

2025

ESG Report



USI Corporation
台灣聚合化學品股份有限公司



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USI Corporation 2025 ESG Report

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Introduction



Message from the Chairman GRI 2-23

In the face of intense volatility in the international political and economic landscape, the urgent challenges of climate change, and structural updates in the petrochemical industry supply chain, we continued to adhere to our philosophy of "Creating Sustainable Value and Cultivating a Sustainable Society" in 2025, striving to generate long-term shared benefits for all stakeholders, including customers, shareholders, employees, society, and the environment. To cope with macro-environmental uncertainties, we have deployed more agile actions and resolute governance decisions to deepen corporate resilience and drive comprehensive transformation.

Precision Transformation to Deepen High-Value Blue Ocean Markets

Over the past year, the commodity resin market was confronted with severe overcapacity, plunging the petrochemical industry into unprecedented red-ocean competition. We deeply recognize that transitioning toward high-added value is the ultimate answer to sustainable operations. Therefore, we have actively invested in developing lightweight, high-performance, and low-carbon circular material products. USI Corporation, Asia Polymer Corporation, Taita Chemical Company, Limited, and China General Plastics Corporation have all achieved ISO 14021 material certification and are developing recycled circular products while continuously expanding the breadth of B2C consumer applications. We pledge to deliver higher-quality and more innovative, competitive solutions to our customers, ensuring long-term profitability for shareholders and a long-lasting corporate foundation.

Agile Collaboration to Empower Operational Management with AI

In an era where profit margins are heavily compressed, we actively optimize our internal operational health. We are comprehensively promoting the practical implementation of AI technology, integrating artificial intelligence into manufacturing, administrative administration, and R&D workflows to significantly boost resource efficiency and process yield via data-driven models. Meanwhile, we are dedicated to forging a highly efficient "One Team" cross-departmental collaboration culture. This not only empowers all colleagues with greater capability amidst changes, but we also hope to extend this efficient and lean management experience externally, driving supply chain partners to step concurrently toward modernized operational excellence.

Climate Resilience to Deepen Nature-related Financial Disclosures

We profoundly understand the interdependence between business operations and the natural environment. In terms of climate action, both USI Corporation and China General Plastics Corporation achieved a "B" (Management) level rating in the CDP climate change and water security questionnaires. This outstanding achievement reflects our excellent transparency in environmental governance and our practical commitment to addressing climate risks and implementing resource management. We are steering more firmly toward our long-term targets of "reducing carbon emissions by 27% compared to the base year by 2030" and "achieving carbon neutrality by 2050." To execute low-carbon operations, USI Green Energy Corporation has continuously expanded its green power layout. In 2025, its grid-connected solar capacity reached 9MW, generating over 11.25 million kWh annually, with a further target to achieve a 12MW installation scale by 2027. Furthermore, in response to global attention on biodiversity, the group's five listed companies have fully launched the "Taskforce on Nature-related Financial Disclosures (TNFD)" initiative. Through systematically identifying the dependence and impact of operational activities on natural capital, we have elevated environmental risk management to a brand-new tier, materializing our protection commitments to the ecological environment.

Human Rights Protection and Social Inclusion

Employees are the foundation of corporate transformation. We are committed to building a diverse, inclusive, and safety-oriented workplace. Concurrently, we share the fruits of corporate growth with society through the USI Education Foundation. In 2025, the foundation invested a total of approximately NT\$10.04 million to continuously support scholarships for

outstanding students, education and local revitalization in rural Hualien and Taitung, rural medical services, tutoring for underprivileged children, indigenous cultural revival, and ocean beach cleanups, exerting a tangible and far-reaching social impact.

2025 ESG Key Achievements

An investment of NT\$906 million was made in Kaohsiung Intercontinental Container Terminal (ICT) Project Phase 2, which was completed and commissioned in the third quarter to strengthen the future dispatch and stable supply of ethylene. In 2025, the development and refinement of 9 representative new products were accomplished, continuing the strategic pivot toward energy-saving and high-value products. Regarding energy saving and carbon reduction, the annual electricity saving rate reached 1.7% (with an average electricity saving rate of 1.48% from 2015 to 2025), and the water saving rate was 6.6%. Furthermore, we secured verification from the Foundation of Taiwan Industry Service, confirming a water recycling rate of 91.4% for the year 2024. Since 2020, we have joined forces with contractors to implement the Operation Clean Sweep resin pellet recovery program, continuously reducing plastic pellets and dust from entering the marine environment at the source. At the invitation of our customers, we participated in and successfully completed the Ministry of Economic Affairs' "Supply Chain Low-carbon Transition Coaching Program," accumulating a carbon reduction of 13,113 metric tons of CO₂e over the past two years.

Looking ahead, market challenges remain stringent, yet our direction forward is exceptionally clear. We will continue to take execution and cross-boundary collaboration as our cornerstone, stepping firmly forward on the path of sustainable development. We appreciate the long-term trust and support of all stakeholders and look forward to walking hand-in-hand with you to build a long-term future filled with resilience and value.

Chairman Quintin Wu



About This Report

Framework and Reporting Standards

To provide all stakeholders who care about USI Corporation (hereinafter referred to as USI) with information on our fulfillment of corporate social responsibility, this report has been prepared in accordance with the Global Reporting Initiative (GRI) GRI Standards: 2021, and the Sustainability Accounting Standards - Chemicals issued by the Sustainability Accounting Standards Board (SASB). It discloses relevant sustainability themes and follows the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies. It also references the United Nations Global Compact, ISO 26000 Guidance on Social Responsibility, the Task Force on Climate-related Financial Disclosures (TCFD), and the Taskforce on Nature-related Financial Disclosures (TNFD) frameworks to determine the report content.

Report Scope and Boundary GRI 2-2 \ GRI 2-3

The scope of this report focuses primarily on USI, covering the Taipei Headquarters, the Guishan R&D Division, the Kaohsiung Plant, and the USI Education Foundation. Other subsidiaries listed in the consolidated financial statements are excluded from this report. Environmental sustainability performance focuses primarily on data from the Kaohsiung Plant, and other relevant details are explained separately in the report. The period of disclosed information spans from January 1, 2025, to December 31, 2025. The content of this report presents management and performance across governance, environmental, and social aspects. Financial information is consistent with the audited financial statements certified by CPAs. Certain statistical metrics are cited from annual reports, government agencies, and public domain info on relevant websites. Unless specified otherwise, all currency values are denominated in New Taiwan Dollars (NT\$).

External Assurance GRI 2-5

This report complies with and follows the GRI Standards guidelines. Deloitte Taiwan served as the independent third-party assurance provider to review compliance with GRI standards and perform limited assurance procedures on 5 ESG indicators in accordance with Assurance Standard No. 3000, issuing an independent limited assurance report. (Please refer to Appendix 6.5 Third-party Assurance Report for details).

Compilation and Review Procedure GRI 14

1	Kick-off meeting to discuss compilation content
2	Compilation by members of the three working groups
3	Review and approval by supervisors of the data-owning departments
4	Consolidation, proofreading, and revision by the project secretary
5	Discussion and review by working group members
6	Internal review of group data
7	External assurance
8	Graphic design layout, final proofreading, and revision
9	Final review and approval by the Sustainability Development Committee
10	Approved by the Board of Directors prior to publication

The primary units responsible for this report are the project secretary under the ESG Committee and three implementation working groups (Corporate Governance, Environmental Protection, and Social Relations). All ESG information is verified for accuracy by the supervisors of data-owning departments, sent to group equipment, compiled, and proofread/edited by the project secretary. The Group's Equipment Preventive Maintenance Environmental Risk Control Division (Environmental Protection Department) conducts data double-checks, which are then assured by an external independent third party before being submitted to the Sustainability Development Committee for final approval. Lastly, the report is submitted to and approved by the Board of Directors before publication.

Publication History and Timeline GRI 2-3

2014 / 12



Inaugural publication of the Corporate Sustainability Report

2015 / 06



Second publication of the Corporate Social Responsibility Report;
First verification by a third-party certification body (BSI AA1000)

2016 / 06



Limited assurance by the accounting firm (Deloitte Taiwan ISAE 3000)

2017 / 06



Limited assurance by the accounting firm (Deloitte Taiwan ISAE 3000)

2018 / 06



Limited assurance by the accounting firm (Deloitte Taiwan ISAE 3000)

2019 / 06



Third-party notarization unit verification (SGS AA1000)

2020 / 06



Third-party notarization unit verification (BSI AA1000 AS v3)

2021 / 06



Third-party notarization unit verification (BSI AA1000 AS v3)

2022 / 06



Third-party notarization unit verification (AFNOR Asia AA1000 AS v3)

2023 / 06



Limited assurance by the accounting firm (Deloitte Taiwan ISAE 3000)

2024 / 08



Limited assurance by the accounting firm (Deloitte Taiwan ISAE 3000)

2024 / 08



Inaugural publication of the TCFD Report in 2024

2025 / 08



2025 / 08



Inaugural publication of the Climate and Nature Report in 2025

Current Publication

2026 / 08



2026 / 08



Contact Us GRI 2-3

You can download the report and related materials from the "Corporate Sustainability" section of our company website at: [ESG Report Download](#). If you have any feedback or suggestions regarding the content of this report, please feel free to contact us.

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TCFND Report



ESG Report

2025 ESG Performance Highlights

Operational Performance

- ◆ Completed and commissioned Kaohsiung Intercontinental Container Terminal (ICT) Project Phase 2 with an investment of NT\$**906** million
- ◆ Ranked in the top **6-20**% tier among TWSE-listed companies in the 2025 Corporate Governance Evaluation
- ◆ Achieved dual "**B**" scores for Climate Change and Water Security in the CDP evaluation
- ◆ Supply Chain Low-carbon Transition Coaching Program achieved a total reduction of **13,113** metric tons of CO₂e over two years
- ◆ Accumulated grid-connected capacity of solar energy farm reached **9**MW
- ◆ Adopted **5** hectares of newly afforested land
- ◆ Electricity saving rate of **1.7**%, water saving rate of **6.6**%, water recycling rate of **91.4**%, and raw material recycling rate of **13.9**%
- ◆ Recovered a total of **10.5** metric tons of resin pellets
- ◆ Green procurement expenditure totaled approximately NT\$**51** million
- ◆ **Zero** occupational safety incidents and zero process safety incidents occurred in 2025

Certifications and Awards



Ranked in the 6-20% bracket of TWSE-listed companies
in the 12th (2025) Corporate Governance Evaluation



Awarded a "B" Management level for
"Climate Change" and "Water Security"
by CDP



Named in Business Weekly's 2025 "Top 100 Carbon
Competitiveness Companies"



Honored with the Golden Award in the Report
Category and Corporate Sustainability Performance
Award at the 18th TCSA awards 2025



1111 Job Bank Happy
Enterprise Gold Award



Green Procurement
Excellence Award



Received the 2025 Ministry of
Education Sports Administration
iSports Certification



Awarded the 2025 Excellence
Award for Outstanding Air
Quality Purification Zone
Adoption Unit by the Ministry of
the Environment



Awarded the 2024 Air Quality
Purification Zone Model Award
by the Environmental Protection
Bureau, Kaohsiung City
Government



Awarded the "Circular
Economy" and "Carbon
Management" Awards by SGS



Recognized as an
Outstanding Pipeline
Bundle Joint Defense
Organization for 2025



Recognized as an Outstanding
Unit for Net-Zero Green Life
(Large Enterprise Category)
and Outstanding Unit for Green
Procurement in 2024



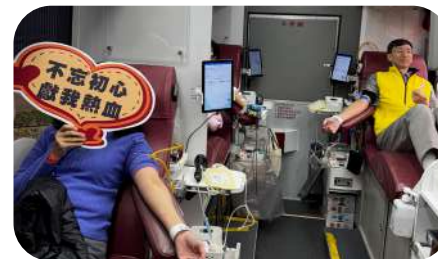
Philanthropic Activities



Participated in the
2025 Taipei Tech Cup Charity Road Run



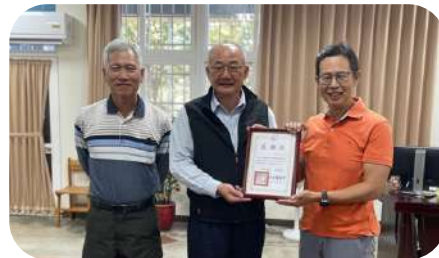
Donated NT\$3 million to the
Alliance Cultural Foundation



Participated in the NeiHu Science and
Technology Park Thousand-Person Blood
Donation Event



USI Education Foundation
Sponsored scholarships for outstanding
students



Adopted Air Quality
Purification Zone



Completed the donation for the fifth phase of
the afforestation adoption project

Media Reports



2025 CommonWealth Magazine Top 2,000 Survey
USI ranked 87th in the manufacturing sector

USI responded to Gudeng and supply chain partners
to promote carbon reduction actions, demonstrating
concrete results of net-zero transition

Chapter 1

Sustainable Operation



1.1 Sustainability Vision and Goals GRI 2-22

Group's Sustainable Operation Vision

The sustainable vision of USI Group is "Creating Sustainable Value and Cultivating a Sustainable Society." We aspire to leverage our core capabilities to continuously create and consolidate sustainable value, thereby contributing to societal sustainability.

Based on the sustainability vision, three core strategies have been developed: "R&D and Innovation," "Stable Management," and "Social Inclusion," aiming to co-create value with stakeholders.

We have extended these core strategies to develop 7 critical topics, all built upon the foundation of honest and reasonable partners.



USI Principles

As a member of USI Group, USI follows the group vision to develop three major sustainability principles: Unity Governance (U), Sustainable Development (S), and Innovative Technology (I). We periodically review material topic analysis results alongside corporate sustainability principles. Starting from core values and linking with The Sustainable Development Goals (SDGs), we formulate short-, medium-, and long-term strategies and goals. Each department sets Management by Objectives (MBO) items accordingly, which employees further deconstruct into Key Performance Indicators (KPIs) in the HR system to serve as the basis for performance appraisal, promotion, and salary increments.

The Sustainable Development Goals (SDGs)

Corporate sustainable development must stem from core values. Grounded in the philosophy of sustainable operation, USI identifies SDG correlations across three phases and integrates relevant targets into operational plans to align with the SDGs:

- 1 Understanding SDGs and Operational Development Discussions**
Conduct SDG educational training, discuss operational impacts, and prioritize sustainable development goals.
- 2 Identifying Impacts and Opportunities**
Link sustainable development goals with material topics; identify critical opportunities and resource allocations.
- 3 Responding to SDG Targets and Actions**
Discuss feasibility of target settings; establish short-, medium-, and long-term plans, and discuss their inclusion in corporate operational plans.

Based on industry characteristics and corporate scale, USI has identified 12 United Nations Sustainable Development Goals, utilizing them to formulate a five-year operational plan. Each department sets Management by Objectives (MBO) items based on this plan, which employees deconstruct into Key Performance Indicators (KPIs) in the HR system to serve as benchmarks for performance appraisal, promotion, and compensation adjustments. For detailed implementation progress, please refer to Section 1.4 Material Topics Management and respective chapters.

The Sustainable Development Goals (SDGs)

Item	SDGs	Goal	Corresponding Chapter
1		Maintain a safe working environment in the plant and employee health, and reduce road injuries and deaths	5.1 Operational Safety Management 5.2 Occupational Health and Safety
2		Employee education, sponsorship of nearby schools, and the education foundation	5.4 Talent Cultivation and Development 5.5 Charity and Community Engagement
3		Equal pay for equal work	5.3 Talent Attraction and Retention
4		Water resource management: water-saving plans and a 0.5% annual decrease in unit water consumption	4.2 Water Resource Management
5		Continuously increase the utilization rate of highly energy-efficient products and invest in clean energy	4.5 Climate Change and Energy Management
6		Continuously increase revenue, ensure equal job opportunities, harmonious labor-management relations, protect labor rights, and promote a safe working environment	2.2 Economic Performance 5.2 Occupational Health and Safety 5.3 Talent Attraction and Retention
7		Annual research funding of no less than NT\$100 million, and 4 new product developments and improvements per year	3.1 Technology R&D
8		Product transportation and underground pipeline management	5.1 Operational Safety Management
9		Green procurement mechanism and supply chain management, raw material recovery rate, and establishing a safe and healthy workplace to ensure the health and sustainable development of the workforce	3.3 Supply Chain Management 4.6 Raw Material Management 5.2 Occupational Health and Safety
10		Group carbon reduction pathway, greenhouse gas inventory, product carbon footprint, and identification of climate-related risks and opportunities	4.5 Climate Change and Energy Management
11		Sustainable forest management: sponsor the reforestation of 5 hectares for 20 years	4.5 Climate Change and Energy Management
12		Regulatory compliance, implementation of human rights policies, and prohibition of bribery and corruption	2.4 Ethical Corporate Management and Legal Compliance
13		Encourage public welfare sponsorship and participation	5.5 Charity and Community Engagement

Five-Year Operational Plan

	Corporate Governance	Environmental, Health and Safety (EHS)
Short-term (1 year)	- Complete the second and third phases of solar power generation equipment installation, and continuously evaluate investments in solar power plants and geothermal power generation - Promote high-value production (High VA, Low MI) - Implement AI/intelligent management plans - Equipment energy saving, carbon reduction, and safety assessment, as well as replacement of old equipment - Certification and promotion of recycled materials	- Implement the "Five Zero Goals" to promote energy saving, carbon reduction, waste reduction, zero pollution, water saving, and water resource reuse projects - Promote 14 major items of the Process Safety Management system - Execute 7 major items of the underground pipeline maintenance and operation plan (Note 2) - Promote transportation safety audits and execute 8 evaluation items (Note 3) - Promote Operation Clean Sweep (OCS) and recovery management - Promote ISO 14021 system verification - Promote the audit and control of three wastes and the management of waste clearance contractors - Cooperate with the Group in introducing the carbon pricing system - Continue to conduct 4 major categories of EHS educational training (Note 5) - Continuously promote 6 major items of ISO management systems. - Promote 4 items of intelligent factory management - Add warehouse detection systems
Medium-term (3 years)	- Planning and investment in downstream development projects of the Gulei refining and chemical integration - CBC continuously develops low gel and low optical birefringence specifications for application in high unit price Optical lens systems - Continuously promote green power development and carbon reduction pathways - Implementation of AI/intelligent management - Planning and execution of circular economy plans - Continuously research and develop green/high-value products	- Continue short-term plans - Continuously promote energy-saving, carbon-reduction, and water-saving plans - Complete the integration of greenhouse gas inventories - Strengthen the audit and control of three wastes and the management of waste clearance contractors - Continue daily inspections to monitor underground pipeline safety and conduct regular inspections and maintenance - Promote the circular economy and raw material reuse planning - Promote 2 items of intelligent factory management
Long-term (5 years)	- Planning and investment in downstream development projects of the Gulei refining and chemical integration - Deeply cultivate Taiwan, continue local investments, and promote circular economy plans	- The 'Five Zero Goals' of 'zero pollution, zero emissions, zero accidents, zero occupational injuries, and zero failures' - Introduce AI technology for energy management - Plan and establish '2050 Carbon Neutrality' as a long-term goal in response to climate change - Continuously promote the circular economy and green energy development - Promote the 2030 carbon reduction goal of 27% (with 2017 as the baseline year) - Promote 1 item of intelligent factory management

Social Relations



- Sponsored the Alliance Cultural Foundation with NT\$3 million, and continuously deepened education and environmental protection activities in remote areas
- Continuously care for employees' health and physical and mental well-being, and provide a safe working environment
- Maintain harmonious labor-management relations and protect various labor rights
- Be a good neighbor and interact well with the community
- Strengthen supplier/contractor management policies and specific requirements

- Continuously sponsor various public welfare activities to optimize corporate image
- Strengthen industry-government-academia cooperation to cultivate excellent talent
- Enhance the service capacity and effectiveness of the education foundation
- Expand promotion and sponsor employee participation in public welfare activities
- Continuously promote energy saving and carbon reduction in the supply chain

- Perfect the supplier/contractor evaluation system
- Expand resources and energy for social participation to scale up social feedback

Note 1: Process Safety Management System: (1) PSI (Process Safety Information), (2) MOC, (3) PHA (Process Hazard Analysis), (4) MI (Mechanical Integrity), (5) SOP, (6) PSSR, (7) Train (Educational Training), (8) EP (Employee Participation), (9) CONT (Contractor Management), (10) HW (Hot Work Permit), (11) II (Incident Investigation), (12) ERP (Emergency Response Plan), (13) Audit (Compliance Audit), (14) Trade (Trade Secrets).

Note 2: Underground pipeline maintenance and operation plan: (1) Pipeline integrity assessment and management, (2) Pipeline operation management and monitoring system, (3) Pipeline patrol operations and supporting measures, (4) Pipeline maintenance and inspection, (5) Pipeline change and management, (6) Competency training and management for pipeline maintenance and operation personnel, (7) Establishment of a pipeline bundle joint defense organization and management plan, (8) Pipeline anomaly reporting mechanism and emergency response plan.

Note 3: Transportation safety audit: (1) Company profile, (2) Driver qualifications, (3) Safety policies and communication, (4) Work procedures and instructions, (5) Safety equipment, (6) Driver hiring, training, and control, (7) Vehicle device management and maintenance standards, (8) Transportation quality and environmental protection.

Note 4: Fire safety equipment inspection and maintenance: (1) Fire pump operation test, (2) Fire pump performance test, (3) Fire safety equipment inspection.

Note 5: EHS educational training: (1) New employee training, (2) Transferred employee training, (3) Employee on-the-job training, (4) Contractor training.

Note 6: ISO management systems: (1) ISO 9001, (2) ISO 14001, (3) ISO 14064, (4) ISO 14067, (5) ISO 45001, (6) ISO 50001.

Note 7: Intelligent factory management: Short-term - (1) Contractor facial recognition system, (2) Finished goods warehouse high-temperature ignition detection system, (3) Tank area white smoke and open flame detection system, (4) Canning area leakage detection system;



1.2 About USI

Corporate Profile

USI (Stock Code: 1304) was established on May 26, 1965, and built Taiwan's first Low Density Polyethylene plant. Its primary business covers the development, manufacture, and sales of Polyethylene (PE) resin pellets, with its factory located in Renwu District, Kaohsiung City.

Basic Information

GRI 2-1、2-6、2-7

Company Name	USI Corporation
Industry Category	Plastics Industry
Head Office	No. 330, Fengren Rd., Renwu Dist., Kaohsiung City
Taipei Headquarters	12F, No. 37, Jihu Rd., Neihu Dist., Taipei City
Capital	Over NT\$11.89 billion (as of December 31, 2024)
Production Volume	201,310 metric tons (2025)
Primary Products	Ethylene Vinyl Acetate Copolymer (EVA) Low Density Polyethylene (LDPE) High Density Polyethylene (HDPE) Linear Low Density Polyethylene (LLDPE) Downstream manufacturers process polyethylene resin pellets into various everyday plastic items.
Number of Employees	410 people (as of December 31, 2025)

Note: The number of employees includes 408 permanent contract workers and 2 fixed-term contract workers.

Operational Locations

USI's vital operational sites are in Taiwan, comprising the Taipei Headquarters, the Guishan R&D Division, and the Kaohsiung Plant. The Taipei Headquarters manages product sales business; the Guishan R&D Division coordinates product research and development alongside technical services; the Kaohsiung Plant controls manufacturing. The Kaohsiung Plant contains three production zones: Manufacturing Department I produces LDPE and EVA products; Manufacturing Department II produces HDPE and LLDPE products; Manufacturing Department III produces cyclic block copolymers.



