maximize profits. Therefore, it can minimize the risk of purchase or sales concentration.

(X) Impacts and risks resulted from major equity transfer or replacement of directors, supervisors, or shareholders holding more than 10% of the Company's shares, and related countermeasures: None.

(XI) Impact, risk, and response measures related to any change in governance rights in the Company:

1. Implementation and responsible unit: Board of Directors.

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

(XII) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: involve the Company and/or any Company director, any Company supervisor, the President, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any Company or companies controlled by the Company; and have been concluded by means of a final and unappealable judgment or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the Company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report.

1. Implementation and responsible unit: Group Legal Affairs Div.

2. Concluded or pending major litigious, non-litigious or administrative disputes in the most recent year and as of the date of report:

(1) The Company:

In January 2021, personnel from the Environmental Protection Administration visited the Company's Toufen Main Plant for an inspection. They discovered that certain operations within the rubber coating manufacturing unit involved surface coating and printing processes. Consequently, it was determined that these processes should be subject to the mass balance method for calculating volatile organic compound (VOC) emissions and associated air pollution control fees. Based on this

determination, the Miaoli County Government ordered the Company to pay additional air pollution fees amounting to NT\$60,510,546. The Company legally challenged this administrative decision, and the appeal was upheld by the Environmental Protection Administration's Appeals Committee, resulting in the annulment of the original administrative order.

On September 14, 2023, the Miaoli County Environmental Protection Bureau issued a revised administrative ruling, recalculating and determining that the Company was required to pay an additional air pollution fee of NT\$41,038,306. Unconvinced by this decision, the Company filed an administrative appeal, which led to the Environmental Protection Administration's Appeals Committee revoking the ruling.

However, on August 12, 2024, the Miaoli County Environmental Protection Bureau issued a new administrative ruling, determining that an additional air pollution fee of NT\$38,932,598 was payable. The Company filed another appeal against this administrative decision, but it was rejected by the Environmental Protection Administration's Appeals Committee. The Company then initiated an administrative lawsuit regarding this appeal decision, and the Taichung High Administrative Court ruled that CGPC should pay an amount of NT\$28,940,296, which is NT\$9,992,302 less than the appealed amount. After discussions with the appointed attorney, it was determined that the practical benefit of an appeal was limited, the grounds for appeal were insufficient, and there was a potential risk of overturning the existing litigation outcome. Therefore, it was decided not to file an appeal; furthermore, the Miaoli County Government has already appealed the verdict. The case is currently being heard by the Supreme Administrative Court.

- (2) Directors, Supervisors, President, persons with actual responsibility in the Company, and major shareholders holding more than 10% of the Company's shares: None.
- (3) Investments accounted for using the equity method:

Regarding the investee accounting for using the equity method, China General Terminal & Distribution Corporation (hereinafter "CGTD"), who was commissioned to operate the LCY Chemical Corp.'s propylene pipeline resulting in a gas explosion on July 31, 2014, the criminal proceedings were concluded with the Supreme Court dismissing the appeal on



September 15, 2021, and all three employees of CGTD were acquitted with finality.

CGTD reached an agreement with Kaohsiung City Government on February 12, 2015 and pledged a term deposit of NT\$238,306 thousand (including interest) to the Government as a guarantee for losses caused by the gas explosions. Furthermore, the Kaohsiung City Government has pursued civil litigation against LCY Chemical Corp., CGTD, and CPC Corporation, Taiwan, seeking compensation for the losses sustained. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015. CGTD had deposited cash of NT\$99,207 thousand to the court to avoid provisional attachment. Taiwan Water Corporation also applied for provisional attachment against CGTD's property on February 3 and March 2, 2017. Bank deposits under attachment amounted to NT\$6,401 thousand as of April 30, 2026.

As for the victims, CGTD, LCY Chemical Corp. and Kaohsiung City Government signed a tripartite agreement on July 17, 2015 agreeing to negotiate the compensation first with the 32 victim's successors and persons entitled to the claims ("family of the victim"). Each victim's family was entitled to NT\$12,000 thousand and the total compensation was NT\$384,000 thousand. The compensation was first paid by LCY who also represents the three parties in the settlement negotiation and the signing of settlement agreements with the family of the victim. CGTD also agreed to pay NT\$157,347 thousand to LCY on August 10, 2022 in accordance with 30% of the proportion of fault liability in the first instance judgment in accordance with a tripartite agreement. After that, when the civil litigation is determined, it will be compensated according to the determined liability ratio.