Taipei Headquarters



Guishan R&D Division



Kaohsiung Head Office



Value Chain Overview

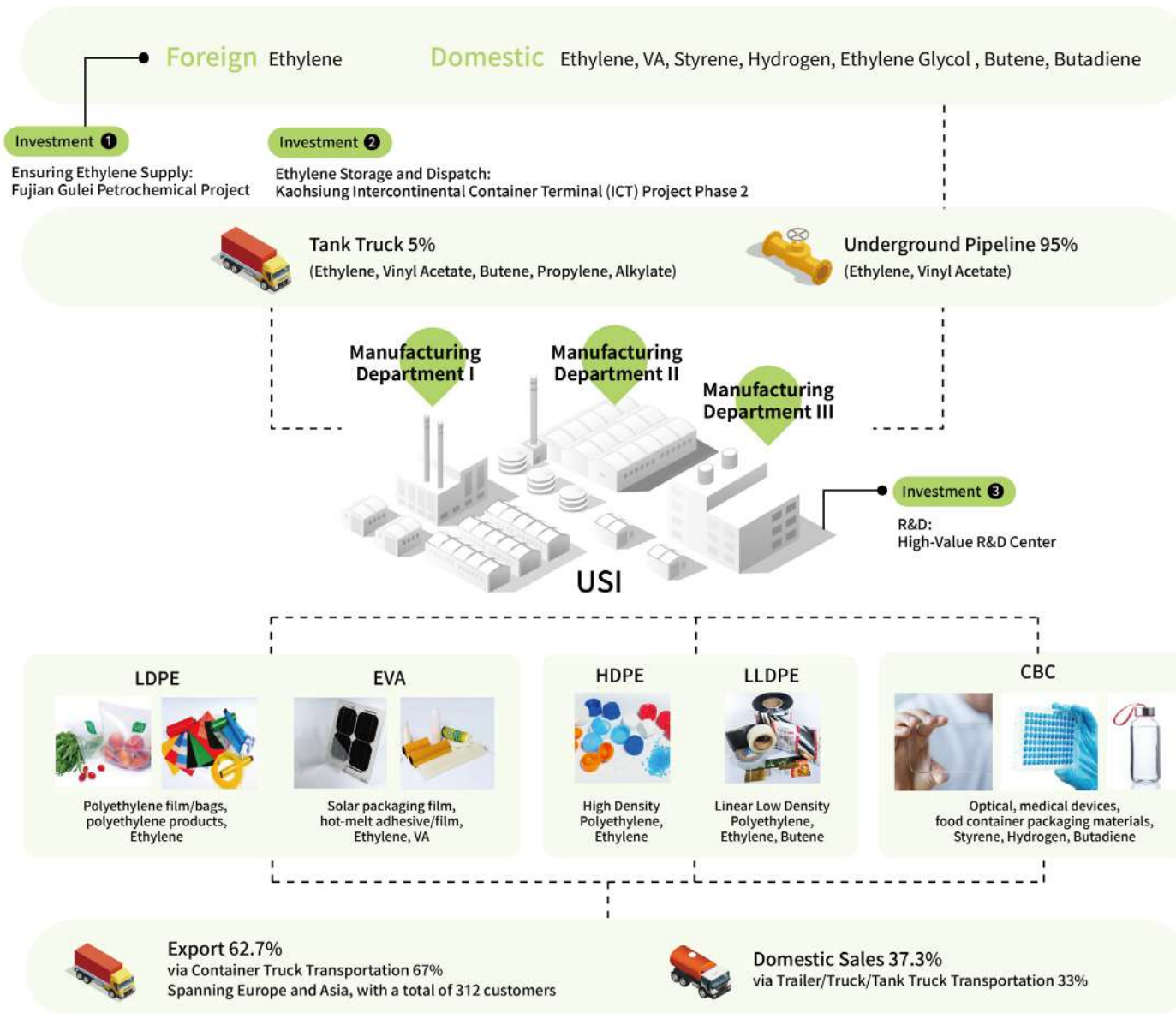
USI is an upstream manufacturer in the plastics industry, producing Polyethylene resin pellets supplied to downstream factories for injection, foaming, and filament drawing operations. These are applied in industrial markets such as solar packaging films, shoe materials, sheets, wires/cables, plastic bags, bottle caps, and hot-melt adhesives; see Product Information for details. Upstream vendors include raw material suppliers and material equipment/engineering contractors, with subcontracting partners collaborating on production and transport workflows.

Regarding strategic positioning, we proactively advance green energy transformation (investing in USI Green Energy Corporation and forging Chem Union Renewable Energy Corporation with petrochemical peers) and integrated upstream-downstream projects (Fujian Gulei Petrochemical Co.,Ltd.v). Additionally, we actively engage in exchanges with various trade associations and professional organizations, such as the Petrochemical Industry Association of Taiwan, the Chinese National Association of Industry and Commerce Taiwan, and the Chinese National Federation of Industries; see About USI - External Initiatives and Trade Associations for details.

Value Chain	Type	Number of Vendors
 Suppliers	Bulk raw material suppliers (Ethylene, Vinyl Chloride)	7
	Other raw material suppliers	68
	Engineering contractors	59
 Customers	Approximately 90% are manufacturers, 10% are distributors	352 companies; export 62.7%, domestic sales 37.3%
 Strategic Investments	Green energy and petrochemical industries	4
 Subcontractors	Collaborative production, transportation	2 collaborative production companies, 1 finished product transportation company, 1 pipeline transportation company

Note: There were no material updates in value chain vendors compared to the previous year.

Product Map



Product Introduction

GRI 2-6

Primary Products

Our company is a major domestic Polyethylene manufacturer. Committed to continuous refinement, we enhance product quality and quantity to supply superior products to numerous downstream processors, lifting the standards of processed goods and mutually expanding the market. Products are divided into four primary categories; see the official [Product Information website](#) for details:

Overview of USI's Major Products and Trademarks



LDPE
Low Density Polyethylene
PAXOTHENE®



HDPE
High Density Polyethylene
UNITHENE®



EVA
Ethylene Vinyl Acetate Copolymer
EVATHENE®



LLDPE
Linear Low Density Polyethylene
LINATHENE®

High-Value Products



ViviOn™
Cyclic Block Copolymer (CBC)



Functional Coatings
All-Effect Thermal Insulation Coating



USIGREN™
Low-Carbon Eco-Friendly Materials



FREVA™ Fire Retardant Materials
Green Fire Retardant Materials & Eco-Friendly Flame Retardants

External Initiatives and Association Participation

GRI 2-28

USI actively participates in exchanges with professional bodies, boosting the specialized growth of technology and capability across fields via peer and cross-industry cooperation to collectively fulfill industrial sustainable development.

In 2025, USI participated in 13 organizations across trade associations and non-profit entities, including the Petrochemical Industry Association of Taiwan, the Chinese National Association of Industry and Commerce Taiwan, the Chinese National Federation of Industries, and the Taiwan Chemical Industry Association; see the link for details: <https://www.usife.com/zh-tw/dirAbout/frmAbout9>

Regarding response to external initiatives, USI became one of the 1,846 TCFD supporting companies worldwide in November 2020, joined the Chinese National Federation of Industries' "[Industry Carbon Neutrality Alliance](#)" in April 2022, signed the Taiwan Chemical Industry Association (TCIA) [Net-Zero Emissions Declaration](#) in August 2022, and secured a "B" Management level rating in the 2025 CDP Climate Change and Water Security assessments.

About USI Group

USI Group's affiliates incorporate multiple business entities across petrochemicals, electronics, warehousing, energy saving/environmental protection, investment, trading, management consulting, and public welfare; please refer to the official USI Group affiliate website for a thorough overview.

USI's public and listed subsidiaries—Asia Polymer Corporation (APC), China General Plastics Corporation (CGPC), Taita Chemical Company, Limited (TTC), and Acme Electronics Corporation (ACME)—all publish their own sustainability reports.

Consolidated Total Assets	NT\$63.3 billion (2025)
Consolidated Revenue	NT\$44.2 billion (2025)
Total Number of Employees	4,814 people (2026/3/16)

Note: For further specifics, please refer to the [Group Overview](#).

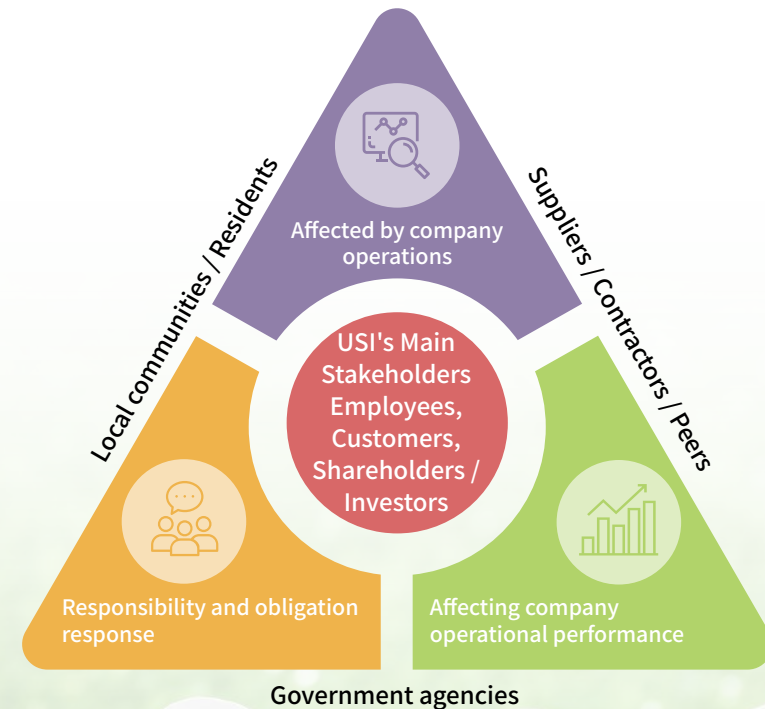
1.3 Stakeholder Engagement GRI 2-29

USI believes that in-depth communication with stakeholders is the foundation of sustainable corporate operations, and through comprehensive and effective communication, we can understand the issues of concern to stakeholders.

Therefore, we continue to establish communication channels, focus on responding to issues of concern to stakeholders, discuss the levels of impact in various meetings, incorporate them into short-, medium-, and long-term strategies such as the company's Five-Year Operational Plan and risk and opportunity management guidelines based on their materiality and impact, adjust the direction of sustainable operations, and report to the Board of Directors regularly.

Stakeholders and material topics are identified every two years. In 2024, based on the five principles of the AA1000 SES (2015) Stakeholder Engagement Standard: dependency, responsibility, influence, diverse perspectives, and tension, seven major communicating stakeholders were identified, including employees, customers, shareholders/investors, government agencies, suppliers/contractors, peers, and local communities/residents, adopting the identification results of 2024.

In addition to obtaining stakeholder feedback through multiple channels, a sustainability section has been set up on the website to enhance communication.



Stakeholder Communication Channels and Topics of Concern

Stakeholder identities, topics of concern, communication channels, and response methods are reported to the Board of Directors annually.

Stakeholders	Topics of Concern	Communication Channels and Frequency	Engagement Results	Annual Implementation Status	USI's Response
Employees					
Employees are the cornerstone of the company's development and partners in sustainable development. We recruit excellent employees, provide a safe and healthy working environment, retain and cultivate talent, and continuously care for employee needs. Contact Window: Mr. Chen, Personnel Section (07)735-9998 #2261	- Operational performance - Employee benefits - Workplace health and safety - Labor-management relations - Talent recruitment and retention	- Newcomer interviews (interviews with managers of all levels) - Performance interviews (regular) - Labor-management meeting (quarterly) - Union board of directors and supervisors meeting (quarterly) - Union member representative assembly (annually) - Employee Welfare Committee (semi-annually) - Occupational Safety and Health Committee (quarterly) - EHS / Energy Management Committee (quarterly) - Labor Pension Supervisory Committee (semi-annually) - Group employee satisfaction survey (annually) - Professional psychological counseling services (anytime, anywhere) - Employee health checkup (once/year)	- Adjust compensation and reward systems - Generous year-end bonus distribution - Enhance employee health care	- Conducted a satisfaction survey for 368 employees, with a 73% response rate for staff and 23% for operators (operators participated for the first time). - Employee Assistance Program (EAP) [USI Good Mood Hotline] employee care: a total of 78 usages across the Group from March to December 2025. [USI Good Lecture Hall] - contents included employee physical and mental health/ well-being, totaling 562 attendees. - Annual health checkups held, with 425 participants in 2025, an examination rate of 99.2%. On-site physician consultations once a month, with 43 employees receiving physician interviews. Educational training held for high-risk diseases.	Regarding the survey results of various dimensions, the two items with the lowest satisfaction were compensation and development. We will implement the following improvement measures and continue to optimize: - Focus on the market competitiveness of the salary structure, refer to the salary levels of benchmark enterprises, strengthen factors such as job evaluation, professional skills, and work performance to optimize the salary structure and system, and enhance the internal fairness and external competitiveness of compensation. - Introduce the Employee Assistance Program (EAP) to enhance the physical and mental health of colleagues. - Strengthen the training quality system, promote skill reinvention, and facilitate the mutual development of talent and the organization. - Cultivate key talents, build a succession pipeline, and optimize performance management and promotion mechanisms. - Explicitly promote the company's vision, mission, and values in major company events, meetings at all levels, and training courses, and specifically implement them in various rules, regulations, and company policies.

Stakeholders	Topics of Concern	Communication Channels and Frequency	Engagement Results	Annual Implementation Status	USI's Response
Customers					
Customers are the main source of the company's revenue. USI focuses on innovative technologies, is committed to providing customers with the best service quality, and strives to create win-win situations with customers. Contact Window: Mr. Shen, Sales Division (02)8751-6888 #3213	- Technology R&D - Customer privacy - Transportation safety management - Industrial and public safety - Customer satisfaction	- Customer satisfaction survey (semi-annually) - Participation in trade shows (at least once a year) - Sales representative visits (at least once a year) "Contact Us" on the company website (irregular) - Phone and e-mail contact (irregular)	Communicate with customers through various channels, continuously providing high-quality products and services.	- Provided 41 instances of customer technical services. - Completed 9 representative development and improvement projects. 32 customer complaint cases, all replied to and resolved. - Customer satisfaction surveys conducted twice a year, with "satisfied" and "very satisfied" accounting for over 90%.	Summary of customer communication responses: Application of fishing net life extension] Customers are concerned about the aging and damage of fishing nets due to long-term sun exposure. Our R&D team provided a high-performance weather-resistant solution through the KTR699 project. Laboratory UV aging resistance tests confirmed that it can significantly improve material durability and extend service life, achieving the benefit of "source reduction" and concretely implementing the circular economy.
Government agencies					
Government policies and environmental protection-related regulations have a profound impact on USI. USI operates professionally with a solid and steady spirit. Contact Window: Mr. Lee, Industrial Safety Section (07)735-9998#2311 Mr. Hsieh, Environmental Protection Section (07)735-9998#2314	- Market image - Regulatory compliance - Greenhouse gas emissions - Air pollution control - Waste management - Water resource management	- Participation in regulatory awareness sessions or public hearings (irregular) - Participation in symposiums or seminars (irregular) - Official documents, material information (published according to regulations) - Market Observation Post System (published according to regulations)	- Labor working environment safety - Contractor operations - Hazardous equipment and substance management - Operator safety	- Labor Inspection Office audits (5 sessions). - Process understanding and on-site inspection of peroxide use and storage areas, thermal oil boiler surveys, and explosion-proof area management checks. - Contractor operation checks, and promotion of the Labor Occupational Accident Insurance and Protection Act. - Audits by the 2nd Squadron of the Hazardous Materials Management Division of the Fire Bureau, the 4th Battalion, the Renwu Branch, the Economic Development Bureau, and the Public Works Bureau (12 sessions). - Fire safety equipment checks, site characteristic surveys, and Type 2 fire safety inspections.	- No deficiencies in industrial safety-related checks: - Surveys of process site storage areas, public hazardous materials checks, and explosion-proof area management checks all complied with relevant legal regulations. - Contractor operations all complied with legal regulations, and relevant regulatory promotions were conducted. - No deficiencies in fire safety-related checks. - On-site audit recommendations were all followed and implemented.

Stakeholders	Topics of Concern	Communication Channels and Frequency	Engagement Results	Annual Implementation Status	USI's Response
Shareholders / Investors					
Every shareholder is an important capital asset to the company. USI continuously pursues excellence to create maximum profit for shareholders. Contact Window: Spokesperson, Vice President Wu (02)2627-4745 Shareholder Services Dept., Ms. Hung/Ms. Wu (02)2650-3773	- Major local investments - Technology R&D - Operational performance - Customer privacy - Supplier management	- Hold general shareholders' meeting (annually) - Investor conferences (at least four times a year) - Market Observation Post System (published according to regulations) - Spokesperson contact information (irregular) - Issue annual report (annually) - Issue Sustainability Report, TCFD Report (annually) - Issue financial reports (quarterly) "Investor Services" on the company website (irregular) "USI Group Joint Shareholder Services Network" on the company website (irregular) "Audit Committee Email" on the company website (irregular)	- Company operational status - Financial information	- Held the shareholders' meeting on May 29. - Held investor conferences on 3/25, 5/20, 8/26, and 11/25. - Distributed cash dividends.	Explained the company overview, market trends, operational review, and outlook at investor conferences/ shareholders' meetings.
Suppliers / Contractors					
Integrity management is USI's corporate culture. USI carefully screens suppliers and contractors, provides customers with excellent products, and guarantees a safe working environment for employees. Contact Window: Procurement I Department, Mr. Chen (02)8751-6888 #3771 Procurement I Department, Mr. Lee (02)8751-6888 #3786	- Operational performance - Major local investments - Market image - Regulatory compliance - Procurement practices - Supply chain carbon reduction	- Procurement procedures (executed as needed) - Supplier questionnaire survey (annually / when adding new vendors) - Contract performance review meeting (held as needed) - Face-to-face review meetings (held by product category) - Procurement personnel visits (irregular) - Market research (weekly) - Contractor joint operation protocol organization meetings (irregular)	Communicated compliance with labor and human rights, health and safety, environment, and ethics standards. Supplier evaluation results: all passed.	- To implement USI's integrity management policy and understand supplier needs, the following communication and reply measures were executed: - Supplier evaluation results, 1 time/year. - Completed on-site audits of two suppliers, checking their human rights policies, integrity and ethics codes, and labor safety sections, all of which were compliant.	- Completed the Supply Chain Low-carbon Transition Coaching Program, accumulating a carbon reduction of 13,113 metric tons of CO₂e over the past two years. - Signed the Ministry of Economic Affairs' Supply Chain Low-carbon Transition Coaching Program to jointly promote the goal of reducing carbon by 10,000 tons in 2025.

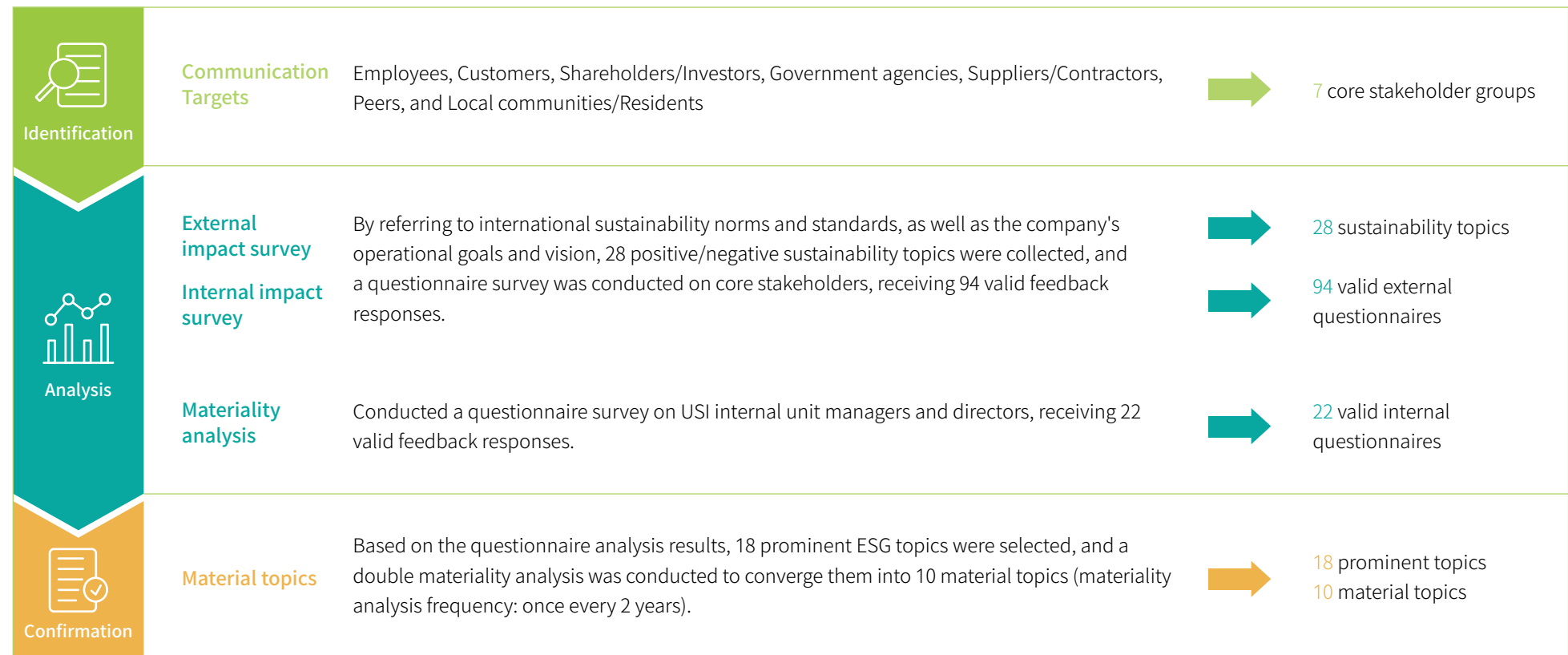
Stakeholders	Topics of Concern	Communication Channels and Frequency	Engagement Results	Annual Implementation Status	USI's Response
Peers					
Peers are not only competitors but also partners. By jointly addressing industry challenges, we promote technological innovation and best practices, and jointly drive the sustainable development of the industry. Contact Window Technology Dept., Mr. Chao (07)735-9998 #2241	- Carbon reduction innovation technology exchange - Transition investment cooperation - Policy and regulatory discussion - Energy transition strategy	- Technical exchange meetings (irregular) - Petrochemical Industry Association meetings (irregular) - Government agency peer policy promotion / opinion consultation meetings (irregular) - Green power promotion strategy discussions (irregular)	- Target setting for voluntary reduction plans - Carbon reduction and low-carbon production - Carbon fee, power saving, green energy - Greenhouse gas emission control action plans - Formed a joint offshore wind power purchasing company	10/15 Petrochemical Industry Association "Petrochemical Industry Greenhouse Gas Reduction Performance Meeting". 10/16 Industrial Development Administration "Traditional Industry Key Player Consultation Meeting - Discussion on Refined Strategies for the Petrochemical Industry's Net Zero Emission Pathway (Draft)". 11/3 Industrial Development Administration "Traditional Industry Working Group Meeting - Petrochemical Industry". 11/10 Chinese National Federation of Industries "Industry Opinion Consultation Meeting on Energy Users Conducting Energy Saving Diagnostics and Setting Plans (Petrochemical, Chemical, Plastics, Gas Plants)".	Regarding the 2030 net-zero emission pathway and refined strategies for the petrochemical industry, peers shared implementation experiences and results. In 2025, USI executed a total of 4 energy-saving and carbon-reduction plans, reducing carbon by 1,922 metric tons of CO₂e. We also added solar power installations for self-consumption and purchased green electricity, striving to achieve the goal of a 27% carbon reduction by 2030 compared to 2017.
Local communities / Residents					
Local residents are important partners growing together with USI, and social inclusion is a core strategy of USI. Contact Window: General Affairs Section, Mr. Hsueh (07)735-9998 #2262 Personnel Section, Mr. Chen (07)735-9998 #2261	- Air pollution control - Local community participation and social welfare - Greenhouse gas emissions - Underground pipeline maintenance	"Contact Us" on the company website (irregular) - Visits to local groups (at least three times a year) - Participation in community activities (irregular) - Visits or phone contact (irregular)	- Provide learning resources to local schools and cultivate excellent talent - Strengthen activities to give back and be a good neighbor - Implement the underground pipeline maintenance and operation plan	- Continuously adopted the air purification zone at Renwu Special Education School and participated in school activities. - Visited nearby neighborhoods and schools, and sponsored community activities. - Conducted self-organized underground pipeline drills, and held joint tabletop exercises and live drills with various pipeline bundle manufacturers. Also participated in the Economic Development Bureau's evacuation drill for sensitive receptors.	- In response to pollution and industrial safety issues concerned by nearby residents, we continuously implement various measures such as zero pollution and zero industrial safety incidents. - Donated a total of 30 buckets of bleach to 3 elementary schools and kindergartens. - Sponsored the Alliance Cultural Foundation with NT\$3 million.

1.4 Material Topic Management GRI 2-14、3-1、3-2

The Company follows the materiality identification process of the GRI Universal Standards 2021, constructing the three major steps of identification, analysis, and confirmation. Materiality analysis is conducted regularly [every two years] incorporating the concept of double materiality, analyzing the sustainability topics' "impact degree on company operations" and "impact degree on the economy, environment, and people (including human rights)".

The material topic identification process and results of the previous year were discussed by Group ESG experts, reported to the ESG Committee, and finally submitted to the Board of Directors for approval. This ensures that the direction of sustainable operations and reporting content align with the concerns and expectations of internal and external stakeholders.

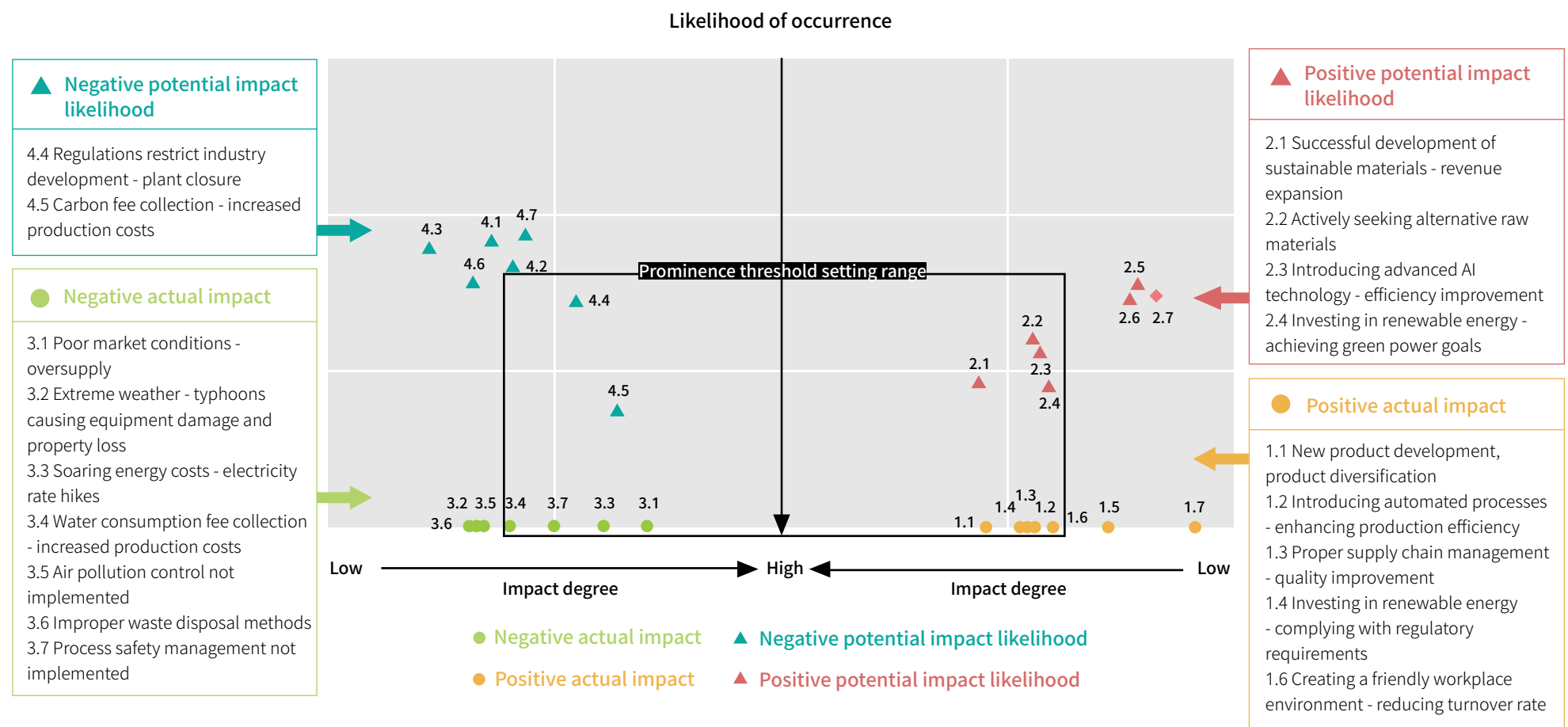
Material Topic Analysis and Identification - Process for Determining Material Topics



Note: By referring to international sustainability norms and standards (GRI Universal Standards, SASB, SDGs, TCFD) and the company's operational goals and vision, the working group compiled 28 positive/negative actual and potential sustainability topics. After recovering the questionnaires, scoring, and statistical analysis, 10 material topics were selected (evaluated every two years; the previous evaluation was in 2024).

To ensure the comprehensive coverage of ESG topics, we referred to the revised requirements of the GRI Universal Standards 2021, SASB chemical industry indicator topics, SDGs, and domestic and international industry sustainability topic trends. We utilized various communication channels to collect a total of 28 "items of stakeholder concern."

A matrix was plotted based on "impact degree" and "likelihood of occurrence." According to the opinions of the ESG working group, stakeholders, and internal and external experts, a prominence threshold was set (impact degree of 3.6 or above, likelihood of 3.5 or above), selecting 18 ESG topics as "prominent topics."



Material Topic Selection

The 18 prominent topics were classified into environmental, social, and governance aspects. A double materiality analysis was conducted based on the "impact degree on company operations" and the "impact degree on the economy, environment, and people (including human rights)," converging them into 10 material topics. The results were submitted to the Sustainability Development Committee for approval and reported to the Board of Directors.

E Environmental Aspect

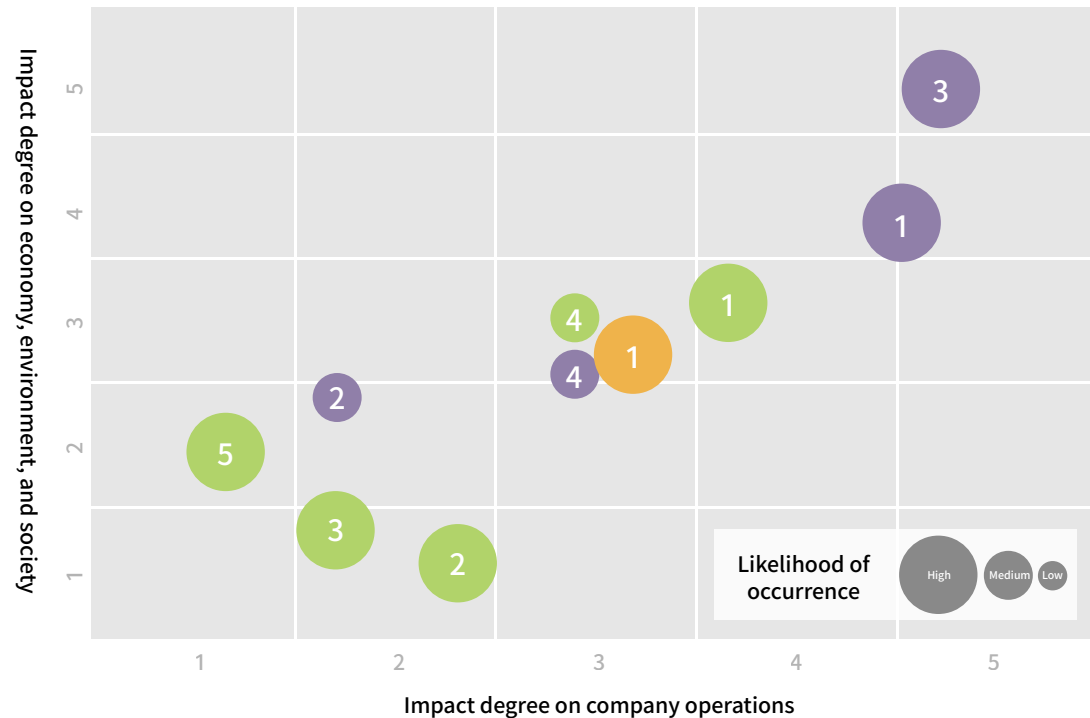
- 1 Climate Change and Energy Management
- 2 Water Resource Management
- 3 Air Pollution Control
- 4 Raw Material Management
- 5 Waste Management

S Social Aspect

- 1 Occupational Health and Safety

G Governance Aspect

- 1 Technology R&D
- 2 Supply Chain Management
- 3 Economic Performance
- 4 Smart management



Changes in Material Topics GRI 2-6

Compared to the previous identification in 2022, the changes are as shown in the table on the right.

Departments responsible for material topics propose execution plans and short-, medium-, and long-term goals, regularly reviewing performance.

The boundary of topics also incorporates the value chain concept, expanding the consideration of the impact scope of various material topics.

Status	Material Topic	Description
Added	Raw Material Management	None
Continuous tracking	- Talent Attraction and Retention - Product Quality	Although not selected as material topics this time, their progress will continue to be tracked.

Impact Description and Management Guidelines for Material Topics

GRI 2-6 Activities, value chain and other business relationships; GRI 2-25 Processes to remediate negative impacts; GRI 3-2 List of material topics; GRI 3-3

	Material Topic	Importance Ranking	Significance and Countermeasures	Impact Management	GRI/SASB/SDGs Corresponding Topic	Value Chain Impact Scope				Corresponding Chapter
						Supply Chain	USI Operations	Product	Society	
Environmental Aspect	Climate Change and Energy Management	Material	Significance: Enhance capabilities to respond to climate change, reduce greenhouse gas emissions, formulate relevant energy-saving and carbon-reduction measures, and lower operating costs, increase process efficiency, and boost corporate competitiveness. Countermeasures: Establish an energy management system, reduce unit energy consumption of products, decrease greenhouse gas emissions, sponsor new afforestation, and develop green power.	Positive Impact: 1. Short-term actual impact: Profit from EVA solar products, investment in green power. 2. Short-term potential impact: Development of AI systems to reduce energy consumption. Negative Impact: Short- and medium-term actual impact: 1. Electricity rate hikes; electricity costs in 2025 increased by 10% compared to 2024, and are estimated to potentially increase by another 7% in 2026. 2. Power rationing affecting production. 3. Carbon fee: USI's Kaohsiung Plant meets the Ministry of Environment's "High Carbon Leakage Risk" standard, proposed a voluntary reduction plan, passed the review, and obtained a preferential carbon fee rate of NT\$100 per ton. This year, in accordance with the carbon fee collection regulations announced by the Ministry of Environment, the relevant carbon fee expenses (operating expenses) were estimated at NT\$24,370 thousand based on emissions.	GRI 201-2: Financial implications and other risks and opportunities due to climate change GRI 302: Energy 2016 RT-CH-110a.1, RT-CH-110a.2 Greenhouse Gas Emissions RT-CH-130a.1 Energy Management SDG 7 Affordable and Clean Energy SDG 13 Climate Action	○	●	●	○	4.5 Climate Change and Energy Management
	Water Resource Management	Material	Significance: In response to global climate change, recycle and reuse precious water resources through water-saving and emission reduction measures. Countermeasures: 1. Focus mainly on source process improvements, supplemented by end-of-pipe treatments, to enable water resource recycling and reuse. 2. Continually invest in emission reduction management, and execute water-saving measures and water resource recovery management. 3. Promote water efficiency management systems and flood prevention measures.	Positive Impact: Short-term actual impact: Improved water recovery efficiency, lowering production costs. Negative Impact: Short-, medium-, and long-term actual impact: 1. Production interruptions caused by water shortages and torrential rains. 2. Surcharges for water consumption fees during dry seasons, which increased by approximately NT\$540,000 from Nov 2023 to Apr 2024.	GRI 303: Water and Effluents 2018 RT-CH-140a.1, RT-CH-140a.2, RT-CH-140a.3 Water Management SDG 6 Clean Water and Sanitation	○	●	●	●	4.2 Water Resource Management
	Air Pollution Control	Material	Significance: Continually undertake environmental improvement work, aiming to achieve "Zero Pollution, Zero Emissions." Countermeasures: 1. Focus mainly on source process improvements, supplemented by end-of-pipe treatments, to reduce pollution emissions. 2. Continually invest in environmental pollution control (prevention) management. 3. Comply with the High Kaoping total quantity control. 4. Since 2018, annually sponsor air purification zones and the afforestation of 5 hectares.	Negative Impact: Air pollution	GRI 305: Emissions 2016 RT-CH-120a.1 Air Quality SDG 11 Sustainable Cities and Communities	○	●		●	4.3 Air Pollution Control

● Direct impact ○ Indirect impact

	Material Topic	Importance Ranking	Significance and Countermeasures	Impact Management	GRI/SASB/SDGs Corresponding Topic	Value Chain Impact Scope				Corresponding Chapter
						Supply Chain	USI Operations	Product	Society	
Environmental Aspect	Raw Material Management	Material	Significance: Maintain a stable supply of raw materials, improve raw material recovery efficiency, and actively seek alternatives to fossil raw materials. Countermeasures: Actively manage raw material dispatch and inventory levels, apply for ISO 14021, and promote the recycling and reuse of production waste into plastic raw materials.	Positive Impact: Reduced consumption of non-renewable raw materials, launched recycled and reused products.	GRI 301: Materials 2016	●	●	●	○	4.6 Raw Material Management
	Waste Management	Material	Significance: Continually undertake environmental improvement work, aiming to achieve "Zero Pollution, Zero Emissions." Countermeasures: 1. Strengthen the waste management system and audit of recycling contractors. 2. Research and develop waste reduction projects.	Positive Impact: Resource circulation, reduced waste generation. Negative Potential Impact: Improper waste disposal causing environmental impact.	GRI 306: Effluents and Waste 2016 RT-CH-150a.1 Hazardous Waste Management SDG 11 Sustainable Cities and Communities SDG 12 Responsible Consumption and Production	○	●	○	●	4.4 Waste Management
Social Aspect	Occupational Health and Safety	Material	Significance: Properly care for employee health, prevent industrial accidents, enhance the protection of operator safety and health, and cultivate employees' emergency response and self-safety management capabilities. Countermeasures: 1. Strengthen personnel training to raise operational safety awareness. 2. Implement occupational safety and health management, and establish a safety culture. 3. Promote the process safety management system and enhance the safety prevention of process equipment.	Positive Actual Impact: Create a friendly workplace, reduce turnover and occupational injuries. Negative Potential Impact: Industrial safety accidents.	GRI 403: Occupational Health and Safety 2018 SDG 3 Good Health and Well-being SDG 4 Quality Education SDG 8 Decent Work and Economic Growth SDG 12 Responsible Consumption and Production RT-CH-320a.1, 320a.2 Workforce Health & Safety	○	●	○	○	5.2 Occupational Health and Safety
	Talent Attraction and Retention	Continuous Management	Significance: Talent is an irreplaceable core asset of the company. Maintaining stable and continuously growing human resources is the cornerstone of the company's steady operations. Countermeasures: 1. A fair, open, impartial, and efficient selection system. 2. Establish diverse and smooth promotion and communication channels. 3. A safe and healthy working environment. 4. Establish a comprehensive career development platform for employees.	Positive Impact: Recruitment of excellent talent. Negative Potential Impact: Difficulties in talent recruitment.	GRI 405: Diversity and Equal Opportunity 2016 SDG 4 Quality Education SDG 8 Decent Work and Economic Growth SDG 5 Gender Equality		●	○	○	5.3 Talent Attraction and Retention

● ● Direct impact ○ ○ Indirect impact

	Material Topic	Importance Ranking	Significance and Countermeasures	Impact Management	GRI/SASB/SDGs Corresponding Topic	Value Chain Impact Scope				Corresponding Chapter
						Supply Chain	USI Operations	Product	Society	
Governance Aspect	Technology R&D	Material	Significance: R&D innovation is one of the core strategies of the Group's sustainable development vision. Through continuous product improvement, customer needs research, and innovative product development, we lead USI to prosper together with the environment and sustain profitability. Countermeasures: Expand the R&D scale, integrate ESG concepts into the development and improvement of new products to reduce environmental impacts, and achieve sustainable operations through environmentally and socially responsible methods.	Positive actual impact: Continuously develop new products to increase revenue Negative potential impact: Technological innovation fails to meet customer needs	SDG 8 Decent Work and Economic Growth SDG 9 Industry, Innovation and Infrastructure SDG 13 Climate Action		●	●	●	3.1 Technology R&D
	Supply Chain Management	Material	Significance: Pursue mutually beneficial sustainable development with supply chain partners Countermeasures: Establish supply chain sustainability risk assessment and prevention mechanisms to build a culture of sustainable supplier management	Positive actual impact: Strengthen supply chain management to improve raw material quality Negative potential impact: International situations, pandemics, and weather affecting timely supply	GRI 2-6 Activities, value chain and other business relationships GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016 SDG 17 Partnerships for the Goals	●	●	●	○	3.3 Supply Chain Management
	Economic Performance	Material	Significance: Sustainable corporate operations, strict compliance with regulations, pursuit of profitability while considering stakeholders' interests and the development of high value-added products Countermeasures: Integrate upstream, midstream, and downstream sectors to reduce main raw material and production costs, increase product added value, strengthen the development of high value-added and eco-friendly products, and undergo industrial transformation	Positive actual impact: Develop ESG to enhance investor willingness and drive industrial transformation Negative impact: Plastic reduction policies causing customer order transfers; regulations restricting industry development	GRI 201: Economic Performance 2016 SDG 8 Decent Work and Economic Growth	○	●	●	○	2.2 Economic Performance
	Smart Management	Material	Significance: Through smart management, speed up analysis, optimize execution decisions, strengthen industrial safety protection, enhance USI's operational performance, and advance towards intelligent petrochemicals Countermeasures: Integrate resources across platforms, break down data silos, and utilize smart technologies to improve safety, quality, and efficiency	Positive actual impact: Develop AI systems for application in production and industrial safety; introduce automated processes to improve efficiency Negative potential impact: Manpower streamlining affecting the right to work	SDG 9 Industry, Innovation and Infrastructure	○	●	●	○	2.5 Smart Management
	Product Quality	Continuous Management	Significance: Product quality is the foundation of the Company's sustainable development; only a quality philosophy involving all employees can implement the cultivation of the Company's quality culture Countermeasures: Strengthen process improvements and inspection frequency, increase customer communication frequency, and continuously enhance product yield and service quality	Positive actual impact: Improve yield rates and develop high value-added products Negative potential impact: Quality fails to meet customer requirements	SDG 12 Responsible Consumption and Production	●	●	●	○	3.2 Product Quality

Indicators and Progress of Material Topics

Aspect	Material Topic	Sustainability Principle	Indicator	2025 Execution Progress	Short-term Target-2026	Medium-term Target-2028	Long-term Target-2030	Responsible Unit	Definition & Notes (Execution Plan)
Environmental Aspect	Climate Change and Energy Management	Sustainable Development	Greenhouse gas emissions (Scope 1+2)	Reduced by 25% compared to the baseline year ✓	Reduced by 15.5% compared to the baseline year	Reduce by 21.5% compared to the baseline year	Reduce by 27% compared to the baseline year	Environmental Protection Section, Mr. Hsieh (07)735-9998#2314	Due to the addition of production lines, greenhouse gas emissions may increase in the future.
	Water Resource Management	Sustainable Development	Water consumption intensity (MT/MT)	3.24 ✓	4	3.9	3.8	(07)735-9998 #2241 Technology Dept., Mr. Chao (07)735-9998 #2241	Whole-plant water recycling rate (excluding cooling tower internal circulation), commonly known as R2 water recycling rate
			Water recycling rate (R2)	91.4% ✓	90%	90%	93%		
	Air Pollution Control	Sustainable Development	Air pollutant emissions per unit of product	50% ✓	15%	20%	25%	Environmental Protection Section, Mr. Hsieh (07)735-9998#2314	1. Calculated based on VOCs emissions 2. Baseline year 2017 (same as the GHG reduction baseline year), with a unit emission of 0.3846 kg/MT 3. Emissions may increase due to the scheduled addition of production lines in 2026
	Waste Management	Sustainable Development	Proper waste disposal rate	100% ✓	100%	100%	100%	Environmental Protection Section, Mr. Hsieh (07)735-9998#2314	Obtain certification documents for proper waste disposal for waste treatment
Social Aspect	Raw Material Management	Sustainable Development	Raw material recycling rate	13.9% ✗	14.50%	14.60%	14.70%	Technology Dept., Mr. Chao (07)735-9998 #2241	
	Occupational Health and Safety	Sustainable Development	Disabling Injury Frequency Rate (FR) / Disabling Injury Severity Rate (SR) / Frequency-Severity Indicator (FSI)	0/0/0 ✓	0/0/0	0/0/0	0/0/0	Industrial Safety Section, Mr. Lee (07)735-9998#2311	- Promote safety and health management plans - Conduct EHS education/training and industrial safety advocacy - Contractor safety management - Permit management system - Regular EHS inspections and audits
	Talent Attraction and Retention	Unity Governance	Total employee turnover rate %	7 ✗	5%	5%	5%	Personnel Section, Mr. Chen (07)735-9998 #2261	The overall turnover remains within a reasonable range for the industry, with no major abnormal fluctuations. To narrow the gap with the target value, focus is placed on refining the recruitment and selection process and strengthening the suitability of talent allocation. We regularly review turnover data and will continue to use 5% as a medium- to long-term management goal to enhance talent stability and organizational sustainability resilience.