As for the seriously injured victims, CGTD, LCY Chemical Corp. and the Kaohsiung City Government signed a tripartite agreement for serious injuries on October 25, 2017 agreeing to negotiate compensation first with the 65 seriously injured victims. The compensation was first paid by CGTD and the Kaohsiung City Government. CGTD also represents the three parties in negotiating settlements with victims who suffered serious injuries in the incident. It has signed settlement agreements with 64 of the victims.

As of April 30, 2026, victims, affected individuals, and their families from the Kaohsiung gas explosion incident have filed civil lawsuits (including civil claims attached to criminal proceedings) against LCY Chemical Corp, CGTD, and CPC Corporation, Taiwan, seeking compensation. To reduce litigation costs, CGTD reached a settlement for claims that initially totaled NT\$46,677 thousand, with the final settlement amounting to NT\$4,519 thousand. The remaining claims still under litigation, along with the settlement agreements for deceased and severely injured victims mentioned earlier, amount to approximately NT\$3,831,211 thousand. For certain civil cases involving claims of around NT\$1,616,883 thousand, the first-instance rulings have been issued gradually since June 22, 2018. In most rulings, the court determined proportional negligence liability as follows: Kaohsiung City Government (40%), LCY Chemical Corp (30%), and CGTD (30%). The total compensation assigned to LCY Chemical Corp, CGTD, and other defendants is approximately NT\$489,861 thousand, of which NT\$6,194 thousand was ruled as not the responsibility of CGTD.

For civil cases that have been adjudicated at the first instance but not settled, which were appealed to the second instance, the second-instance judgments have been issued progressively since July 10, 2024. As of April 30, 2026, the second-instance rulings on claims filed by the Kaohsiung City Government (totaling approximately NT\$1,137,677 thousand) cover 9 cases. Among them, in 8 cases, CGTD was found jointly liable with LCY Chemical Company for 10% liability in 5 cases and 20% liability in 3 cases, with a total compensation amount of NT\$79,726 thousand. In 1 case, CGTD was solely responsible for 10% liability, with an independent compensation amount of NT\$297 thousand. Additionally, in the second-instance rulings on claims filed by Taiwan Power Company (NT\$265,822 thousand), the National Health Insurance Administration (NT\$35,688 thousand), and Taiwan Water Corporation (NT\$28,643 thousand), CGTD and LCY Chemical Company were held jointly liable for a total compensation amount of NT\$120,143 thousand. For the aforementioned second-instance rulings, CGTD has filed an appeal to the third instance for all cases eligible for further appeal. Other cases remain under first-instance court proceedings, with total claims amounting to approximately NT\$1,711,504 thousand.



Based on the court-determined liability ratios related to this gas explosion incident, the estimated settlement amounts for fatalities and severe injuries, as well as compensation for civil lawsuits (including settled cases), have been calculated. After deducting the maximum insurance coverage, the estimated self-borne amount has been recorded at NT\$136,375 thousand. However, the actual amounts for settlements and compensations will only be finalized upon the conclusion of civil litigation and the determination of CGTD’s allocated liability.

(XIII) Risk management, policies, and management plans for information security:

Please refer to Chapter IV, Overview of Operations, Item 6: Cybersecurity Management. of the Annual Report.

(XIV) Responding to environmental, social, and corporate governance risks:

Aspects to Consider	Risk Description	Response Measures
Governance	Production and Sales Strategy and Operational Risks	<p>Facing the supply-demand imbalance caused by China's overcapacity and weak demand, as well as geopolitical conflicts, Sino-U.S. confrontations leading to global tariff measures, and energy price fluctuations arising from climate change, the Company continues to adjust its business strategies to mitigate operational risks and maintain business stability. Response practices include:</p> <ul style="list-style-type: none"> ● Flexibly adjust raw material procurement strategies: Implement rolling management of production, sales, and inventory levels to stabilize product margins and reduce the risks of price declines and supply disruptions. ● Optimize production configuration and process efficiency: Continuously introducing equipment updates, enhancing energy usage efficiency, and integrating intelligent technology to ensure process safety, stable quality, and cost competitiveness. ● Diversify Markets and Sales Network: Maintain strong customer relationships and promote the development of non-PVC materials and circular economy products. ● Promote product valorization and diversification: Enhancing overall market competitiveness in response to climate change and emerging market demands. <p>Note 1: For economic performance, please refer to Chapter 3.2 "Operational Performance" of the 2025 ESG Report. Note 2: For research and development actions, please refer to Chapter 3.5 "Technology R&D" of the 2025 ESG Report. Note 3: For intelligent technology, please refer to Chapter 3.6 "Intelligent Management" of the 2025 ESG Report.</p>
	Financial Risks	<p>The Company faces the following financial risks:</p> <ul style="list-style-type: none"> ● Interest Rate Risk: Borrowing maturities and proportions are adjusted in line with short-, medium-, and long-term funding needs, while credit levels are controlled and utilization is maintained below 50% to mitigate interest rate fluctuation risks. ● Exchange Rate Fluctuation: The Company's policy is to hedge 100% of its net foreign exchange positions, and flexibly adjust the hedging ratio within a manageable risk range.