Aspect	Material Topic	Sustainability Principle	Indicator	2025 Execution Progress	Short-term Target-2026	Medium-term Target-2028	Long-term Target-2030	Responsible Unit	Definition & Notes (Execution Plan)
Governance Aspect	Economic Performance	Unity Governance	1. Earnings per share after tax 2. Return on Equity (ROE) 3. Annual total sales volume	1. -2.6 2. -14.57 3. 206,576 tons ❌	1. After-tax loss decreases by 1% compared to the previous year 2. ROE increases by 1% compared to the previous year 3. Annual total production achievement rate > 95%		1. Earnings per share after tax > 0 2. ROE increases by 1% compared to the previous year 3. Annual total production achievement rate > 95%	(02)2627-4745 Spokesperson, VP Wu (02)2627-4745	
	Technology R&D	Innovative Technology	Number of new products developed and improved	9 ✔️	4	5	5	R&D Division, Mr. Kuo (02)8751-6888 # 1819	
	Supply Chain Management	Sustainable Development	Signing achievement rate of new supplier commitment letters	100% ✔️	100%	100%	100%	Procurement I Department, Mr. Chen (02)8751-6888 #3771	Signing achievement rate of newly added suppliers each year
			Local procurement rate	VAM 81% Ethylene 96%; VAM 81% ✔️	All above 60%			Procurement I Department, Mr. Lee #3786	
	Smart Management	Innovative Technology	Number of AI projects	2 ✔️	2	2	2	Technology Dept., Mr. Chao (07)735-9998 #2241	
	Product Quality	Innovative Technology	1. Number of customer complaints 2. Product defect rate	1. Established customer complaints for Dept. I/II/III are 3/22/0 2. Product defect rates for Dept. I/II/III are 2.44%/5.55%/5.9% ❌	1. Established complaints per year for Dept. I/II/III not to exceed 3/6/3 2. Product defect rates for Dept. I/II/III below 1.8%/5%/8%	1. Established complaints per year for Dept. I/II/III not to exceed 5/4/3 2. Product defect rates for Dept. I/II/III below 1.8%/5%/8%		Sales Division, Mr. Shen (02)8751-6888 #3213	Report results and adjust targets annually at the management review meeting

Chapter 2

Corporate Governance and Operational Performance

Operational Highlights

- ✓ Invested NT\$906 million in the Kaohsiung Inter-continental Container Terminal (ICT) Project Phase 2. The new plant was completed and commissioned in Q3 2025.
- ✓ Invested approximately NT\$276 million in 2025 for various production processes, environmental protection, and industrial safety equipment improvement projects.
- ✓ Completed the small-scale Compounding processing line.

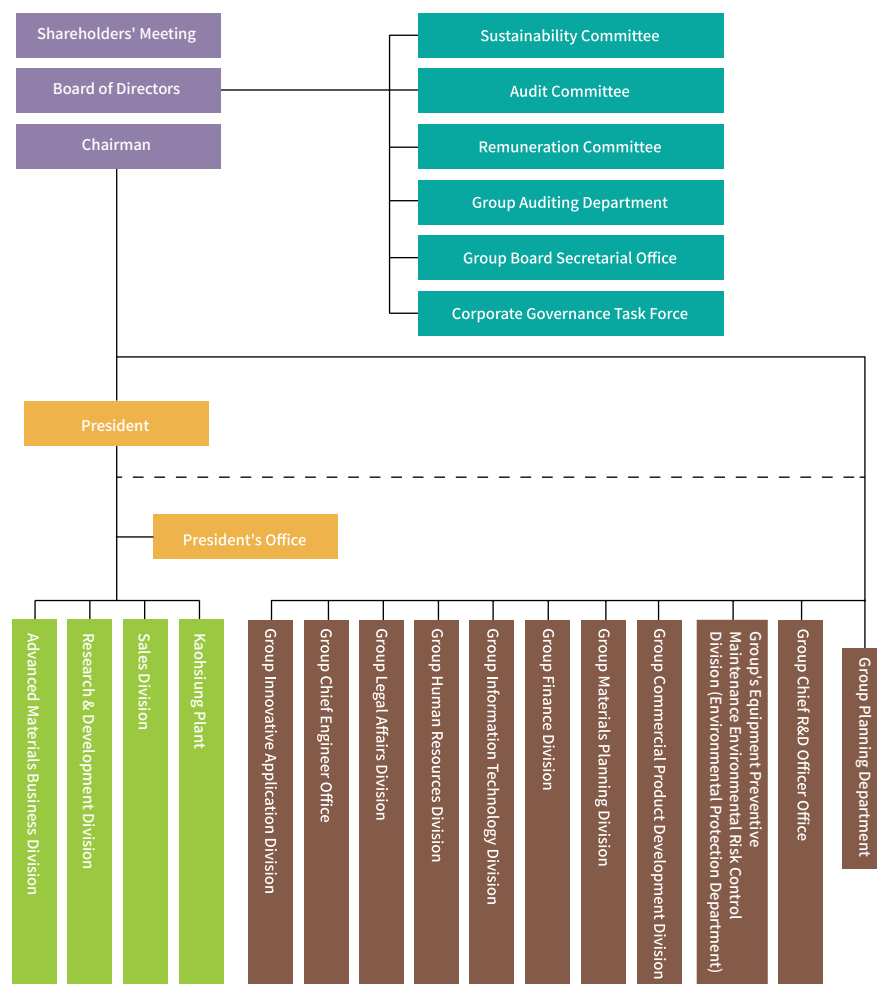
Material topics in this chapter

Economic Performance



2.1 Corporate Governance

USI Management Organizational Structure GRI 2-9、2-11、2-12、2-19、2-23、2-24



<https://www.usife.com.tw/zh-tw/dirAbout/fmAbout4.aspx>

Board of Directors GRI 2-9、2-10、2-12、2-17

Board of Directors Operations

The Board of Directors is the highest governance unit of the Company. The Company strictly requires Board members to comply with laws and regulations, acting in accordance with the law as the highest operational guideline.

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

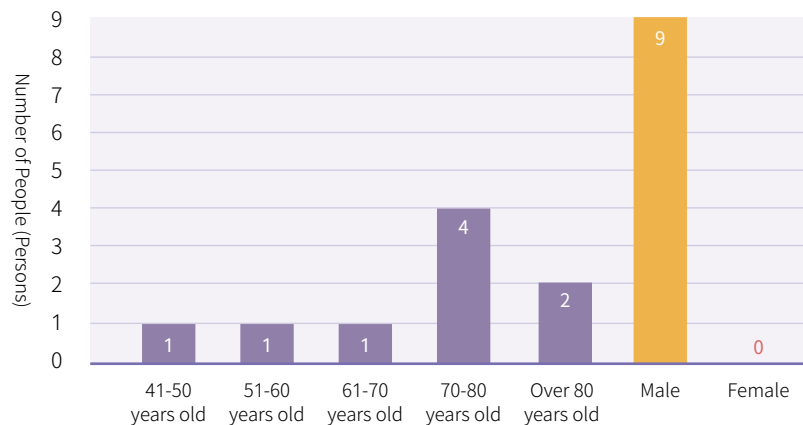
The current Board of Directors was elected in 2023 and consists of 9 directors with rich experience in professional fields. Among the director quotas, 4 independent directors were established, accounting for 44% of the Board's seats.

The term of office for the Company's directors is 3 years, and they are eligible for re-election. ([Director Election Regulations](#))

Board Composition

Current Term	May 31, 2023 to May 30, 2026
Members	Directors: Quintin Wu (Chairman), Jing-Sho Yu, Zhe-I Gao, Pei-Ji Wu (President), Hong-Ting Wu Independent Directors: Sean Chen, Woody Duh, Yancy Hai, and Sun-Te Chen
Gender of Members	All male

Age and Gender Distribution of Board Members



In 2025, the Company held 4 Board of Directors meetings, with an in-person attendance rate of 94.44% (100% including proxy attendance) for all directors (including independent directors). The Board of Directors is led by the Chairman. For detailed operational situations, please refer to the USI 2025 Annual Report: III. Corporate Governance Report _ Corporate Governance Operations.

1

Responsible Business Unit

Submits proposal

2

Functional Committees

Convenes meetings according to relevant scopes of authority to report, discuss, and resolve proposals, and prepares meeting minutes of the resolution results.

3

Submits to the Board of Directors

Reports, discusses, and resolves proposals, and prepares meeting minutes of the resolution results.

For material resolutions of the Board of Directors in 2025, GRI 2-16, please refer to the USI 2025 Annual Report: III. Corporate Governance Report _ Corporate Governance Operations _ Information on Board Operations, and the Board of Directors' resolutions on the Company's official website.

Additionally, the Company has established a "Board Secretarial Department" as the administrative unit for Board operations, responsible for planning and managing Board affairs to enhance meeting efficiency and assist in promoting the execution of resolutions.

Implementation Status of Board Member Diversity Policy GRI 2-10

I. Board Member Diversity Policy and Implementation Status

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

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

Ability to make operational judgments

Ability to perform management and administration

Ability to conduct accounting and financial analysis

Ability to conduct crisis management

Industry knowledge

Leadership skills

International market perspective

Decision-making ability

In addition to possessing the above eight professional capabilities necessary to perform their duties, the current Board members have responded to the growing global emphasis on issues related to corporate governance and environmental protection. Three directors possess professional capabilities in "law" or "environmental protection." Currently, all serving members possess the knowledge, skills, and literacy needed to perform their duties, holding specialties in accounting/finance, international markets, law, and environmental protection.

For detailed diversity implementation status, please refer to page 41 of the Annual Report. Directors with employee status account for 22% of the Company's Board, and independent directors account for 44%.

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

The diversity goal for Board members is to add one female director to achieve gender diversity.

Additionally, to respond to the growing global trend of emphasizing corporate sustainable development, the Company plans to add Board members familiar with and specialized in relevant fields to enhance the Company's sustainable competitiveness and perfect the Board's functions.

(Implementation Status of Board Member Diversity Policy: Page 44 of the USI 2025 Annual Report and the Company's official website).

Avoidance of Conflicts of Interest among Directors GRI 2-11 ~ 2-15

The Company attaches great importance to corporate governance. To ensure the independence and objectivity of Board decisions, a comprehensive conflict of interest avoidance mechanism has been established, as explained below:

- 1 Institutional Norms:** The Company has established Rules of Procedure for Board of Directors Meetings, Ethical Corporate Management Best Practice Principles for Directors and Managers, Ethical Corporate Management Best Practice Principles, and Procedures and Guidelines for Ethical Corporate Management, explicitly stipulating the recusal measures directors should take when facing conflicts of interest.
- 2 Meeting Procedures:** When the Board of Directors discusses proposals in which a director has a vested interest, recusal procedures are strictly enforced. The meeting chair will remind relevant directors to leave the room and will designate another director to act as chair if the chair has a conflict of interest.
- 3 Information Disclosure:** The Board Secretarial Department details directors' recusal situations in each meeting and incorporates relevant information into the meeting minutes.
- 4 Annual Report:** The Company has legally completed the Board's conflict of interest recusal procedures; please refer to the Company's Annual Report - Board of Directors Operations for relevant details.
- 5 Continuous Improvement:** The Company will continuously review and perfect the conflict of interest avoidance mechanism to ensure the transparency and fairness of corporate governance.

Implementation Status of Performance Evaluations for the Board of Directors and Functional Committees GRI 2-18

To continuously strengthen the operational effectiveness and functional performance of the Board of Directors, the Company revised the "Board of Directors Performance Evaluation Regulations" in 2025, clearly stating that an external professional independent institution or expert team should be commissioned every three years to conduct the Board's performance evaluation.

The Company immediately commissioned the "Taiwan Institute for Ethical Business" to conduct the 2025 external evaluation of Board performance, and the evaluation results were reported to the Board of Directors in November of the same year.

Based on the evaluation recommendations, the Company has planned improvement measures to refine the Board's decision-making quality and enhance the Company's overall operational resilience and risk response capabilities, committing to promoting the Company's long-term sound operations and sustainable development.

In addition to regular external evaluations, the Company conducts annual internal self-evaluations for the Board as a whole, individual Board members, and functional committees.

The internal performance evaluation for 2025 was completed in early 2026. After self-evaluation by Board members, the results showed that the Board operated well and its operational effectiveness was highly recognized.

The evaluation results confirmed that the Board's operations demonstrated high effectiveness. In the future, we will continue to use this as a foundation to pursue higher benchmarks in corporate governance performance.

The external Board of Directors performance evaluation workflow includes:



For the Board of Directors Performance Evaluation Regulations, please refer to the Company's official website: For the complete workflow and description, implementation status, and evaluation results of the Board of Directors Performance Evaluation, please refer to the Company's official website: Board of Directors Performance Evaluation.

Implementation Status of Enhancing Directors' Professional Capabilities GRI 2-17

To strengthen the professional capabilities of directors (including independent directors), the Company regularly provides relevant continuing education course information to assist directors in continuous learning.

Additionally, internal continuing education courses totaling 6 hours were planned. On July 29, 2025, Professor Chen-Fu Chien, Vice President of Tsing Hua University and General Manager of Zhen Ding Technology Group, was arranged to deliver a 3-hour lecture on "Industrial Empirical Evidence of Smart Manufacturing and Digital Decision Making";

and on October 16, 2025, Dr. Jiann-Chyuan Wang, Vice President of the Chung-Hua Institution for Economic Research, was arranged to deliver a 3-hour continuing education course on "US-China Economy and Taiwan Industry Outlook After the US Election."

To enhance directors' professional capabilities, the Company arranges various continuing education courses and hours for directors each year. In 2025, internal continuing education courses totaled 6 hours, and the total hours for internal and external continuing education courses were 64 hours, with sustainability-related courses accounting for over 57.81% (37 hours in total).

The continuing education hours of all directors complied with the provisions of the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies." For detailed continuing education courses and hours, please refer to page x of the USI 2025 Annual Report.



▲ On July 29, 2025, arranged a 3-hour continuing education course featuring a lecture on "Industrial Empirical Evidence of Smart Manufacturing and Digital Decision Making" by Professor Chen-Fu Chien, former Vice President of Tsing Hua University and General Manager of Zhen Ding Technology Group.



▲ On October 16, 2025, arranged a 3-hour continuing education course featuring a lecture on "US-China Economy and Taiwan Industry Outlook After the US Election" by Dr. Jiann-Chyuan Wang, Vice President of the Chung-Hua Institution for Economic Research.

Corporate Governance Officer

To protect shareholders' equity and strengthen the functions of the Board of Directors, the Company resolved at the Board meeting on May 13, 2019, to appoint the legal affairs executive, Division Director Yung-Chih Chen, to concurrently serve as the Corporate Governance Officer, acting as the highest executive responsible for corporate governance-related affairs.

Division Director Yung-Chih Chen has over 20 years of experience as a practicing lawyer and over 10 years as a legal affairs executive for listed companies. His main responsibilities include legally handling matters related to Board of Directors and Shareholders' meetings, preparing minutes for Board and Shareholders' meetings, assisting directors in onboarding and continuing education, providing materials required for directors to execute their duties, assisting directors in complying with laws and regulations, reporting to the Board the review results regarding whether independent directors' qualifications comply with relevant laws and regulations during nomination, election, and their term of office, and handling matters related to director changes.

In 2025, Corporate Governance Officer Yung-Chih Chen's continuing education hours totaled 50 hours.

For detailed annual key business execution and continuing education, please refer to Corporate Governance on the Company's official website.

Functional Committees

Subordinate to the Board of Directors, the Company has established three functional committees based on their functions: the Audit Committee, Remuneration Committee, and Sustainability Committee. They are responsible for formulating and reviewing policies related to the committees' scope of duties to strengthen corporate governance.

Title	Name	Audit Committee	Remuneration Committee	Sustainability Committee
Chairman	Quintin Wu	—	—	Member
Director and President	Pei-Ji Wu	—	—	Vice Chairman
Independent Director	Sean Chen	Convener	✓	—
Independent Director	Woody Duh	✓	✓	Chairman
Independent Director	Yancy Hai	✓	Convener	✓
Independent Director	Sun-Te Chen	✓	✓	✓



Audit Committee

- 1 Current term: May 31, 2023 ~ May 30, 2026. The committee consists of 4 members, comprising all independent directors of the Company.
- 2 The Committee convenes at least once a quarter and may convene at any time as needed. A total of 4 meetings were held in 2025. The attendance of independent directors is as follows:

Title (Note 3)	Name	Actual Attendance (B)	Proxy Attendance	Actual Attendance Rate (%) (B/A)	Remarks
Independent Director (Convener)	Sean Chen	4	0	100.00	Re-elected
Independent Director	Woody Duh	4	0	100.00	Re-elected
Independent Director	Yancy Hai	3	1	75.00	Re-elected
Independent Director	Sun-Te Chen	4	0	100.00	Re-elected

Remuneration Committee GRI 2-19、2-20、2-21

- 1 Current term: June 6, 2023 ~ May 30, 2026. The committee consists of 4 members, all of whom are independent directors.
- 2 The Committee convenes at least twice a year. In 2025, a total of 3 meetings were held, with an in-person attendance rate of 92% for members. Regarding the operations of this Committee, please refer to the Company's official website, annual report, or link to the Market Observation Post System (MOPS) for inquiry.
- 3 The Committee regularly reviews the (1) policies, systems, standards, and structures of remuneration for directors and managers, and (2) performance evaluations. It sets and evaluates the remuneration of directors and managers by referencing the median payment levels of peers, the time invested by individuals, responsibilities assumed, achievement of personal goals, remuneration of individuals in equivalent positions, achievement of the Company's short-term and long-term business goals, and the Company's financial condition, which are then approved by the Board of Directors. GRI 2-20

Remuneration: Director remuneration items include compensation, director profit-sharing remuneration, and business execution expenses. Senior manager remuneration items include monthly salary, fixed bonuses, year-end bonuses, employee compensation, annual special bonuses, legally contributed pensions, and welfare funds. Among these, director profit-sharing remuneration and employee compensation are handled in accordance with Article 34 of the Company's Articles of Incorporation. **GRI 2-19**

In 2025, the annual total compensation ratio was 11.33:1, and the percentage increase in annual total compensation ratio was -163.58%.

GRI 2-21

Performance Evaluation:

(1) The dimensions for director performance evaluation cover mastery of company goals and missions, awareness of duties, degree of participation in company operations, management of internal relationships and communication, professional and continuing education, and internal controls. Additionally, there are separate performance evaluations targeting the Sustainability Committee.

(2) The performance evaluation for senior managers covers financial aspects (operating revenue, operating profit, and net profit before tax), customer aspects (customer satisfaction, service quality, key market expansion, etc.), product aspects (brand management, quality innovation, etc.), talent aspects (talent cultivation, potential development, etc.), safety aspects (zero pollution, zero emissions, zero occupational injuries, zero accidents, zero breakdowns), and project aspects (digital transformation, energy saving and carbon reduction, circular economy, net-zero emissions, etc.).

(3) For related indicators linked to sustainability performance, the President must plan at least a 40% weight, which should also include at least 15% for climate-related items. Other senior managers should plan no less than 5% for related sustainability performance indicators.

Target	Performance Indicators	Execution Method (Weight)
President	Financial Performance (30%)	-
	Market and Customers (30%)	-
	Sustainable Development Performance (40%)	Talent Cultivation Plan (15%) Energy Saving and Carbon Reduction Effectiveness (15%) Occupational Health and Safety (10%)
Senior Managers	Sustainable Development Performance (40%)	Talent Cultivation Plan (10%) Cross-Company Product Integration (10%) Sustainable Product Innovation (20%)

Note 1: Annual total compensation ratio: Annual total compensation for the organization's highest-paid individual / median annual total compensation for all employees (excluding the highest-paid individual).

Note 2: Percentage increase in annual total compensation ratio: Percentage increase in annual total compensation for the organization's highest-paid individual / percentage increase in median annual total compensation for all employees (excluding the highest-paid individual).



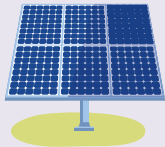
Sustainability Development Committee GRI 2-10、2-14

- 1 The Committee is composed of the Chairman, the President, and at least two independent directors resolved by the Board of Directors. One of the independent directors shall serve as the chairperson, and the President shall serve as the vice chairperson.
- 2 There are 5 members in the current term, with the tenure spanning from June 6, 2023, to May 30, 2026.
- 3 Functional Responsibilities of the Committee:
 - Discussion and resolution of sustainability development policies.
 - Discussion and resolution of strategic planning, annual plans, and special project plans for sustainability development.
 - Supervising the implementation of strategic planning, annual plans, and special project plans for sustainability development, and evaluating their execution status.
 - Review and approval of the Sustainability Report (ESG Report).
 - Reporting annual sustainability development execution achievements to the Board of Directors every year.
 - Other matters to be handled by the Committee as instructed by resolutions of the Board of Directors.
- 4 The Committee shall convene at least twice a year. A total of 2 meetings were held in 2025, with an in-person attendance rate of 100% among the committee members. For historical committee meeting records, please refer to the Corporate Governance section on the ESG website.
- 5 Three working groups have been established: Corporate Governance, Environmental Protection, and Social Relations, as shown in the diagram below:



Annual Key Work Highlights and Next Year's Plans of the Sustainability Development Committee Working Groups:

2025 Sustainability Development Implementation Achievements



I. Accomplishments

- 1 Continuously advanced USI's five-year operational plan.
- 2 Completed various tasks under the "Gudeng Supply Chain Low-carbon Transition Coaching Program," achieving an accumulated carbon reduction of 13,113 metric tons of CO₂e over two years in collaboration with the customer and its supply chain.
- 3 Completed the phase II and phase III construction of solar power facilities, and continuously assessed investments in solar power plants and geothermal power.



II. Certifications and Awards

- 1 The Kaohsiung Intercontinental Container Terminal (ICT) Project Phase 2, with an investment of NT\$906 million, was completed and commissioned in the third quarter.
- 2 Ranked in the top 6-20% tier among TWSE-listed companies in the 2025 Corporate Governance Evaluation.
- 3 Achieved dual "B" scores for Climate Change and Water Security in the CDP evaluation.
- 4 Accumulated grid-connected capacity of solar energy farms reached 9MW.
- 5 Adopted 5 hectares of newly afforested land.
- 6 Electricity saving rate of 1.7%, water saving rate of 6.6%, water recycling rate of 91.4%, and raw material recycling rate of 13.9%.
- 7 Recovered a total of 10.5 metric tons of plastic pellets.
- 8 Green procurement expenditure totaled approximately NT\$51 million.
- 9 Zero occupational safety incidents and zero process safety incidents occurred in 2025.



III. Report Planning

- 1 Published the Chinese edition of the ESG Report and TCFD Report in August.
- 2 Published the English edition of the 2024 ESG Report in September.



IV. Philanthropic Activities

- 1 Made the donation for the fifth phase of the afforestation adoption project.
- 2 Donated NT\$3,000,000 to the Alliance Cultural Foundation.
- 3 Sustained the adoption of the air quality purification zone base at Kaohsiung Municipal Renwu Special Education School for eight consecutive years.
- 4 Participated in the Neihsu Science and Technology Park Thousand-Person Blood Donation Event.
- 5 Participated in the 2025 Taipei Tech Cup Charity Road Run.

2026 Work Plan



- 1 Continuously drive USI's five-year operational plan.
- 2 Cooperate with ESG evaluations to promote strategies and measures for biodiversity and natural carbon sinks.
- 3 Seek collaboration opportunities with external vendors to promote green power development and carbon neutrality responses.
The estimated green power procurement is 3,100,000 kWh.
- 4 Continuously participate in sustainability-related evaluation activities.
- 5 Participate in social philanthropic activities.
- 6 Publish the Chinese edition of the 2025 ESG Report and TCFD Report in August.
- 7 Publish the English edition of the 2025 ESG Report in September.
- 8 Execute tasks associated with the introduction and implementation of IFRS Sustainability Disclosure Standards.
- 9 Advance workflows related to internal controls for sustainability information.

The Board's supervision of sustainability performance-related actions: please refer to page 58 of the USI 2025 Annual Report.

Protection of Shareholder Rights and Information Transparency

As of the book closure date of March 31 for the 2026 Annual General Shareholder Meeting, USI's shareholder structure consists primarily of individuals, other corporate entities, and foreign institutions/investors. For the shareholder structure and major shareholder list (Note), please refer to the Shareholder Structure section on the official company website.

Note: Shareholders with a shareholding ratio of 5% or more, or shareholders ranking in the top ten by shareholding ratio.

The company is committed to providing shareholders with transparent and real-time corporate information. We hold institutional investor briefings and shareholder general meetings periodically every year, publish annual reports and ESG reports, upload operational performance, financial information, and material messages to the Taiwan Stock Exchange's Market Observation Post System (MOPS), and set up traditional Chinese and English versions of the "Investor Services" webpage to instantly disclose corporate governance status, operational announcements, financial statements, institutional investor briefings, and group dynamic news. We also continuously gather shareholder opinions to feed back to the management team as decision-making references.

Furthermore, our company attaches great importance to the rights of foreign investors and the trend of corporate internationalization. Since fiscal year 2018, we have reinforced the disclosure of various English information across info channels such as the annual

report, MOPS, and company website, proactively building excellent two-way communication channels with shareholders via multiple means to put the protection of shareholder rights into practice.

Data as of the book closure date on March 31, 2026 is shown in the table below:

USI Shareholder Structure	Government Agencies	Financial Institutions	Other Corporate Entities	Individuals	Foreign Institutions & Foreign Investors
Shareholding Ratio (%)	0	0.03	20.80	50.91	28.26



USI Shareholder Structure

- Individuals 50.91%
- Foreign Institutions & Foreign Investors 28.26%
- Other Corporate Entities 20.80%

Risk Management Organizational Structure

To effectively execute the company's risk management mechanism, the Board of Directors, Audit Committee, President's Office, Internal Audit Division, various risk management units, and subsidiaries jointly participate in pushing it forward. For details on the organizational structure, please see the Risk Management section on the ESG website.

For risk management policies, processes, and implementation status, please refer to Section 2.3 Risk Management in this report.



2.2 Economic Performance

GRI 2-25、3-3

SDGs 8



Impact Topics

Overcapacity, plastic reduction policies restricting industrial development



2025 Key Achievements

1. Invested approximately NT\$276 million in equipment enhancements.
2. Completed construction of the first Compounding processing line.
3. Completed the new factory of Kaohsiung Intercontinental Container Terminal (ICT) Project Phase 2.
4. Advanced phase II of solar power generation facilities.
5. Developed B2C markets.



2026 Targets

1. Complete the second Compounding processing line.
2. Complete construction for phase II and phase III projects of solar power generation facilities.
3. Schedule an investment of NT\$176 million for equipment enhancements.



Medium- to Long-Term Planning

1. Complete and commission two processing lines.
2. Focus on green energy, environmental protection, and B2C product development to drive industrial updating and transformation.
3. Continuously promote the circular economy.

USI Corporation recorded a loss per share of NT\$2.6 for fiscal year 2025. This year, the global petrochemical industry continued to face severe challenges. Influenced by the US reciprocal tariff policy, supply chain restructuring pressures intensified, and the US shale gas ethane advantage compressed the profit margins of naphtha crackers, causing ethylene prices to slide downward. However, the supply side of petrochemical products expanded due to Mainland China's petrochemical industry continuously rolling out large-scale capacity expansions, leading to an oversupply of products. Compounded by continuous price-slashing competition triggered by the US-China trade war, overall plastics and chemical market prices in Asia were depressed.

At the beginning of the year, due to market apprehensions regarding the shock brought by Mainland China's new EVA capacity, downstream customers were overly bearish about the future and continuously pushed down their inventory levels. Meanwhile, on the demand side, a solar grid-connection deadline policy stimulated module factories to rush orders ahead of schedule, which pushed first-quarter EVA prices to stop falling and rebound. In early April, the US announced its reciprocal tariff policy, bringing a serious shock to downstream PE and EVA customers; in particular, certain brand shoe factories with North America as their primary market saw their supply chains virtually grind to a halt at that time. It was not until after mid-June, with the outbreak of the Israel-Iran war and the gradual finalization of US tariff policies for various nations, that the downstream market gradually recovered momentum after several months of adjustments, allowing EVA prices to stop falling and stabilize. From early August to late September, due to a recovery in solar demand, EVA initiated another round of rebounding market conditions, until the fourth quarter when it turned downward again due to the commissioning of new capacities in Mainland China and South Korea. In sum, this year's EVA sales volume reached 123,000 metric tons, an increase of 7% compared to last year, while selling prices dropped by 7%. In comparison, HD/LLD market price fluctuations were smaller, yet some downstream customers were impacted by US tariffs, causing orders to decline; total HD/LLD sales volume reached 78,000 metric tons, a decrease of 5% compared to last year, with selling prices sliding down by 7%. The annual production volume of EVA/PE stood at 200,000 metric tons, an increase of 6% compared to the previous year.

Regarding R&D, we continue to develop high-VA EVA products applied in markets such as inks, high-end shoe material foaming, and wires/cables, among which special-grade EVA has achieved a major breakthrough in the wire and cable market. In addition, we continuously conduct manufacturing process optimization and specification updates for optical-grade cyclic block copolymers, targeting electronic industrial applications with high heat-resistance requirements, high-added-value optical lenses, and high-end transparent flexible tubes. In terms of CBC business promotion, major customers in new energy power applications and optical lenses have completed preliminary testing. Food packaging film applications have established a solid foothold and continue to expand toward European and American markets. Semiconductor carriers have achieved customer certification and are being stably delivered. Due to the outstanding performance of CBC materials in deep UV sterilization applications, they have successfully entered Mainland China's first-tier brand auto manufacturers and medical applications. Concurrently, we are proactively collaborating with internationally renowned brand manufacturers to develop products applied in sterilization water filter pitchers. In sum, due to continuously and actively expanding EVA product sales volume increases and a slide in ethylene costs, operating losses for this year have decreased compared to the previous fiscal year.

USI's Financial Performance from 2023 to 2025

GRI 201-1

(Unit: NT\$ thousand)

Item	Basic Element	2023	2024	2025
Direct economic value generated	Operating revenues (Note 1)	11,449,372	8,821,441	8,376,427
Economic value distributed	Operating costs (Note 2)	10,420,578	9,552,710	8,973,189
	Employee wages and benefits (Note 3)	627,636	546,451	529,696
	Payments to providers of capital (Note 4)	2023 cash dividends distributed in 2024 at NT\$0.35 per share 416,067	2024 cash dividends distributed in 2025 at NT\$0.2 per share 237,753	The Board approved the distribution of 2025 cash dividends in 2026 at an estimated NT\$0.15 per share 178,315
		Interest expenses 58,644	Interest expenses 52,477	Interest expenses 60,941
	Payments to government (Note 5)	777,756	223,116	(8,136)
	Community investments (Note 6)	5,000	3,000	3,000
Economic value retained (Note 7)		(207,006)	(2,147,470)	(2,790,962)

Note 1: Operational revenue refers to sales revenue.

Note 2: Operational costs refer to cost of goods sold + operating expenses.

Note 3: Employee salaries and benefits are already included within the aforementioned operational costs.

Note 4: Interest expenses are already included within the aforementioned operational costs.

Note 5: Payments to government refer to corporate income tax paid (refunded).

Note 6: Community investments include feedback to local communities and donations to the USI Education Foundation, which are already included within the aforementioned operational costs.

Note 7: Retained economic value refers to net loss after tax.

Note 8: The 2023 operational costs included sales profits with subsidiaries, whereas 2024 only contains cost of goods sold and operating expenses; hence the 2024 data has been corrected. (GRI 2-4)

Surplus Distribution

For fiscal year 2025, operating revenue was NT\$8.4 billion, net loss after tax stood at NT\$2.791 billion, and a cash dividend of NT\$0.15 per share was allocated. This surplus distribution proposal was approved by the Shareholder General Meeting on May 29, 2026.



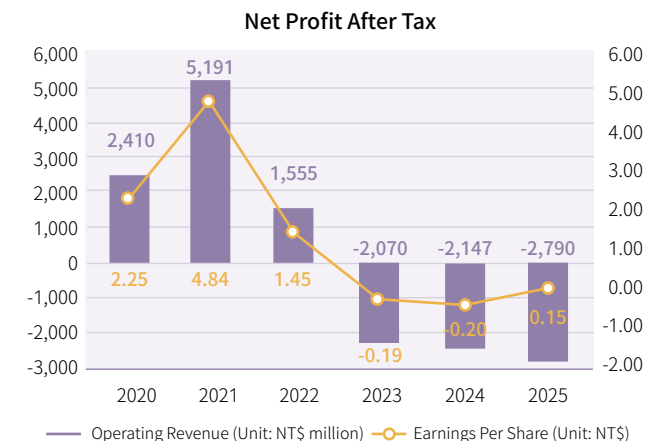
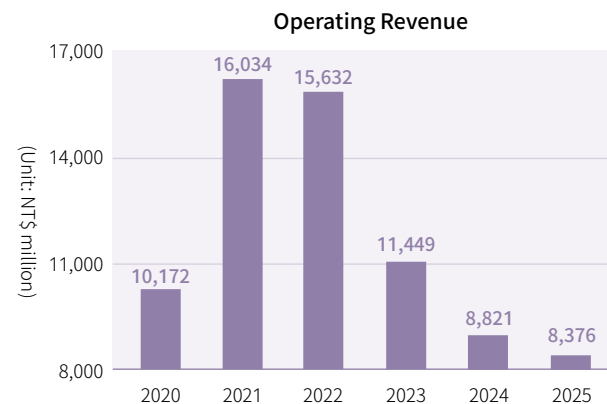
Dividend distribution over the years

www.usife.com.tw/zh-tw/dirlInvestor/frmlInvestor4.aspx



Financial statements over the years

www.usife.com.tw/zh-tw/dirlInvestor/frmlInvestor2.aspx





Innovative Operation and Management

USI invests large amounts of R&D budgets every year, actively recruiting and cultivating professional talent. The R&D expenditures for both 2024 and 2025 were NT\$130 million.

Major Investments

Major Local Investments

I. Kaohsiung Plant High-Value Processing Line

USI Corporation invested approximately NT\$400 million to set up two compounding processing lines, one large and one small, at the Renwu Plant to progressively ramp up the proportion of high-value output. Among them, the small-scale facility was completed and put into manufacturing by the end of 2025, while the large-scale line is mainly imported from abroad and projected for completion by the end of 2026.

Follow-up steps will promote products to applications such as medical materials, shoe materials, and wire and cable materials depending on market trends.



II. Kaohsiung Intercontinental Container Terminal Ethylene Storage Tank Project

To secure an abundant supply of raw materials for multiplying multi-directional imported ethylene sources, boosting future competitiveness, and sustainable operations, USI Group constructed the new factory of Kaohsiung Intercontinental Container Terminal (ICT) Project Phase 2 at Pier S14, with a total investment of NT\$5.221 billion across a construction period spanning from 2017 to 2025.

Groundbreaking for the new factory of Kaohsiung Intercontinental Container Terminal (ICT) Project Phase 2 took place on July 31, 2019. USI invested NT\$906 million to participate in the construction of the \$80,000 M³ ethylene storage tank and auxiliary systems, which achieved commercial operations following completion in the third quarter of 2025, and will continuously provide stable ethylene sources to serve existing customers in the future.



III. Phase II Solar Power Generation Facilities

To step up energy self-sufficiency and implement the energy transition, USI completed the phase I solar power generation facilities in 2019, and allocated a budget of NT\$31 million in 2025 to build phase II solar power generation facilities, scheduled for completion in early 2026.

The system capacities of the two phases stand at 443.775 kW for phase I and 478.8 kW for phase II.

Follow-up steps will consecutively set up and invest in solar PV and geothermal power generation to trim reliance on conventional fossil energy, effectively evading the impact of escalating carbon fee costs in the future, while uplifting corporate green competitiveness and brand value.



IV. Kaohsiung Plant Equipment Enhancement Investments

USI continuously carries out various production process, environmental protection, and industrial safety equipment enhancement projects, investing approximately NT\$224 million in 2024 and approximately NT\$276 million in 2025.

The estimated total investment for 2026 is NT\$176 million. In the future, we will continuously invest in various energy-saving, carbon reduction, and new product development programs to provide high-quality and customized products.



Energy & Water Conservation

- ✓ Steam condensate recovery enhancement
- ✓ Wastewater pond improvement project



Yield & Quality Uplifting

- ✓ New catalyst systems
- ✓ Automatic filter screen replacement system
- ✓ Foreign matter screening machines
- ✓ Delivery pipeline updates



Pollution Prevention & Control

- ✓ TO/RTO furnace improvement projects
- ✓ Environmental protection/process monitoring system updates
- ✓ Compressor cylinder updates
- ✓ Control valve retrofits and updates



Efficiency & Reliability

- ✓ Ultra-high-voltage cable update engineering
- ✓ Motor maintenance/updates
- ✓ Low, medium, and high voltage switchboard updates
- ✓ Synchronous motor coil maintenance/updates



Refinement

- ✓ Inverter motor/high-efficiency motor updates
- ✓ Refrigerator/chiller updates
- ✓ Nitrogen compressor updates
- ✓ Air compressor updates
- ✓ Cooling tower fan blade enhancements
- ✓ Process operational adjustments
- ✓ High-efficiency transformer updates

Major Overseas Investment - Fujian Gulei Petrochemical Project

Corporate Profile

As the largest petrochemical joint venture across the Taiwan Strait, Fujian Gulei Petrochemical Co., Ltd. is located on the Gulei Peninsula on the southeastern coast of Mainland China. Established on November 3, 2016, it was founded as a 50%:50% joint venture by Dynamic Ever Investments Limited (Taiwan party) and Fujian Petrochemical Co., Ltd (Mainland party), primarily handling the operational activities of the Gulei refining-chemical integration project.

Investment Projects

Possesses 9 chemical installations including a 1-million-ton/year capacity ethylene cracker, capable of providing customers with products such as monoethylene glycol, ethylene oxide, styrene, polypropylene, ethylene-vinyl acetate copolymer resin, raffinate C4, thermoplastic elastomers, alongside ethylene, C5, C9, toluene, mixed xylenes, aromatics raffinate oil, butadiene, diethylene glycol, triethylene glycol, propylene, and cracked naphthalene fractions.

Investment Volume and Benefits

- Following approvals from relevant competent authorities, indirect investments are channeled via a third region into the Zhangzhou Gulei Park in Fujian Province, Mainland China, with cumulative investments not exceeding NT\$8 billion.
- Stabilizes upstream raw material supplies, vertically integrates steam cracking, petrochemical intermediate raw materials, and plastics products, drops transport costs, and upgrades competitive advantages to optimize positioning across the Greater China market and compete within international market sales.

Investment Project Milestones

2016 Nov	2018 Aug	2019 May	2019 Jun	2020 Sep	2021 Mar	2021 Aug	2021 Dec	2022 Oct	2023 May
Established Fujian Gulei Petrochemical Co., Ltd.	Official approval was granted to the Gulei Refining & Chemical Plant Project.	Approval of the land for project planning by the Gulei Committee.	Project construction started.	Intermediate delivery of the PP processing units.	PP commissioning succeeded.	Smooth commissioning of steam crackers, SM, EO/EG.	Fujian Gulei Petrochemical Co., Ltd. started commercial operations.	Mid-term delivery of EVA facility (Note).	Gulei Integrated Refinery Project was completed and fully operational.

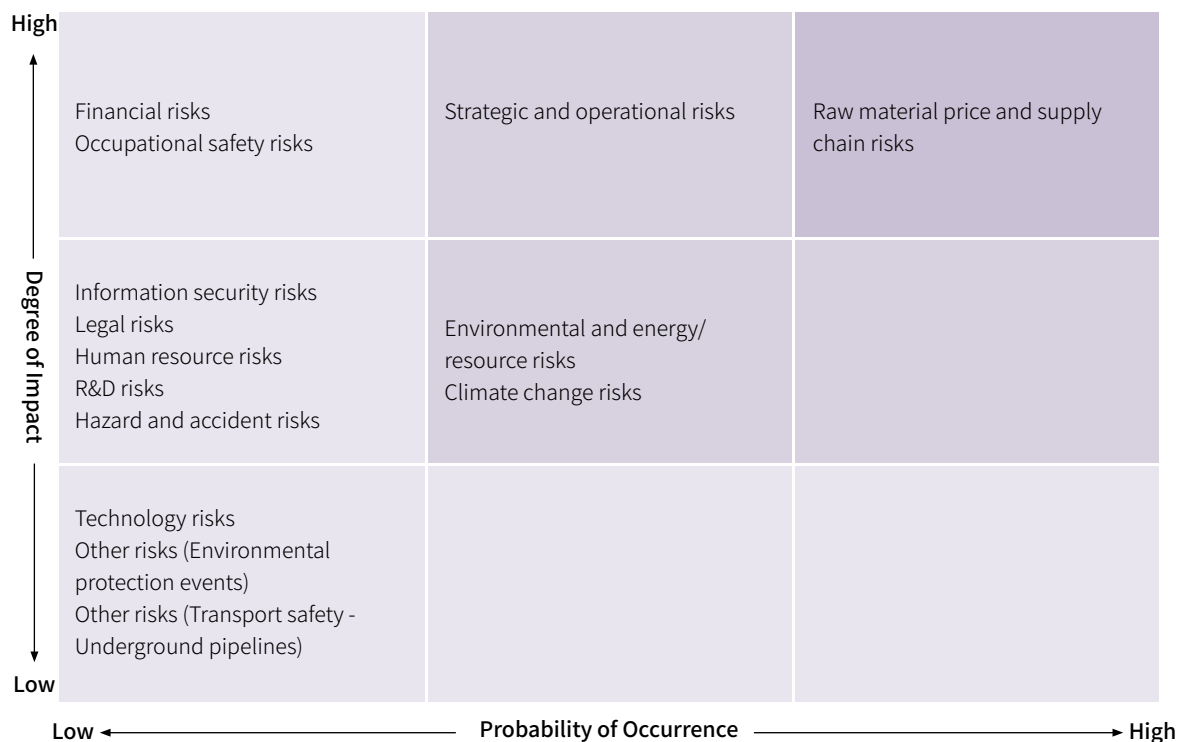
Note: "Mechanical completion" (原文中交) refers to the intermediate handover of a construction project, indicating that the construction contractor has finished all build works along the process workflow route. The process route is entirely linked to execute system pressure tests, water-power joint runs, etc., and the remaining minor tasks do not impact the rollout of trial manufacturing.



GRI 2-13

Scope of Risk Management

Risk Management Matrix Chart



For detailed operational situations, please see the Risk Management section within our company's ESG zone; for climate change financial impact opportunities and risks, please refer to Section 4.5 Climate Change and Energy Management for details.



Cybersecurity management

I. Strategy and framework of cybersecurity risk management

Framework of cybersecurity risk management:

(1) **Information Security Governance Organization:** Convenes the "Information Security Management Review Meeting" periodically every year to rule on the 6 major input items of the information security management framework (processing status of previous management review proposals, changes in internal and external topics associated with the information security management framework, information security performance feedback, stakeholder feedback, risk assessment results and the status of risk treatment plans, and continuous improvement opportunities) and resolve the 2 major output items of the information security management system (decisions related to continuous improvement opportunities, and any need for modifications to the information security management system) to fulfill the targets of the information security management system.

(2) **Information Security Organizational Framework:** According to the company's internal standard operating procedure "Information Security Implementation Organization Regulations," the "Information Security Implementation Team" has been established to supervise the group's information security management operations and clearly prescribe the roles and functions of each implementation organization. A meeting is regularly convened once a year, and can be held immediately if the group encounters major information security events. The director of the Information Technology Division serves as the team convener, responsible for convening the Information Security Implementation Team meetings, as well as resolving and arbitrating meeting opinions; managers of departments under the Information Technology Division serve as team members. Upon the occurrence of a major information security incident, the director of the IT Division will execute notifications to the President or relevant department managers. See Risk Management / Cyber Security Risks for details.

(3) **Establishment of Chief Information Security Officer and Dedicated Cyber Security Unit:** In accordance with the amended provisions of Article 9-1 of the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" issued by the Financial Supervisory Commission, our company accomplished the assignment of a Chief Information Security Officer, a dedicated information security unit, supervisors, and personnel in 2022.

II. Cyber Security Policies

(1) **ISO 27001 Cyber Security System:** Since 2014, we have established and continuously driven the operation of the ISO/IEC 27001:2013 information security management system, appointing BSI as the external independent certification body to conduct reviews. In 2025, we successfully passed the validation update to ISO/IEC 27001:2022. To date, we have successfully passed certification checks for 11 consecutive years (the current certificate's validation period is from July 4, 2023, to July 3, 2026).

(2) **NIST CSF Cyber Security Management Framework:** Incorporates the Cybersecurity Framework (CSF) developed by the National Institute of Standards and Technology (NIST).

(3) Centered around the ISO 27001 information security management system and supplemented by the NIST CSF cybersecurity framework, we strengthen control over risks, uplift cybersecurity resilience, and build capabilities to withstand, contain, and quickly recover from cybersecurity incidents to continuously deliver key operational services.

III. For concrete management schemes and responses to cyber security risks, please see the link: Risk Management / Cyber Security Risks for details.

IV. Resources Invested in Information and Communication Management:

(1) **Dedicated Personnel:** We have set up a full-time corporate unit, the "Information Security Network Section," composed of a dedicated information security supervisor and dedicated information security personnel, responsible for corporate information security planning, technology introduction, and associated audit matters to maintain and continuously reinforce info security.

(2) **Certification:** Passed ISO/IEC 27001 info security certification for 11 consecutive years, with zero major non-conformities found across relevant cybersecurity audits.

(3) **Customer Satisfaction:** Zero major cyber security events occurred, and zero complaint cases violating or leading to the loss of customer statistics were filed.

(4) **Educational Training:** All information personnel completed two cyber security educational training courses and assessments for the year. All group employees executed one social engineering anti-phishing email exercise per year, totaling 2,077 person-times.

(5) **Cybersecurity Investment Budget:** Totaled approximately NT\$7,320 thousand.

(6) **Cybersecurity Bulletins:** Published a total of 8 bulletins.

Audit Operations and Whistleblowing Channels

Audit Operations

An independent internal audit unit is established directly under the Board of Directors to assist the management tier in checking and reviewing internal control systems and measuring operational effectiveness and efficiency, formulating and executing annual audit plans based on identified risks.

The audit director possesses an international certified internal auditor certificate, executing business with objectivity and integrity, and regularly attends Audit Committee and Board of Directors meetings to report on major audit findings and track follow-up improvements.

Internal audit serves as the dedicated unit for handling the Audit Committee Email and the whistleblowing hotline for illegal, unethical, or dishonest conduct.

In 2025, the internal audit unit executed tasks in accordance with the annual audit plan, including the audit of sustainability information management operations, completing a total of 54 audit reports and 5 follow-up reports; all recommended improvements have been completed.

In coordination with the Financial Supervisory Commission's Order Jin-Guan-Zheng-Shen-Zi No. 1130381962 dated April 22, 2024, the company passed amendments to the internal control system for sustainability info management via the Audit Committee and Board of Directors on November 7, 2024, and will continue to make timely adjustments to match relevant laws or operations.

Whistleblowing Channels GRI 2-25、2-26

Enacted via approval from the Board of Directors and Audit Committee on August 10, 2017, USI formulated the "Handling Measures for Whistleblowing Cases of Illegal, Unethical, or Dishonest Conduct," clearly prescribing reporting procedures and associated confidentiality mechanisms. Reporting channels incorporate personal reports, whistleblowing hotlines, and written reports, with a designated dedicated unit.