Aspects to Consider	Risk Description	Response Measures
		<ul style="list-style-type: none"> ●Property Loss Risk: The Company has secured comprehensive property insurance based on its operational and asset scale, with coverage determined by replacement cost. This ensures appropriate risk transfer and mitigation. ●Endorsements and Guarantees: The targets of endorsements and guarantees are limited to wholly owned subsidiaries to reduce their funding costs and enhance funding flexibility. The related risks remain within a tolerable range. ●Accounts Receivable: Differentiate management based on customer nature: <ol style="list-style-type: none"> 1.Domestic customers: Strengthen collateral requirements. 2.Export customers: Mitigate risks through insurance or payment terms. <p style="margin-left: 40px;">Overdue and daily management: Suspend deliveries for overdue accounts, clarify the reasons, analyze financial reports, and implement necessary protective measures depending on the situation.</p>
	Disaster and Accident Risks	<p>To strengthen disaster and accident risk management, the Company has implemented the following measures:</p> <ul style="list-style-type: none"> ●Hazardous Materials Inventory and Reporting: Complete the inventory and reporting of hazardous materials within the deadlines stipulated by relevant regulations. ●Inspection and Improvement of Fire Safety Equipment: Fire safety equipment undergoes regular inspections. If deficiencies are found, they are promptly addressed and reported in accordance with the law after confirming that the equipment functions properly. ●Fire Hydrant Water Testing and Inspection: Quarterly inspections of fire pipelines, hydrants, and valve wells are conducted to ensure the system operates correctly. ●Class A Protective Gear Annual Inspection: Class A protective equipment undergoes annual external inspections to ensure optimal functionality. ●H-CARD Information Maintenance: Continuously establish and update the Hazardous Chemicals Access and Response Database (H-CARD) to provide necessary information for disaster relief. ●Firefighting Water Tank Replenishment Management: Maintain the water storage level of firefighting water tanks according to the replenishment plan to meet legal and design capacity, enhancing emergency water supply capability. ●Enhancement of Firefighting Systems and SOP: Revise the SOP in accordance with the Fire Management Regulations and establish related guidelines to strengthen the consistency of firefighting management. <p>Note 1: For the implementation status of climate change risks, please refer to Chapter 5.2 "Climate Change and Energy Management" of the 2025 ESG Report.</p> <p>Note 2: For the incident explanation, please refer to Chapter 6.4 "Safe and Healthy Workplace" of the 2025 ESG Report.</p>
	Technology and Information Security Risks	<p>To strengthen the management of technology and information security risks, the Company's key measures are as follows:</p> <ul style="list-style-type: none"> ●Information Security Governance and System: Maintain the ISO 27001 management system (including the 2022 upgrade), establish a dedicated information security unit and personnel, and conduct