The company puts its full effort into maintaining strict confidentiality and protecting whistleblowers, personnel participating in investigations, and associated content, shielding them from unfair treatment or retaliation. If the whistleblower is an employee, the company guarantees that the colleague will not face inappropriate treatment due to whistleblowing. To date, zero whistleblowing matters have been received.



1. **Personal report: Face-to-face explanation**
2. **Whistleblowing Hotline: 02-26503783**
3. **Written report: Internal Audit Division, 7F, No. 37, Jihu Rd., Neihu Dist., Taipei City**

2.4 Ethical Corporate Management and Legal Compliance

GRI 2-16、2-17、2-27

SDGs16

Ethical Management

To strengthen the management of ethical operations, the company has enacted codes of ethical conduct for directors and officers, integrity management codes, and integrity management operating procedures and conduct guides. This forms integrity-based policies and establishes excellent corporate governance alongside risk control mechanisms. For more details regarding anti-corruption policies, codes of ethical conduct for directors and officers, and integrity management codes, see the Corporate Governance section on our official website.

Beyond shop rules and group measures, new hire orientation incorporates sexual harassment prevention, anti-discrimination, anti-harassment, working hour management promotion, safeguarding humane treatment, healthy and safe working environments, and integrity/honesty policy advocacy; furthermore, commitment statements are signed to pledge compliance with relevant specifications.

Regulatory Compliance SDGs16



Meaning

Honest management and strict compliance with regulations constitute USI's core philosophy for sustainable operations.



Continuous Target

Zero violations of laws and/or regulations.



2025 Projects

1. Participation in regulatory promotions by government agencies
2. Process safety and environmental regulatory identification.



2025 Key Achievements

1. Zero incidents of violating relevant regulations for product labeling and associated fines.
2. Zero violations of laws and regulations in the economic domain.
3. 7 incidents of violating environmental laws and/or regulations.
4. Zero incidents of fines violating occupational health and safety regulations.



Management Approach Description

Implementing ethical management serves as a critical core for USI. Meanwhile, we emphasize regulatory compliance across domains, conducting periodic regulatory checks via internal units based on their functions to secure USI's compliance with laws and statutory rules. We consistently monitor regulatory movements to prepare in advance for impacts brought by variations. See the Ethical Management and Regulatory Compliance section on the ESG website for details.

Management Method RT-CH-140a.2、RT-CH-530a.1

Educational Training: To ensure all employees understand regulatory compliance topics, the company utilizes employee training and routine meetings to advocate the latest regulatory information and trends, providing colleagues with updates on newly added or amended rules. Concurrently, the Legal Affairs Division offers legal consulting recommendations. Furthermore, beyond internal training or irregular participation in external training courses, outside legal experts are invited to host lectures, reinforcing employees' operational policy and regulatory knowledge alongside capability.

Corrective Actions: Regarding items of regulatory non-compliance, investigations and identifications are immediately carried out to understand root causes, and measures are taken for control and correction, minimizing negative impacts and preventing recurrence. Additionally, to urge employees to strictly comply with statutory rules, USI incorporates environmental protection and occupational health and safety events into production bonus appraisal elements; if an administrative penalty occurs, bonus distributions to associated employees will be withheld.

Materiality Determination: According to the company's "Internal Material Information Processing Operating Procedures," the criteria for determining materiality are whether it causes significant damage or impact to the company, triggers administrative penalties such as suspension of work or business ordered by relevant authorities, or involves a cumulative fine for a single event reaching NT\$1 million or above.

Implementation Status: In 2024 and 2025, USI had zero incidents of violating product labeling regulations and fines or laws and regulations in the economic domain, as well as zero situations violating occupational health and safety regulations. Other items of regulatory non-compliance are detailed below:

Year 2024: 5 incidents of violating environmental laws and/or regulations, with a total fine amount of NT\$412,000

Year 2025: 7 incidents of violating environmental laws and/or regulations, with a total fine amount of NT\$1,398,180

Note: In coordination with public disclosure, the recognition method for penalty tickets was changed from the mailing date to the issue date, and the 2024 data has been revised. For details, see the Ministry of the Environment's Regulated Pollution Source Data (including Penalty Information) System. (GRI 2-4)



Regarding items of regulatory non-compliance, the company has immediately taken improvement measures, which passed review and filing by competent authorities. In the future, USI will continuously drive reinforced environmental, health, and safety management, aiming to meet the "Five Zero Goals" of zero pollution, zero emissions, zero accidents, zero occupational injuries, and zero failures.

Note: The processing workflow for material illegal acts follows the stipulations of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities.

2025 Penalty Events and Improvement Descriptions

Incidents of violating environmental laws and/or regulations - Air pollution: 7 cases

* Annual penalties are based on the dispatch date of the administrative penalty letter.

Root Causes and Improvement Measures

Deficiencies of Penalty Tickets

- ① Odor testing at the boiler emission stack failed to comply with emission standards. Fine of NT\$135 thousand.
- ② Operated newly added installations without following the approved contents of the stationary pollution source operation permit. Fine of NT\$160 thousand.
- ③ The timing of flare utilization failed to match the approved contents of the plan. Fine of NT\$220 thousand.
- ④ Failed to complete the installation of "Volatile Organic Compounds" monitoring facilities for the flare. Fine of NT\$400 thousand.
- ⑤ Process components of manufacturing line B in Manufacturing Department I exceeded standards across inspection. Fine of NT\$225.4 thousand.
- ⑥ Process components in Manufacturing Department II exceeded standards across inspection. Fine of NT\$100 thousand.
- ⑦ Process components in Manufacturing Department I exceeded standards across inspection. Fine of NT\$157,780.

Improvement Measures

- ① Raised furnace temperature to lift destruction removal efficiency.
- ② Modified modification data to comply with regulations.
- ③ Routed most process waste gas to the TO furnace for disposal during plant startup/shutdown and equipment overhauls.
- ④ Established continuous monitoring for flare composition/calorific value analysis.
- ⑤ Reinforced VOCs leakage measurements at valve stems and following valve open/close operations.
- ⑥ Added dedicated measurement components, routinely overhauling and replacing gaskets.
- ⑦ Strengthened component leakage training and patrols for every shift. Reinforced VOCs leakage measurements at valve stems and following valve open/close operations.



Intellectual Property Management

USI adopts an intellectual property governance principle of "quality over quantity," securing that R&D resources are precisely converted into sustainable assets with commercial value.

Dynamic IP Management

Over the years, applied and passed patents accumulated to 144 items. Based on operational requirements, patent resource optimization and exit management are executed, effectively concentrating resources on the maintenance of core sustainable technologies.

Strategic Core

Focusing on three major transformation domains: "high-value calculation, circular economy, and medical applications," securing that R&D outputs are highly aligned with the company's long-term strategy.

Perfecting Governance Mechanisms

The company has enacted an "Intellectual Property Management Plan," which reported the implementation status for fiscal year 2025 and the R&D plan for fiscal year 2026 to the Board of Directors on November 10, 2025, materializing the executive tier's supervisory responsibilities over technological assets.

USI's Core Technology Patent Layout Matrix

Core Technology Category	Operational Goal Linkage	Representative Patent Name (Surviving Essence)	Deployment Countries
(CBC/ViviOn™) High value-added polymers (Cyclic Block Copolymer/ViviOn™)	Environmental and Social Responsibility: Target semiconductor carriers, optical lenses, and biomedical markets to strengthen global competitiveness.	Hydrogenated block copolymers and their compositions (TWI660975/US10450455B2)	Taiwan, USA
Circular Economy and Sustainable Materials	Source Reduction and Circulation: Develop recyclable foaming technologies, align with indicator E-6, and realize the vision of resource circulation.	Hydrogenated block copolymers and their compositions (TWI660975/US10450455B2)	Taiwan, China, USA, Europe
Fireproof Materials (FRE VAT™)	Safety Protection and Green Alternatives: Develop halogen-free green fireproof products to provide safer protective materials.	Fireproof composite structure (TWM597795)	Taiwan
High-end Medical Applications	Social Well-being and Biocompatibility: Realize the application value of medical materials. The products have passed multiple ISO 10993 biocompatibility standards and obtained US FDA DMF registration, protecting public health.	Multi-layer sheet for dental applications (US11344386B2)	USA

Patent Management - Innovative Patent Invention Application Platform

USI established an application platform on its internal intranet. After logging in, colleagues from the R&D Division can thoroughly record innovative ideas and experimental results generated during work and store them in confidential folders. Once info is complete and reviewed by relevant managers, patent applications can be pursued according to procedures.

Trade Secret Management

Reports, documents, or associated intellectual property generated by each R&D project in the R&D Division are separately stored in encrypted website folders within USI's network. Access permissions are set for control, and the system proactively audits abnormal access situations and issues real-time warnings to responsible managers for checking, securing the proper management of trade secrets.

2.5 Smart Management

GRI 2-25、3-3



Impact Topics

Introducing automated processes to improve efficiency, manpower downsizing impacting the right to work



2024 Key Achievements

1. Promoted six projects:
2. DCS + localized data system installation, high-pressure reactor vibration real-time status monitoring and development, AI quality prediction, black smoke identification system, digitized graphic and text management system, white smoke and open flame identification system, and energy dashboard systems, etc.



2025 Key Achievements

Promoted two new projects: Employee face recognition system / Contractor personnel identification management system.



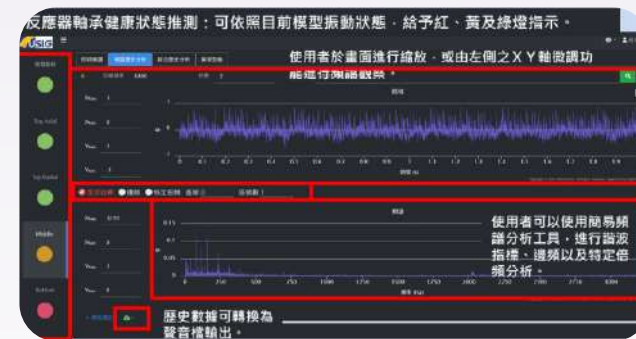
Medium- to Long-Term Planning

1. Promote two AI projects every year.
2. Projected to execute the finished goods warehouse high-temperature ignition identification system in 2026.
3. Strengthen colleagues' data management knowledge, increase analysis efficiency, and optimize execution strategies.
4. Invest in the development and application of smart management to uplift production management efficiency.

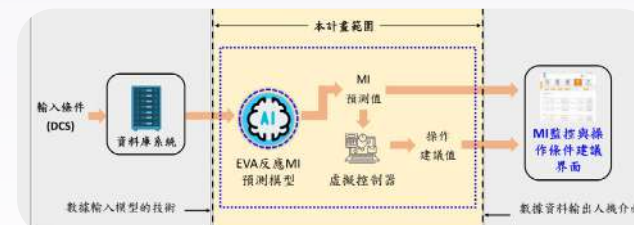
In recent years, USI has proactively promoted various smart management systems, applying them to critical equipment smart predictive maintenance, production data integrated analysis, AI model analysis predictive maintenance, quality prediction, factory safety preservation, energy management, and carbon platforms, etc.

High-Pressure Reactor Vibration Real-Time Status Monitoring and Development of AI Model Analysis Predictive Maintenance

Introduced real-time monitoring of high-pressure reactor vibrations, integrating process operational parameters, and developing AI models to analyze the real-time operational status of the high-pressure reactor. Utilizing a visualized system interface, the health status of high-pressure reactors is monitored at any time, predicting operational lifespan and determining the timing for high-pressure reactor shutdowns, lowering the probability of process out-of-control, reducing the risk of process safety events, and uplifting operational safety. Currently, the AI model continuously undergoes training optimization to step up predictive accuracy.

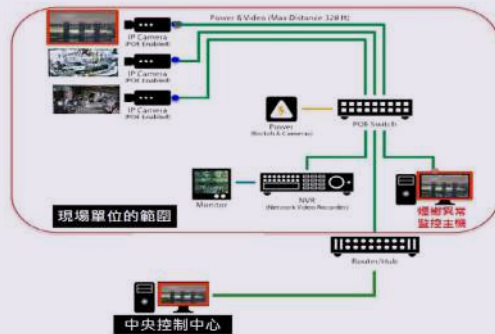


▲ Schematic Diagram of Visualized Operational Status System



Black Smoke Identification System

In the past, chimneys were monitored manually via operation screens to judge whether stack emissions were abnormal, but field personnel were occupied with heavy work and unable to watch the screens 24 hours a day. By introducing the black smoke identification system, human burdens are alleviated, and field personnel can be immediately notified to make adjustments when the chimney emits black smoke, preventing its continuous occurrence. Following a year and a half of machine learning, this AI system has reached an identification rate of 90%, controlling in a timely manner to evade black smoke emissions and lower production losses. Currently, model training and learning are being pursued to elevate model predictive accuracy.



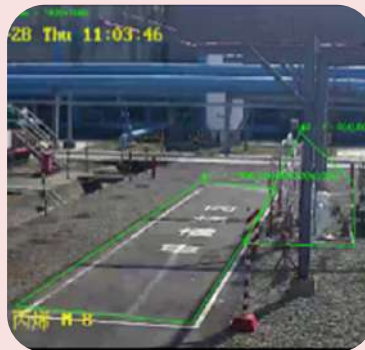
Contractor Personnel Identification Management System

Through the contractor face recognition system combined with the contractor management system, the status of qualified contractors entering the plant (insurance, affidavits, agreement organizations, training, etc.) is quickly controlled. Furthermore, upon the occurrence of an accident, the count of personnel within the plant and evacuation status can be grasped immediately at the first instance.



White smoke and open flame identification system

Introducing model learning. In the past, human monitoring of operation screens was utilized to judge whether anomalies occurred, but field personnel were occupied with heavy work and unable to watch screens 24 hours a day. By introducing this identification system, human burdens are alleviated, and personnel can be immediately alerted to make adjustments. Currently, model training and learning are being pursued to elevate model predictive accuracy.



Employee Face Recognition System

Through the employee face recognition system combined with the attendance system, employee entry/exit situations and attendance records are quickly controlled, which is beneficial for grasping the status of employees within the plant.



Chapter 3

Innovation and Supply Chain Services

Operational Highlights

- ✓ New product development and refinement (E): Completed 9 representative development/refinement projects.
- ✓ High-caliber team (S): The proportion of master's and doctoral R&D talent was raised to 65%.
- ✓ Regulatory compliance effectiveness (S): 0 regulatory violations for products.
- ✓ Innovative R&D investment (G): R&D expenses reached NT\$130 million in 2025.
- ✓ Intellectual property protection network (G): Cumulative applied and passed patents over the years reached 144 items.

Material Topics in This Chapter

Technology R&D
Product Quality
Supply Chain Management



3.1 Technology R&D

GRI 2-25、3-3

SDG 8

SDG 9

SDG 13



Impact Topics

New product development, product transformation, and new market demands



2025 Targets

1. Number of new product developments and product refinements at 4 cases/year.
2. 0 regulatory violations for products.
3. Continuously develop and promote environment-friendly products.



2025 Key Achievements

1. 9 representative new product development and refinement projects completed.
2. Zero incidents of violating product labeling regulations and fines.
3. Newly developed high-value EVA products in recent years accounted for 5.88% of consolidated revenue in 2025.
4. Environmental protection product development.
5. Cumulative domestic and foreign applied and passed patents reached 144 items.



2026 Targets

1. Number of new product developments and product refinements at 4 cases/year.
2. 0 regulatory violations for products.
3. Continuously develop and promote environment-friendly products.



Medium- to Long-Term Planning

1. Number of new product developments and product refinements at 5 cases/year.
2. 0 regulatory violations for products.
3. Continuously develop and promote environment-friendly products.

Innovative Operation and Sustainability Value Practice

USI is dedicated to implementing "sustainability strategies," positioning technological innovation as the core of transformation and actively responding to SDG 9. To support the company's medium- and long-term sustainability transition, we define clear annual R&D targets to secure the stability of resource investment and output:

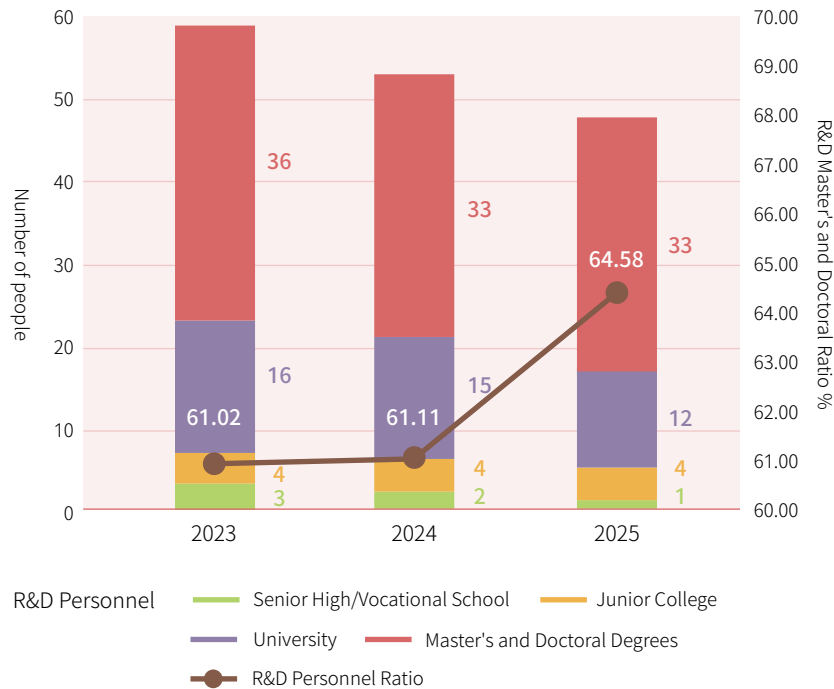
- ✓ **Stable R&D Investment:** We commit to an annual research expenditure of no less than NT\$100 million. In 2025, the substantive investment was approximately NT\$130 million (accounting for 1.6% of revenue), manifesting the company's determination to drive high-value transformation.
- ✓ **Efficient Output Momentum:** Formulated a quantitative KPI of "4 cases of new product development and product refinement" each year. Through systematically organized R&D management mechanisms, a total of 9 representative development and refinement projects were completed in 2025, demonstrating excellent R&D execution capacity.
- ✓ **Talent Structure Optimization (S):** Promote R&D organizational refinement and structure optimization. Although the team scale was adjusted to 48 members (representing 11.7% of the total), the proportion of master's and doctoral degrees was raised to 65% to support the development demands of the circular economy and high-value products with high scientific research quality.

Innovative R&D Investment

(Currency unit: NT\$)

Item	2023	2024	2025
Operational Revenue	11,449,372,000	8,821,441,000	8,376,427,000
R&D Budget	144,359,000	132,645,000	132,200,000
Total Employees	452	429	410
Total R&D Personnel	59	54	48
R&D Personnel Ratio (%)	13.1%	12.6%	11.7%

R&D Human Resource Distribution



Innovative Operations and Culture

USI is dedicated to introducing "green design" into core R&D, transforming research fruits into sustainable assets equipped with market competitiveness and environmental friendliness.

Forward-looking Materials and Sustainable Applications

Green Sustainable Product Achievements

Source Reduction: Developed KTR 699 customized weather-resistant fishing net materials, fulfilling "source reduction" via material lifetime extension.

Energy Saving Products: Researched and developed solar encapsulation film raw materials and eco-friendly thermal insulation coatings, assisting in lower energy consumption and greenhouse gas emissions.

Green Safety: Launched halogen-free fire retardant materials to replace hazardous substances containing halogens, providing both safety and low environmental impacts.



High-Value and Social Value

Forward-looking Materials: Cyclic Block Copolymer (CBC) was honored with the "National Innovation Award," deeply anchoring in semiconductor and biomedical applications.

Medical Protection: Products achieved US FDA DMF registration, materializing the social well-being of medical device applications.



The aforementioned R&D fruits all align with the company's three major transformation pillars: high-value engineering, circular economy, and medical applications, securing high consistency between innovative investments and medium- to long-term sustainability strategies.

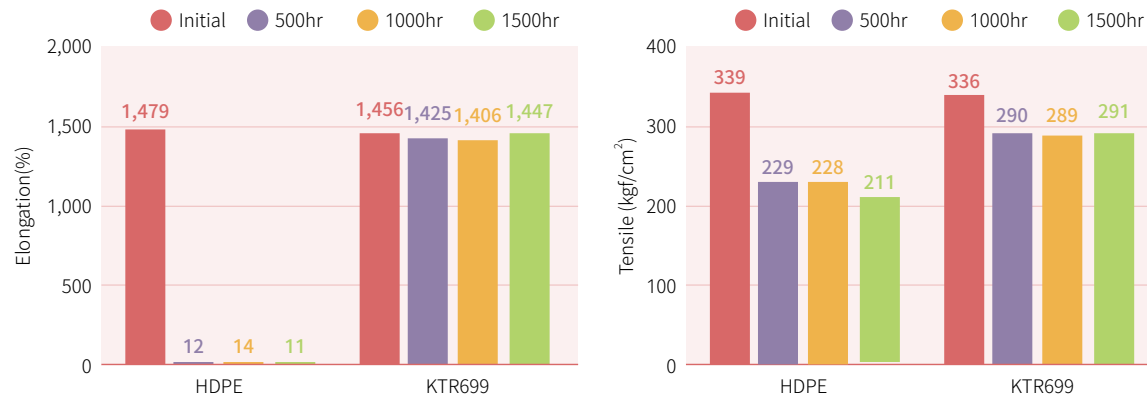
Sustainable Product Development and Resource Efficiency Uplifting

USI pledges to introduce eco-design and life cycle thinking into the core of R&D, collaborating with supply chain partners to optimize performance and realize a win-win scenario for environmental and commercial values at the source.

Customized R&D Practice: KTR699 Product Performance Uplifting Project

Addressing customer requirements for operations under high-sunlight environments, we initiated a weather-resistant fishing net material development project (test serial number: KTR 699). This project verified through scientific experiments to materialize the circular economy target of source reduction:

✓ **Weather-resistance Experimental Data Support:** Our company laboratory conducted a 1,500-hour accelerated aging simulation test. Experimental outcomes indicated that the tensile retention of the optimized material was significantly superior to current general commodity specifications.



✓ **Materialize Source Reduction:** Through upgrading product weather-resistant performance, the service life is effectively prolonged. This project is positioned within the "Reduce" strategy of the 3R core concepts, trimming resource consumption and waste generation via material lifetime extension, manifesting circular economy results.

✓ **Chemical Risk Control:** The R&D process strictly controls the utilization of hazardous substances, securing that products comply with RoHS international environmental guidelines, lowering potential impacts of chemical footprints on the ecosystem at the source.

✓ **International Target Response:** Responds to SDG 12 Responsible Consumption and Production, lowering resource waste and reinforcing value chain sustainability competitiveness through uplifting material utilization effectiveness.

Innovative Product Benefits

R&D and innovation serve as one of the core strategies of USI Group's sustainability development vision. USI invests hundreds of millions of NT Dollars in R&D funds every year to acquire and maintain R&D installations and precision analysis instruments, and proactively recruits outstanding talent home and abroad to join the R&D team, committing to process refinement improvements and sustainable product development. Furthermore, we introduce the concept of "green design," continuously innovating and deepening our own products while actively planning upstream and downstream collaboration, hand-in-hand with the industrial supply chain to co-create corporate sustainability value. Newly developed high-value EVA products in recent years accounted for 5.88% of consolidated revenue in 2025.