Review and Analysis of Financial Position and Performance and Risk Items



Aspects to Consider	Risk Description	Response Measures
		<p>regular annual reviews through internal and external audits.</p> <ul style="list-style-type: none"> ●Personnel and Endpoint Protection: Conduct cybersecurity training and social engineering drills annually; deploy endpoint protection and heterogeneous detection mechanisms on work computers and critical information assets. ●System and Network Protection: Implement OT equipment inspections and USB control, conduct vulnerability scans and corrections twice a year, and reduce the risk of external attacks through firewalls, ACL, and DDoS protection. ●Operational Resilience and Access Control: Conduct annual disaster recovery drills for critical systems, and implement SSL VPN, email MFA, and the principle of least privilege to ensure continuous operations. <p>Note 1: For the mechanisms and implementation status of information security risk management, please refer to Chapter 3.3.2 "Information Security Risk Management" of the 2025 ESG Report.</p>
	Others	<ul style="list-style-type: none"> ●Research and Development Risks: <ol style="list-style-type: none"> 1. In order to adhere to the intellectual property management policy, enhance the Company's industry position and protect existing technological advancements, the Company filed a patent application in 2025: "Application of Translucent Layer Structure and Its Luminescent Decorations" (Utility Model No. M657916), with the patent rights valid from July 11, 2024, to April 8, 2034. 2. Product formulations are controlled through the ERP system, while document management is handled by the Document Management Center, ensuring no risk of data leaks. 3. The R&D department is executing and monitoring the 2025 research and development plan while drafting the strategy for 2026. Carbon emissions have been integrated into the product development direction, focusing on circular economy, clean production processes, and green energy aspects. The competitiveness of product development is regularly reviewed, and operations have been normal this year. <p>Note 1: For research and development actions, please refer to Chapter 3.5 "Technology R&D" of the 2025 ESG Report.</p> <ul style="list-style-type: none"> ●Legal Risks: <p>In 2025, the Legal Affairs Div. provided legal consultation and assistance for administrative litigation cases related to the retroactive collection of air pollution control fees at the Toufen Main Plant and alleged violations of the Air Pollution Control Act, as well as issues concerning idle land at the Zhongshan Plant. In other areas, including compliance risk, transactional risk, legal awareness, and conduct, operations proceeded normally throughout the year.</p>
Environmental 1	Climate Change and Environmental Risks	<p>To address climate change and environmental risks, the Company has implemented the following measures:</p> <ul style="list-style-type: none"> ●Carbon Reduction Targets and Energy Initiatives: Set a carbon reduction target for 2030 (27% reduction compared to 2017) and a long-term goal of carbon neutrality by 2050. Promote energy-saving and carbon reduction plans, and implement the ISO 50001 energy management system and internal carbon pricing mechanisms, incorporating carbon costs into decision-making.

Aspects to Consider	Risk Description	Response Measures
		<ul style="list-style-type: none"> ●Climate Risk Assessment and Energy Transition: Through the TCFD, climate risks and opportunities are analyzed, and financial impacts are assessed while new energy sources are developed. Solar energy capacity has been installed at the Toufen Main Plant, and other renewable energy opportunities are being evaluated. ●Regulatory Response and Environmental Protection Management: Continuously monitor developments in energy, greenhouse gases, and environmental protection regulations while participating in policy discussions; ensure regulatory compliance and enhance environmental performance through environmental inspections, VOC management, and annual safety and environmental audits. ●Pollution Prevention and Resource Efficiency: Promote pollution control equipment and process improvements, waste reduction, recycling and reuse, and implement water recovery and inspection to enhance resource use efficiency. ●Carbon Inventory, Carbon Footprint, and Disclosure: Engage a third party to verify greenhouse gas emissions and complete the reporting process, advance carbon footprint operations for 11 products, maintain the operation of the ISO 46001 water resource management system, and participated in CDP Climate Change and Water Security topics. <p>Note 1:For relevant regulatory notes, please refer to Chapter 3.4 "Regulatory Compliance" of the 2025 ESG Report.</p> <p>Note 2:For the explanation of environmental risks-related performance, please refer to Chapter 5 "Environmental Management" of the 2025 ESG Report.</p>
Social	Human Resources Risks	<p>The Group continues to actively monitor and manage risks related to human resources, while dynamically adjusting control mechanisms in response to changes in risk factors.</p> <ul style="list-style-type: none"> ●Talent Shortage Risks <ul style="list-style-type: none"> Diverse Recruitment and Industry-Academia Cooperation: The Company recruits through campus recruitment, job banks, ESG websites, and the Company's official website, while promoting industry-academia cooperation and pre-employment internships with domestic and international universities to expand talent sources and enhance employer brand visibility. ●Talent Attrition Risks <ol style="list-style-type: none"> 1.Talent Development and AI Empowerment: A diverse training system has been established, incorporating generative AI applications to enhance employee skills and work efficiency. 2.Promotion and Succession System: Implement the annual promotion mechanism, talent pipeline, and succession planning, to strengthen key competency development and organizational sustainability. 3.Labor Management Relations and Compensation System: Promote employee retention and mutual growth through labor communication mechanisms and a competitive market-based compensation system. 4.Employee Care and Support: Introduce employee assistance programs (EAP) to strengthen mental health and support mechanisms. <p>Note 1:For human resource notes, please refer to Chapters 6.1 to 6.3 of the 2025 ESG Report.</p>



Aspects to Consider	Risk Description	Response Measures
	Occupational Safety Risks	<p>To reduce occupational hazards and occupational health risks, the Company continuously strengthens occupational safety management through systematic management, regular monitoring, and educational promotion.</p> <ul style="list-style-type: none"> ● Safety Performance Management: Each month, the number of major occupational incidents (disabling injuries) and cumulative accident-free days are recorded. Facilities achieving 1,000 consecutive accident-free days are recognized. In 2025, the CGPC Toufen Main Plant received one safety violation penalty notice. ● Regulatory Compliance and Audits: Each month, the Company compiles key points from government safety inspections and details of any penalty notices, executing safety, environmental protection, and fire protection regulation compliance audits according to the annual plan. ● Process Safety Management (PSM): Continue to conduct cross-site and in-plant PSM audits, gradually introduce digital management, and enhance accident prevention and process safety. ● Promotion and Communication: Conduct monthly promotion of process safety and accident case studies; regularly hold cross-site and contractor meetings to reduce operational risks. ● Occupational Safety and Health Promotion: When operational noise exceeds 80 decibels, protective equipment is required; a doctor visits the site once a month, and employee health checkups are conducted annually. <p>Note 1: For the occupational safety and health note, please refer to Chapter 6.4 "Safe and Healthy Workplace" of the 2025 ESG Report.</p>

Note: Risk considerations are primarily based on the operations of CGPC.

(XV) Intellectual Property Status:

The report on the implementation of intellectual property management in 2025 and the R&D plan for 2026 were submitted to the Board of Directors on November 4, 2025. The main plan contents and implementation status are as follows: Implementation Status in 2025

1. Patent Management:

1.1. Standard Formulation of Patent Application Regulations (Formulated on March 22, 2007)

To ensure that new manufacturing methods, new product designs developed by various departments, and the research and development results of technical units are protected by law, and to grant the company the right to exclude others from manufacturing, selling, and using these products without the company's consent for a certain period, this application regulation was formulated.

1.2. Number of Patents 7

- (1) Method for manufacturing polyolefin elastomer artificial leather and its products, patent period: April 1, 2007 to May 22, 2026.
- (2) Fully recyclable artificial leather structure (Utility Model No. M630391), patent period: August 1, 2012 to April 12, 2012.
- (3) Slow-heating artificial leather structure (Utility Model No. M631078), patent period: August 1, 2012 to April 12, 2012.
- (4) Antiviral coating structure (Utility Model No. M636340), patent period: January 11, 2012 to July 11, 2012.
- (5) Leather structure with scratch and stain resistance (Utility Model No. M636680), patent period: January 21, 2012 to May 1, 2012.

(6)Antibacterial and antifungal layer structure (Utility Model No. M645877), patent period: September 1, 2012 to June 26, 2012.

(7)Application of a light-transmitting layer structure and its luminescent decorative ornaments (Utility Model No. M657916), Patent period: July 11, 2024 to April 8, 2024.

2. Trademark Management

2.1. Revision of the Standard Regulations for Trademark Application and Management (Amended on October 3, 2022 due to organizational changes) To market and promote new product styles and differentiate them from others' products, to ensure that specific trademarks are easily identifiable by consumers and protected by law, to prevent others from registering identical or similar trademarks on the same or similar goods without the company's consent for a certain period, and to provide guidelines for trademark management, these regulations are hereby formulated.

2.2. Number of Trademarks (Total 41 registered trademarks) CGPC Trademark Registration covers the United States, the European Union, the United Kingdom, Russia, and China. Trademarks are acquired based on target market assessments according to business strategies. Trademark exclusivity period extensions are reviewed to determine whether the trademark is conducive to operations and product promotion before deciding whether an extension is necessary.

The following are the trademarks that have been maintained in the United States for 114 years: According to U.S. trademark law, in order to maintain exclusive trademark rights, proof of trademark use and an affidavit must be submitted to the U.S. Patent and Trademark Office in the 5th to 6th year after the trademark registration period expires.

(1)ENDURATEX We cover the world (Registration No. 5760481): Registered in the U.S. on May 28, 2019, proof of trademark use was submitted on December 11, 2024, and the application was accepted on March 30, 2025.