High-Melt-Index EVA Applied in Hot-Melt Adhesive Processes - Critical Materials Driving Resource Efficiency and Sustainable Manufacturing

Under the strategy of promoting environmental sustainability and process innovation concurrently, our company proactively introduces high-melt-index (Melt Index, MI 400~800 g/10 min) EVA materials into hot-melt adhesive processes. High-MI EVA possesses excellent processing fluidity and thermoplastic characteristics, upgrading resource efficiency and environmental protection performance across manufacturing procedures while maintaining product functionality.

- High-MI EVA possesses superb fluidity, allowing hot-melt adhesives to be operated under lower temperatures during processing, effectively dropping energy consumption and carbon emissions.
- Material characteristics can achieve thinner coatings and smaller application volumes, further reducing raw material consumption and uplifting overall resource efficiency.
- Hot-melt adhesives are inherently solvent-free formulations, which are more beneficial for recovery and disposal when combined with high-MI formulations, supporting circular economy practices.

The revenue of high-Melt-Index EVA products for fiscal year 2025 was approximately NT\$1.015 billion.

RT-CH-410a.1

Interfacing with the EU Market: ViviOn™ 8210 Series Obtains the German CHI Flexible Packaging Recyclability Certification

As the EU's Packaging and Packaging Waste Regulation (PPWR) aggressively advances, packaging intended for the EU market must meet "Designed for Recycling" standards by 2030. Global brand owners are currently facing a shifting trend toward "Mono-material" designs. Fulfilling recycling rules via simplifying material structure while maintaining the packaging's inherent premium performance has become a shared challenge across the industry chain.

To promote the widespread application of ViviOn™ (CBC) 8210 series in PE/PP flexible packaging and assist value chain partners in removing concerns over recycling compatibility of functional materials, USI commissioned the German packaging recyclability assessment body Institute cyclos-HTP (CHI) to conduct stringent testing, successfully securing the recyclability certification for PE/PP flexible packaging systems in the fourth quarter of 2025.

The ViviOn™ 8210 series not only helps upgrade the stiffness and easy-tear properties of PE/PP flexible packaging but is also verified to meet recyclability certification standards for entry into PE/PP flexible packaging streams. This allows packaging formulation designers to no longer compromise between "performance" and "eco-friendliness," confidently using ViviOn™ to optimize mono-material formulations in PE/PP flexible packaging systems to develop green packaging that is both legally compliant with EU rules and commercially competitive.

Relevant Appendices

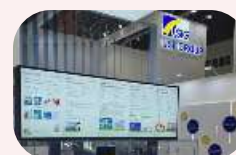
- PE System Certification (CHI-C8-PEF 1/4.1): Proves that within LDPE flexible packaging recycling streams, it does not impact the quality of recycled materials.
- PP System Certification (CHI-C8-PPF-1): Proves that within PP flexible packaging recycling streams, it possesses excellent compatibility with recycled materials.



Innovative Product Promotion

ViviOn™ (CBC) Participates in Various International Benchmarking Exhibitions

No.	Exhibition Name	Exhibition Location	Exhibitor	Remarks
1	MD&M West	USA	Cooperative distributor	Iconic international exhibition; largest medical exhibition in North America
2	CMEF (China International Medical Equipment Fair)	China	Cooperative distributor	
3	Chinaplas	China	USI Group	Iconic international exhibition; largest rubber and plastics exhibition in Asia
4	Med-Tech Innovation Expo (UK & Ireland)	UK	Cooperative distributor	
5	CIOE (China International Optoelectronic Exposition)	China	Cooperative distributor	
6	Medical Technology Ireland	Ireland	Cooperative distributor	
7	Medtec China	China	Cooperative distributor	
8	K Show	Germany	Cooperative distributor	
9	CAMO Fair (Korea Adhesive, Coating and Film Industry Exhibition)	South Korea	Cooperative distributor	Iconic international exhibition; largest rubber and plastics exhibition globally
10	COMPAMED (Düsseldorf, Germany)	Germany	Cooperative distributor	Iconic international exhibition; largest medical exhibition in Europe



For ViviOn™ (CBC) promotions, please refer to the Company's [website/latest news](#).

3.2 Product Quality

GRI 3-2、3-3、2-25

SDG 8



Impact Topics

Product yield rates and customer requirements



2024 Key Achievements

1. Established customer complaint cases: Departments I/II/III recorded 5 cases / 14 cases / 0 cases respectively.
2. Product defect rates for Departments I/II/III were 2.6% / 4.3% / 3.26% respectively.



2025 Targets

1. Established customer complaint cases each year for Departments I/II/III not to exceed 5 cases / 4 cases / 3 cases respectively.
2. Product defect rates for Departments I/II/III were 1.8% / 5% / 8% respectively.



2025 Key Achievements

1. Established customer complaint cases: Departments I/II/III recorded 3 cases / 22 cases / 0 cases respectively.
2. Product defect rates for Departments I/II/III were 2.44% / 5.55% / 5.9% respectively.



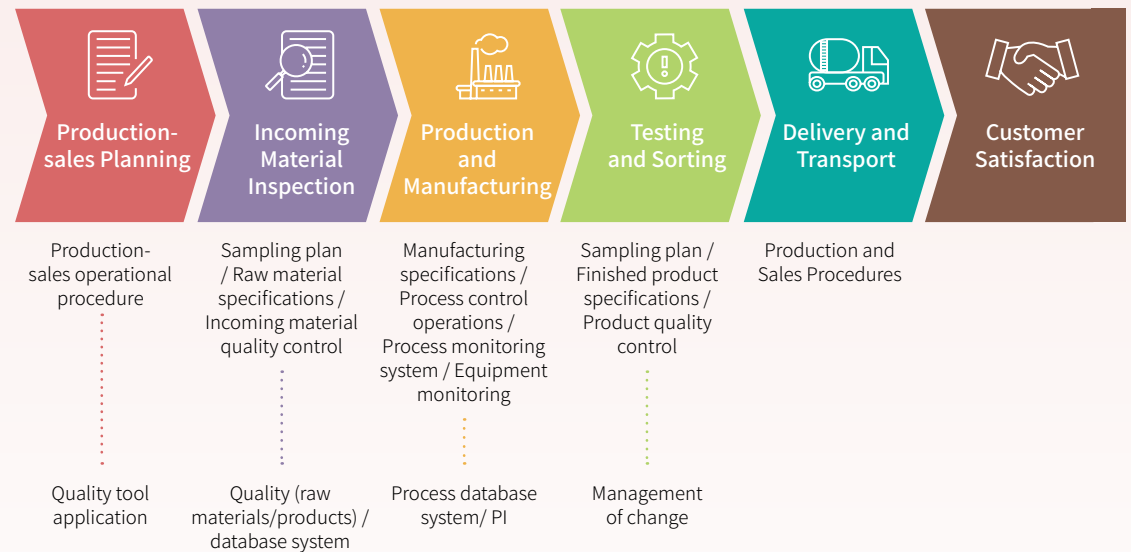
Medium- to Long-Term Planning

1. Established customer complaint cases each year for Departments I/II/III not to exceed 5 cases / 4 cases / 3 cases respectively.
2. Product defect rates for Departments I/II/III lower than 1.8% / 5% / 8% respectively.

Quality Management System

Quality is the bedrock of corporate sustainable development. To provide customers with premium product quality and services, USI has established the ISO 9001 quality management system. Strict management approaches are built into operational processes across "production-sales planning," "incoming material inspection," "production and manufacturing," "testing and sorting," and "delivery and transport." Simultaneously, via information technology, we set up a quality database system and a process database PI system. Beyond executing real-time monitoring on quality and process parameter statuses to safeguard final product quality, this allows associated statistical analysis and traceability of product quality, process parameters, and raw material quality.

Furthermore, the computerized management of change system ensures that modification operational procedures undergo strict review and management to eliminate modification risks, contributing to the stability of process and production quality.



Quality Major Improvement Projects

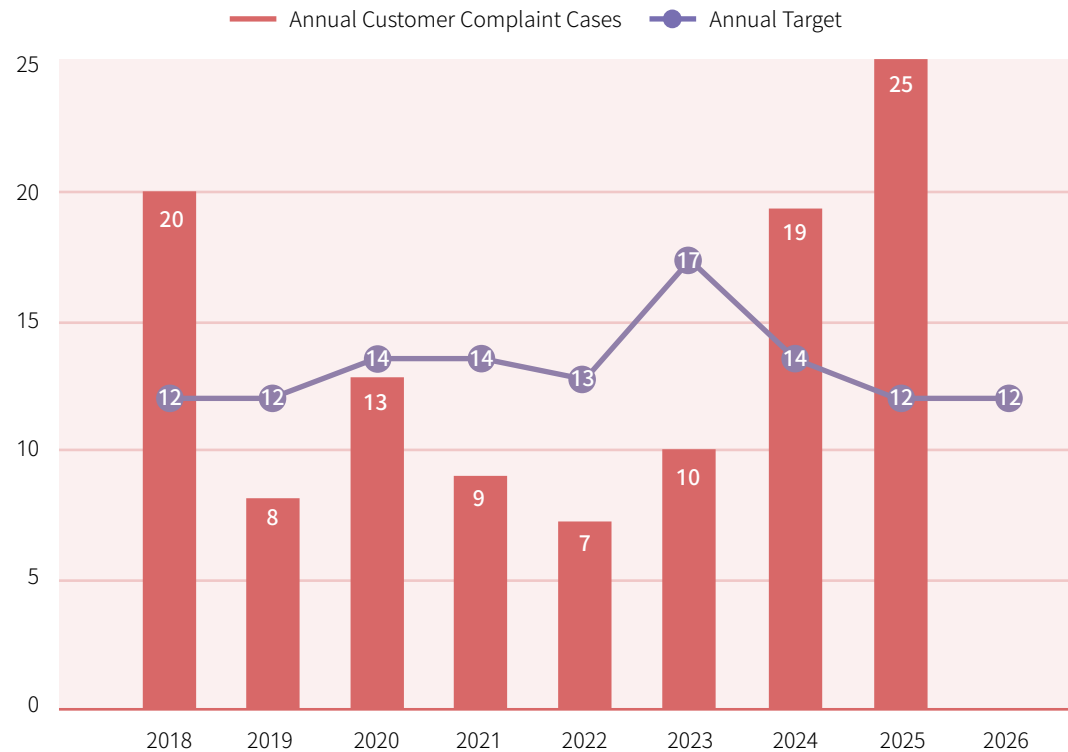
2025		Content and Timeline	Expected Benefits
1	Department II's new catalyst product continuously adjusts production parameters for quality optimization	Fewer inorganic residues, high quality; promote to customers, enhance satisfaction	Continuous improvement
2	Compounding continues to develop new products to meet customers' physical property requirements. Added a second Compounding production line	Enhance product quality, improve physical properties; promote to customers, enhance satisfaction	Completed in December 2025, currently undergoing online testing
3	Department I catalyst pump renewal	Enhance equipment reliability and quality stability	Completed in June 2025
4	Department I new additive system establishment	Enhance product quality, reduce material consumption, and increase customer satisfaction	Expected completion in July 2026
5	Department II chiller renewal	Enhance equipment reliability and quality stability	Completed in September 2025
6	Department II air compressor renewal	Enhance equipment reliability and quality stability	Completed in March 2025
7	Department II Y7004 motor control system renewal	Enhance equipment reliability and quality stability	Completed in November 2025
8	Compounding continues to develop new products to meet customers' physical property requirements. Added a third Compounding production line	Enhance product quality, improve physical properties; promote to customers, enhance satisfaction	Expected completion in December 2026

2026		Content and Timeline	Expected Benefits
1	Department II's new catalyst product continuously adjusts production parameters for quality optimization	Fewer inorganic residues, high quality; promote to customers, enhance satisfaction	Continuous improvement
2	Department I new additive system establishment Compounding	Enhance product quality, reduce material consumption, and increase customer satisfaction	Expected completion in July 2026
3	Compounding continues to develop new products to meet customers' physical property requirements. Added a third Compounding production line	Enhance product quality, improve physical properties; promote to customers, enhance satisfaction	Expected completion in December 2026
4	Manufacturing Department II FFS packaging machine renewal	Manufacturing Department II FFS packaging machine renewal	Enhance equipment reliability and quality stability; expected completion in December 2026
5	EVA high-value enhancement plan	Improve product physical properties, enhance product quality	Develop new products, acquire new customers

To put the quality policy of continuously upgrading "employee quality," "technological improvement," and "comprehensive quality operational principles" into practice, USI encourages employees of all levels to participate in proposal improvements, hosting group-wide improvement case presentations to inspire employee self-growth and cross-plant observation. A total of 8 vital quality-related improvement items were carried out in 2025.

Quality improvement is a continuous process. USI defines continuous enhancement of product yields and reduction of customer complaints as its long-term quality targets. Due to equipment malfunctions in 2025, customer complaint cases rose; we have reviewed improvement and prevention measures across the bi-annual management review meetings and followed up on the processing outcomes of complaint cases. In the future, we will continuously verify the effectiveness of improvements and strengthen customer communication to lower the probability of customer complaints.

Annual Customer Complaint Cases (cases/year)



Note 1: Since 2023, target complaint cases for Manufacturing Department III are included in the statistics.



3.3 Supply Chain Management

GRI 2-6、2-25、3-2、3-3



Impact Topics

Supply chain management, quality, and supply



2025 Key Achievements

1. Existing supplier commitment form signing achievement rate at 100%.
2. Conducted physical on-site audits for 3 suppliers.
3. Local procurement rate: Ethylene 96%; VAM 81%.
4. Participated in the Ministry of Economic Affairs' Gudeng Supply Chain Low-carbon Transition Coaching Program, working with the customer and its supply chain to accumulate a concrete carbon reduction result of 13,113 metric tons of CO₂e over the past two years.



2026 Targets

1. Conduct physical on-site audits for 2 suppliers every year.
2. Successfully complete the Supply Chain Low-carbon Transition Coaching Program.
3. Maintain a local procurement rate of 60% or above.



Medium- to Long-Term Planning

1. Increase physical on-site audits to 3 suppliers every year.
2. Based on factory audit outcomes, establish a supplier exchange platform, commissioning our company's professional personnel to offer recommendations and assist in planning targeted at their weaknesses.

Since USI only has around a dozen manufacturing suppliers domestically, the short-term goal for physical on-site audits is maintained at 2 firms, and the medium- to long-term target is defined at 3 firms annually.

Supply Chain Sustainability Development Strategies and Targets

As a benchmarking enterprise in Taiwan, USI bears the responsibility to rally supplier partners to shoulder corporate social responsibility collectively. Therefore, we have drafted the Supplier Social Responsibility Commitment Form, requiring vendors to pledge commitments regarding labor and human rights, health and safety, environment and resources, cyber security and privacy protection, and business ethics.

Labor & Human Rights: No forced labor, prohibition of child labor, provision of proper compensation and benefits, safeguarding labor hours and rest times, eliminating workplace sexual harassment, bullying, and workplace discrimination, and refraining from using conflict minerals, etc.

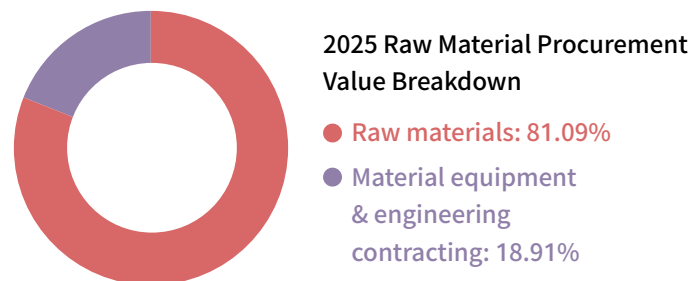
Health & Safety: Incorporates obtaining relevant certifications (such as Occupational Health and Safety Management Systems) or concretely proposing necessary measures such as occupational safety, emergency response, industrial hygiene, machine protection, public health and accommodation, and health and safety information.

Environment: Incorporates obtaining relevant certifications (such as ISO 14001) or proposing concrete methods such as environmental operating 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.

Ethical Codes: Incorporates ethical management, respecting intellectual property rights, complying with relevant confidentiality agreements, safeguarding privacy, and avoiding conflicts of interest, etc.

Information Security and Privacy Protection: Incorporates obtaining relevant certifications (such as Information Security Management Systems) or concretely proposing approaches including establishing cybersecurity management policies, strengthening authentication, cybersecurity propaganda, and access control monitoring; and executing personal privacy data processing in accordance with relevant laws and regulations.

As topics such as sustainable operation and supply chain risk management gradually gain attention, beyond proactively fulfilling sustainable development responsibilities and feeding back to society itself, USI recognizes that we must better understand suppliers' impacts on corporate operations, society, and the environment, materializing supplier management.



Supply Chain Sustainability Development Policy

Enhance partnership to share sustainable business opportunities;
Elevate process safety environments, putting maximum effort into environmental protection;
Shoulder social responsibility to upgrade competitive capacity.

Supply Chain Risk Management

Risk Assessment and Prevention	Impact Response	Future Planning
In addition to supply chain safety requirements, examine the special conditions of chemical suppliers (including chemical process risk workplaces, VOCs fugitive emissions, and handling of environmentally restricted substances, etc.). Preventive practices are as follows: 1. Introduce a supplier sustainability self-assessment questionnaire to provide initial risk identification information. 2. Establish long-term cooperative relationships with suppliers, develop alternative suppliers while maintaining cooperative relationships, and coordinate a long-term material preparation system. 3. Establish an internal safety stock mechanism and set purchase requisition base points according to supply schedules to avoid material shortage risks. 4. Procurement personnel undergo supply chain sustainability educational training. 5. Contractor EHS educational training.	Adjust the supply ratio of suppliers, substituting and mutually deploying other suppliers in a timely manner. For the engineering section, the EHS unit will immediately convene investigations into personnel safety, equipment damage, and environmental impacts, and after compilation, hand them over to relevant units for response and understanding.	Besides prioritizing chemical suppliers, we will establish a risk assessment mechanism based on procurement amounts, engineering contracting amounts, or the level of engineering importance, incorporating the aforementioned factory audit results related to sustainable development strategies.

Implementation Status of Supply Chain ESG Risk Management

Risk Item & Attribute	Suppliers (Chemicals)	Engineering Contractors
	Environmental (E), Social (S), and Corporate Governance (G)	
Potential Risks	· Chemical manufacturing processes (E) · High-dust, high-temperature, high-noise, or high-humidity operational workplaces (E) · VOCs (volatile organic compounds) fugitive risks (E) · Labor-intensive industries (S) · Supply chain disruption/delay risks (G) · Quality risks (G)	· High-dust, high-temperature, high-noise, or high-humidity operational workplaces (E) · High-altitude operational risks (E, S) · Labor intensive (S) · Cutting or welding industrial safety risks (S) · Engineering disruption/delayed completion risks (G) · Engineering quality risks (G)
Number of Audited & Visited Firms	Trialed physical on-site audits for 3 firms in 2025, with a 100% qualification rate.	
Audit Details	Environmental (E): Check whether manufacturing, storage, and other operations of restricted environmental substances are implemented based on laws. Governance (G): Quality, production, and order management, tracking of customer complaints and satisfaction, employee training, and external processing management.	

Sustainability Supply Chain Concept Promotion and Qualification Screening

Supplier Code of Conduct (Supplier Social Responsibility Commitment Form) GRI 308-1 ~ 414-1

The supplier social responsibility commitment form was introduced in fiscal year 2020 as an encouraged signing system. Suppliers added after fiscal year 2022 must sign the commitment form to be listed as qualified vendors. Since 2023, signing this commitment form has been mandatory for all existing and newly added suppliers, achieving a 100% signing rate.

Actions Taken for Environmental and Social Negative Impacts in the Supply Chain: [Supplier Code of Conduct and Quality Requirement Self-Assessment Form](#) GRI 308-1 ~ 308-2 ~ 414-2

To strengthen supplier control mechanisms, physical on-site supplier factory audits have been trialed since 2023, along with introducing the supplier code of conduct and quality requirement self-assessment form. Initial planning targets domestic major suppliers as the priority to investigate environmental and social negative impact risks. In 2025, physical audits were conducted for 3 firms, with a 100% qualification rate.

The six major dimensions of the self-assessment form are as follows:

1. Labor and human rights
2. Health and safety
3. Environment and resources
4. Ethical codes
5. Information security and privacy protection
6. Management and quality systems.



At present, our company's main key raw material suppliers and contractors, including Taiwan CPC Corporation and Dairen Chemical Corporation, as well as our partner CTCL Corporation, have all obtained relevant certifications for ISO 14001 and ISO 45001. This complies with our company's requirements for major suppliers regarding environmental management and occupational health and safety management, making them excellent partners for our sustainable corporate development.

To investigate potential negative impacts from suppliers, USI adopts "proactive risk management." In addition to irregularly checking government websites or online media for environmental violation records of manufacturers to query whether suppliers have major violations of the aforementioned terms or negative news events, our company has also conducted supplier factory audits at a frequency of two companies per year since 2023. These audits are paired with the Supplier Code of Conduct and Quality Requirement Self-Assessment Questionnaire for on-site visits to assess whether they have caused negative or potential impacts on our company (such as fines or suspension of operations by competent authorities). Concrete measures for excellent performance or potential negative impact risks arising from violations or deficiencies are outlined below:

- ✓ Records of violations or deficiencies: We guide and assist them in making improvements for any non-compliance or deficiency items. If there is a malicious lack of cooperation or a chronic inability to improve, risk control response measures such as lowering their rating or selecting alternative suppliers will be adopted.
- ✓ Excellent performance with no violations or deficiencies: We hold bilateral exchange meetings to share strengths and exchange ideas.

Supply chain management mechanism:
Supply Chain Management - USI Corporation

Value Chain ESG Engagement

Carbon Reduction

In 2023, USI signed the Ministry of Economic Affairs' "Gudeng Supply Chain Low-carbon Transition Coaching Program" to work with customer Gudeng Precision Industrial Co., Ltd. and its supply chain toward the target of reducing carbon emissions by 10,000 metric tons by 2025. This project includes expert factory visit recommendations and greenhouse gas inventories.

The project formally disclosed its results to the public at the end of 2025, accumulating carbon reductions of 13,113 metric tons of CO₂e over the past two years.

USI practically implemented four improvement solutions and added two energy-saving practices, achieving a total annual electricity savings of 4,187,312 kWh and an annual carbon reduction of 2,066.56 metric tons of CO₂e. For details, please refer to Latest News - USI Corporation.

Water Resource Sharing

USI has long maintained an excellent cooperative relationship with its supplier Taiwan CPC Corporation, enabling water retrieval from CPC's Kaohsiung Plant to respond during water shortages.

Plastic Reduction

We jointly implemented the plastic pellet spill prevention and management plan with the product transport company to reduce the dispersion of plastic pellets and dust into the environment due to transportation, recycling a total of 10.5 metric tons of plastics in 2025.

USI has promoted packaging plastic reduction for many years, arranging dedicated tank trucks for designated customers to reduce the use of packaging bags.

Supply Chain Management

Based on criteria such as quality, capability, and environmental policies, USI collaborates with premium suppliers for long-term cooperation to fulfill corporate social responsibility. We communicate our environmental protection policies to contractors and carriers while strictly complying with the EU Restriction of Hazardous Substances (RoHS) directive. We strengthen environmental protection education and training, prioritize the safety of construction contractors within our plant premises, ensure the safety of all operations, and protect the life safety and health of workers to jointly execute robust risk management.

Raw Material Supplier Management GRI 308-1

Supplier evaluation is uniformly executed by the procurement department, and only those who pass the evaluation can be included in the approved supplier list. For details on the evaluation mechanism, please refer to the Supply Chain Management Mechanism on our ESG website.