(2)ENDURATEX (Registration No. 5760448): Registered in the U.S. on May 28, 2019, proof of trademark use was submitted on December 11, 2024, and the application was accepted on March 29, 2025. (3) We cover the world (Registration No. 5803105): Registered in the US on July 16, 2019; proof of trademark use was provided on December 11, 2024; application accepted on March 29, 2025.

(4)puretex (Registration No. 6008439): Registered in the US on March 10, 2020; proof of trademark use was provided on August 21, 2025; currently under review.

The following Taiwan trademark registrations were maintained in 2025:

According to Taiwan's Trademark Act, an extension application must be submitted to the Taiwan Intellectual Property Office six months before the trademark registration period expires.

FORBID (Registration No. 01737324):

Registered in Taiwan on April 22, 2015; an extension application was submitted on July 1, 2025, and approved on August 5, 2025.

VII. Other Important Matters: The Company's Key Performance Indicators

(I)Productivity achievement rate: Compared to the annual target, CGPC Toufen Main Plant: raw material products reached 89.77%, processed products reached 86.03%; TVCM Linyuan Plant: VCM products reached 94.12%; CGPCPOL Linyuan Plant: PVC resin products reached 72.53%.

(II)Yield achievement rate: Compared to the annual target, CGPC Toufen Main Plant: raw material products reached 99.59%, processed products



reached 99.73%; TVCM Linyuan Plant: VCM products reached 100%; CGPCPOL Linyuan Plant: PVC resin products reached 100%.

(III)Customer complaints: In 2025, the ratio of annual losses from customer complaints (excluding quantity discounts) was 0.1644% (the losses from customer complaints as a ratio of the revenue), and it was within the Company's control.

(IV)Employee proposals: In 2025, there were 396 proposals (established cases) and the estimated savings is NT\$30.204 million.

(V)Work safety incidents:

Injury frequency in 2025 (number of disability and injury per million hours): 2.64

Injury severity rate in 2025 (total number of days of losses due to disability and injury per million hours): 35

Work safety incident rates remained within a manageable range for the Company.

Note 1:The scope of items 1 to 4 includes CGPC Toufen Main Plant, TVCM Linyuan Plant, and CGPCPOL Linyuan Plant.

Note 2:The scope of item 5 includes CGPC Toufen Main Plant, TVCM Linyuan Plant, CGPCPOL Linyuan Plant, and GGTC.

Note 3:The related content above is still being finalized and confirmed. If there are any adjustments, the official release of the 2025 ESG Report (expected to be published by the end of August 2026) will prevail.

(VI)Pollution prevention:

In 2025, the service site of GGTC (a subsidiary of TVCM) at Changhua Ginny Metal Industrial Co., Ltd. has successfully passed official verification and received formal documentation confirming its delisting. The successful remediation case presentation was awarded the "2025 Environmental Engineering Practical Technology Seminar Outstanding Paper Award" by the Chinese Institute of Environmental Engineering and the Taiwan Environmental Engineering Association".

The results of the aforementioned remediation projects were formally recognized and acclaimed by scholars and experts from the institute and the association. Outstanding and meritorious paper awards were presented for these achievements. Additionally, the environmental analysis laboratory received certification from the American Waters ERA for laboratory proficiency, demonstrating its robust inspection and quality control capabilities. Members of the drilling team successfully passed their exams and obtained the Well Drilling Technician License from the Water Resources Agency of the Ministry of Economic Affairs, as well as secured a Class A special

permit for the well drilling business. Moreover, the development of bio-crystal sphere applications has obtained an invention patent. Please refer to the 2025 ESG Report Chapter 5.3.4 Soil and Groundwater Remediation Technology or website:
<https://www.cgpc.com.tw/ESG/tw/ESG-Report.aspx>,
<https://www.cgpc.com.tw/ESG/tw/soil-and-groundwater.aspx>

VI.Special Notes

I.Affiliates Information

The 2025 Consolidated Business Report, Consolidated Financial Statements, and Affiliation Report have been publicly disclosed and filed on the Market Observation Post System (MOPS). For details, please refer to the “Basic Information / E-Books / Affiliated Company Reports” section on the MOPS website:

(https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=1305&year=&mtype=K&isnew=true).

II.Private Placement of Securities During the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report: None.

III.Other Supplementary Information: None.

IV.Situations Listed in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act Which Might Materially Affect Shareholders' Equity or the Price of the Company's Securities Occurring During the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report: None.

China General Plastics Corporation

Chairman: Wu, Yi-Gui