2025 Main Raw Material Sources

Location / Raw Material	Ethylene	VAM
Taiwan	96%	81%
Non-Taiwan	4%	19%
Source of Supply	Total of 4 domestic and foreign suppliers	Total of 3 domestic and foreign suppliers

Note: The percentages in the table represent the proportion of the purchase amount for major raw materials.

2023-2025 Raw Material Supplier Evaluation Results

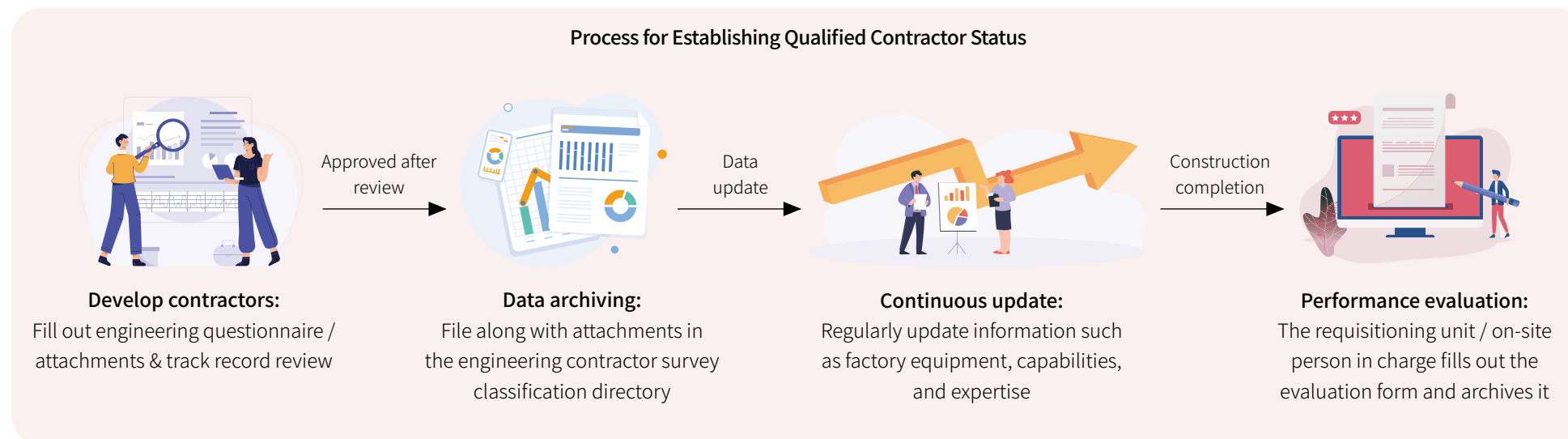
Year	2023	2024	2025
Number of Evaluated Companies	86	63	68
Passing Rate	99%	100%	100%

In 2025, all 68 evaluated companies were qualified, achieving a 100% passing rate.

Engineering Contractor Management

The engineering contracting policy prioritizes local contractors, and the construction process relies on the supervision and management of on-site plant personnel. In addition to the engineering work itself, environmental health and safety, occupational safety, human rights, and labor practice issues must be properly implemented.

Process for Establishing Qualified Contractor Status



Contractor Qualification Rating Criteria

Capital Stock	Total Contract Amount of Top 2 Performance Tracks in Past 2 Years	Accumulated Contract Amount Above NT\$200,000 for a Single Project in Past Year	Plant Scale	Equipment Investment Amount	Number of Employees
10%	20%	10%	20%	20%	20%

Engineering Construction Evaluation Items: During the engineering construction evaluation process, USI evaluates contractors based on various ESG criteria, with the following weights:

Engineering Quality (G)	Safety & Environmental Measures (S)	Construction Coordination (G)	On-site Person in Charge (S)	Environmental Maintenance (E)	Engineering Progress (G)
40%	20%	10%	10%	10%	10%

Note 1: The passing threshold is 50 points or above. Contractors scoring between 30 and 49 points will have their RFQ privileges suspended for one or two years; those scoring below 30 points will have their bidding qualifications disqualified.

Note 2: (E), (S), and (G) represent Environmental, Social, and Governance evaluation dimensions, respectively.

In 2025, all 59 engineering contractors evaluated passed the assessment, achieving a 100% passing rate.

Product Transportation Management Evaluation GRI 403-7:2018

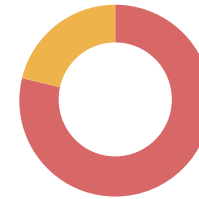
The products manufactured by USI Corporation's Kaohsiung Plant are shipped via De Yuan Transport Ltd. From 2021 to 2025, the plant has continuously promoted the Forklift Operation Safety Protection Identification (AI System) in Warehouse Areas. By utilizing real-time image recognition technology, this system effectively strengthens the supervision of contractors' personal protective equipment (PPE) usage on-site, reducing potential operational risks.

From 2020 to 2025, the company has consistently conducted safety and quality evaluations for product transportation, steadily improving transportation safety quality. In 2025, the transport carrier was rated Grade A (for details, please refer to Section 5.1 Product Transportation - Product Transportation Safety and Quality Evaluation). Furthermore, the company collaborated with carriers to implement a plastic pellet spill prevention and recycling project, reducing the entry of plastic pellets and dust into the marine environment.

Supporting Procurement from Local Suppliers

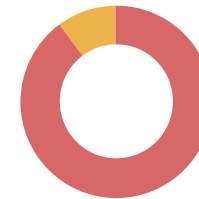
USI's primary operating and production bases are located in Taiwan. Under similar conditions, the company prioritizes procurement from local suppliers, aiming to achieve the targets listed above.

- ✓ Establish long-term sustainable cooperative relationships
- ✓ Promote the local economy
- ✓ Increase employment opportunities
- ✓ Reduce transportation procedures



2024

- Local 73.43%
- Non-local 26.57%



2025

- Procurement in Taiwan 89.85%
- Procurement Outside Taiwan 10.15%

Green Procurement

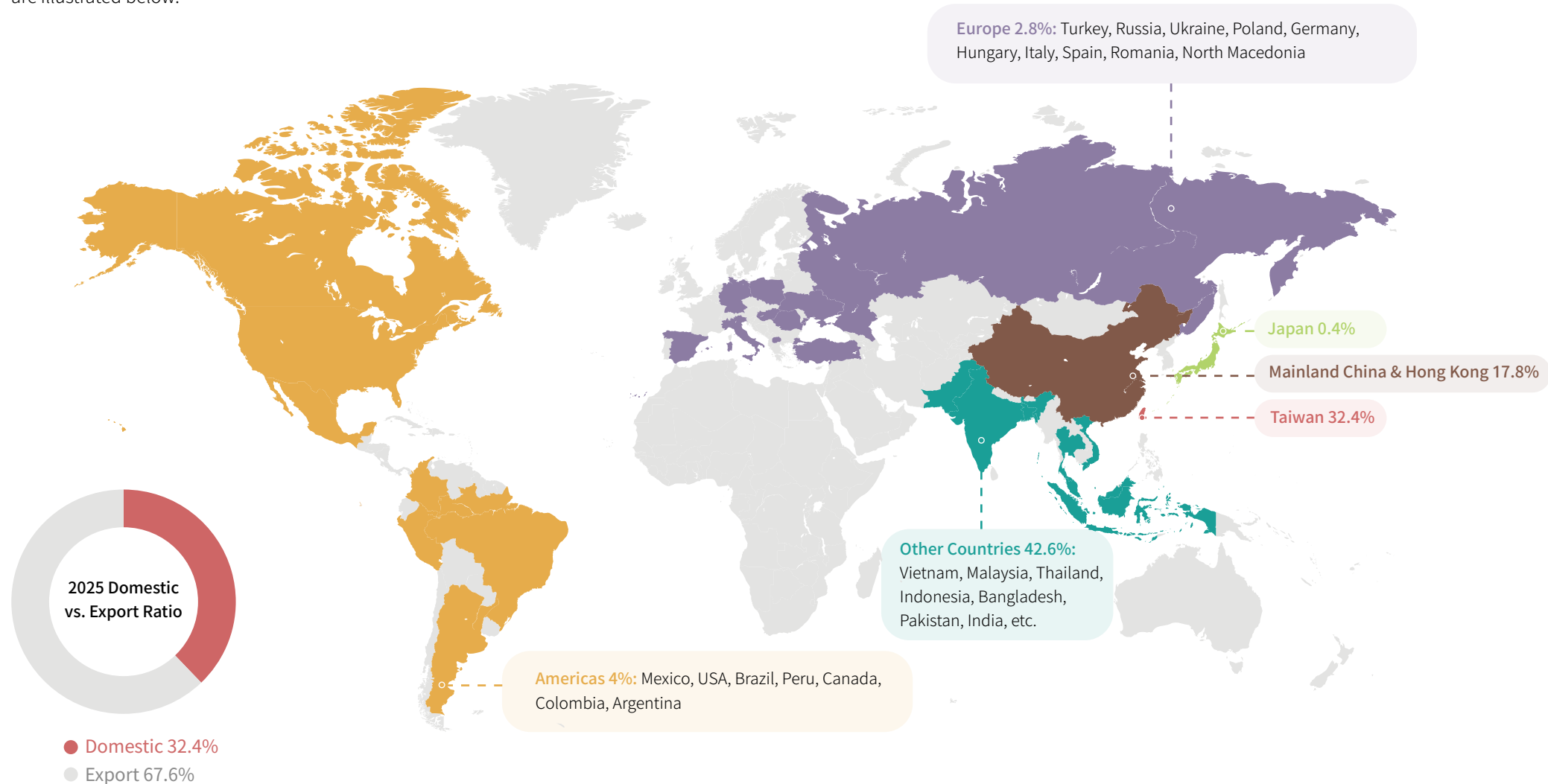
In recent years, besides promoting environmental protection and energy conservation policies, USI has encouraged all units to utilize energy-saving and eco-friendly materials, such as energy-saving equipment (variable frequency drives, high-efficiency IE3 motors, explosion-proof LED lights, air conditioning mainframes, UPS systems), solar power generation facilities, and eco-labeled products (energy-saving and eco-friendly computer equipment).

Since 2023, USI has continuously reported green procurement achievements on the Environmental Protection Administration's (EPA) Net-Zero Green Life Information Platform. The company was recognized as an Outstanding Unit for Net-Zero Green Life in 2024, and the reported green procurement amount reached NT\$51.67 million in 2025. For details, please refer to Green Procurement on our ESG website.



3.4 Sales and Customer Service GRI 2-6

USI's major products are exported to various regions across Europe and Asia, serving a total of 352 customers. Among the exported plastic raw materials, EVA is the primary product, followed by HDPE, with LDPE and LLDPE making up the remainder. The domestic/export ratios and sales market distribution for 2025 (calculated based on sales volume) are illustrated below:



Sales Service

Upholding the principles of integrity management and sustainable development, all products, commodities, and services provided by USI are handled in accordance with relevant laws, regulations, and ethical principles. We are dedicated to protecting consumer rights and establishing a fair, safe, and trustworthy transaction environment. To protect the legitimate rights and interests of consumers and customers and to enhance service quality and customer satisfaction, the following measures have been implemented:



Technical Support

- Established the Operational Standards for Customer After-Sales Technical Services to ensure after-sales service quality and consistency through institutionalized operational procedures, effectively safeguarding customer rights.
- The corporate website features a dedicated "Product Information" section that fully discloses specifications, performance, application catalogs, and Safety Data Sheets (SDS) for existing and new products, helping customers understand and use products correctly to enhance operational safety and compliance.
- All raw material products compile an SDS according to relevant regulations, covering storage, transportation, and operational recommendations to provide customers with comprehensive operational guidelines, reducing operational risks and ensuring regulatory compliance.
- Established a product technical consultation hotline to provide real-time professional advice and assistance, strengthening customer service response efficiency.
- To safeguard customers' right to know and operational safety, USI continues to strengthen product information disclosure and labeling compliance. In 2024, there were zero incidents of non-compliance with regulations concerning product labeling or fines (GRI 419-1).
- Provided small-quantity samples for customer trial production and continuously offered technical support services to help customers enhance performance and utilization satisfaction during product development and application.
- In production and process management, education and training are conducted to enhance all employees' awareness of quality standards and customer requirements, reinforcing the habit of operating according to SOPs. A machinery process engineer system and project improvement plans have also been implemented.



Product Responsibility

- All products comply with the European Union's Restriction of Hazardous Substances (RoHS) directive, ensuring that products are harmless to human health and environmental safety.
- Quality inspection reports (SGS Test Reports) are provided upon customer request.





Customer Privacy

- USI highly values "customer privacy protection," striving to provide satisfactory services, aiming to establish long-term partnerships with customers, and adhering to relevant laws, regulations, and international standards. The company has formulated relevant consumer protection policies. Regarding customer data protection, the Group complies with the Personal Data Protection Act to establish Customer Personal Data Management Operations alongside rigorous personal privacy security management and protection measures.
- The dedicated units are the Group Credit Department and Information Technology Department. The Credit Department controls ERP customer data to ensure that data collection, processing, and utilization are properly governed and protected, covering USI Corporation, its affiliates, customers, and suppliers. To manage privacy-related risks more effectively, the Group Information Technology Department strengthens firewall management, access controls, and the separation of testing and production environments. Strict access control strategies and procedures for customer data prevent risks of confidential customer information leakage.
- For internal personal data protection training hours, please refer to USI Corporation.
- The company has passed the ISO/IEC 27001:2013 Information Security Management Systems verification and implemented information security measures such as firewall management, access control, and environmental separation to reinforce customer data protection.
- Formulated regulations such as the General Principles of Information Security Management Policy, System Development and Maintenance Management Specifications, Operational Points for Application System Program Launch, and Database Management Points to establish a sound information governance mechanism.
- In 2025, zero incidents concerning breaches of customer privacy or data leaks occurred, ensuring customer privacy remains intact.



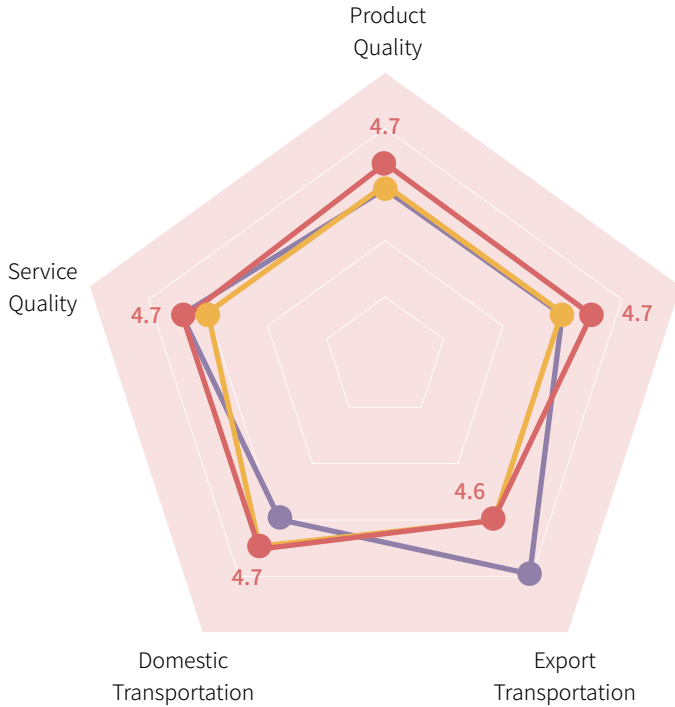
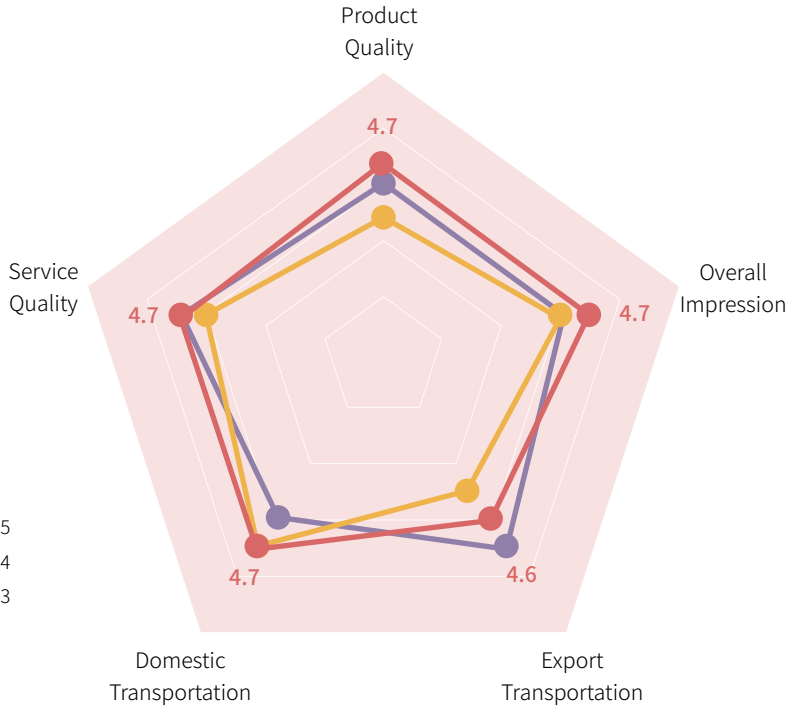
Customer Complaint Handling

- The company has established the Operational Specifications for Customer Complaint Handling to explicitly regulate the handling process and responsible units, ensuring that customer complaints are processed rapidly and transparently.
- A standardized complaint handling mechanism has been built, covering the stages of submission, acceptance, investigation, and response, and managed via a computerized system to enhance tracking control and data analysis.



- Customer complaint handling data is included in the monthly routine meeting report. Through cross-departmental communication and review, the tracking and effectiveness evaluation of corrective and preventive measures are strengthened, thereby promoting organizational learning and quality improvement.
- Complaint cases are analyzed and handled by a dedicated department, and recurring problems are regularly reviewed as a baseline for internal quality management and service process optimization.
- According to the Customer Dispute Handling Procedures, diverse channels for complaints and feedback are provided. In addition to immediate handling by business personnel, a "Product Q&A" section on the official company website and a "Stakeholder Contact" in the ESG section have been set up to facilitate customer inquiries and feedback, strengthening engagement and interactive communication.

Customer Satisfaction

Survey Frequency	Conducted semi-annually
Sampling Method	From the top 100 customers by transaction volume in the upper and lower halves of each year, 50 customers are selected for the survey (30 domestic, 20 export)
Contents and Results	In 2025, performance across all dimensions exceeded the "Satisfied" level. Furthermore, the number of responses indicating "Very Satisfied" or "Satisfied" accounted for 100% of the total responses for the entire year, achieving the 2025 target value ($\geq 97.5\%$). The survey results for the past three years regarding "Comparison with Other Suppliers" and "Comparison with Last Year's Performance" are shown in the charts below:
	Comparison with Other Suppliers  Comparison with Last Year's Performance 
Note: 5 points indicates Very Satisfied, 4 points indicates Satisfied, 3 points indicates Fair, 2 points indicates Dissatisfied, and 1 point indicates Very Dissatisfied.	

Chapter 4

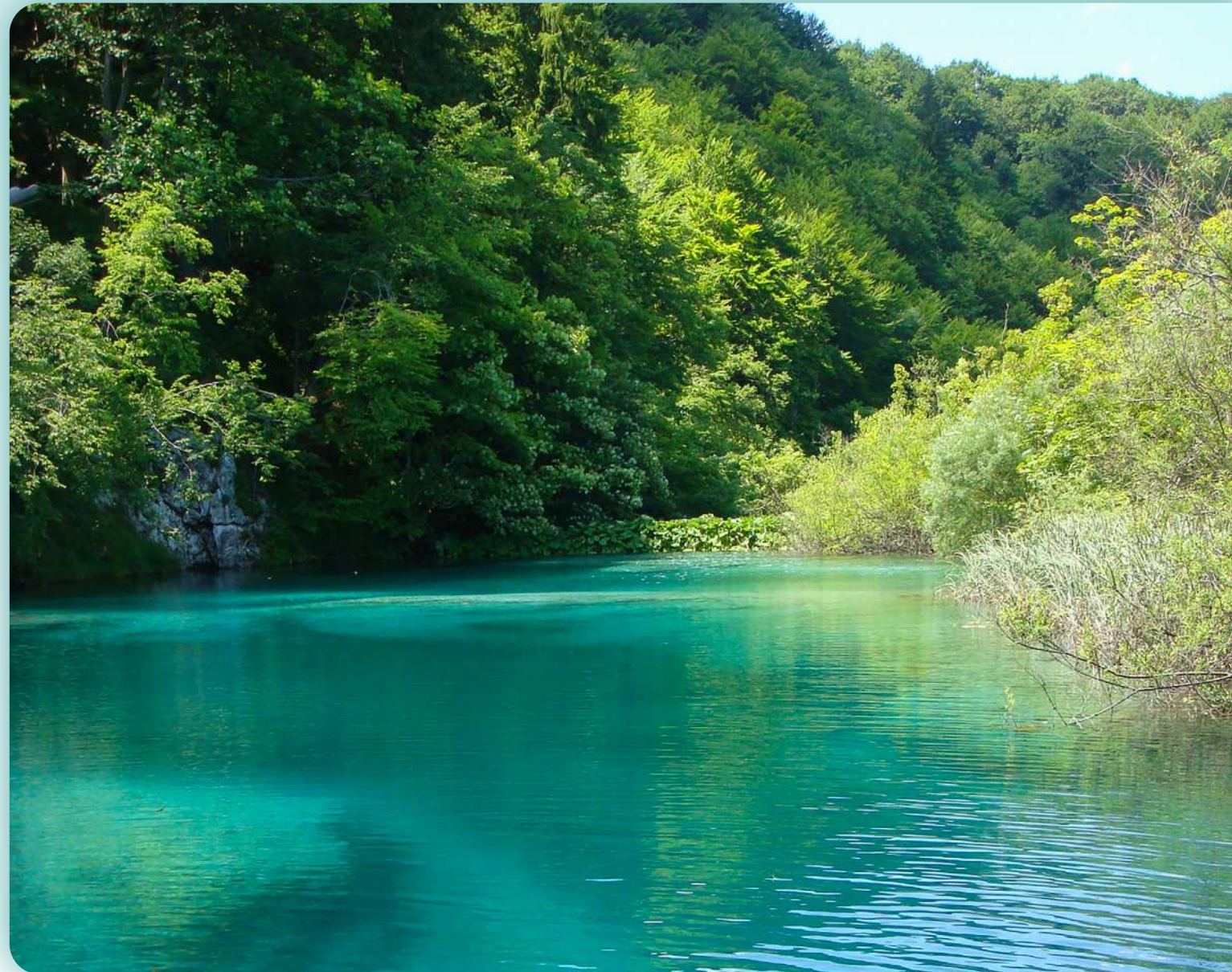
Environmental Sustainability and Climate Change

Operational Highlights

- ✓ Annual water-saving initiatives achieved a total water savings of 65,605 metric tons, representing a water-saving rate of 6.60%
- ✓ The water recovery rate was validated by the Foundation of Taiwan Industry Service at 91.4%
- ✓ Annual electricity saving rate reached 1.70% (the average annual electricity saving rate from 2015 to 2025 was 1.48%)
- ✓ Executed 4 energy-saving and carbon-reduction projects, generating a combined carbon reduction benefit of 1,922 metric tons of CO₂e, with a total investment amount of NT\$10.88 million
- ✓ As of the end of 2025, the cumulative grid-connected capacity of invested solar power stations reached 9MW

Material Topics in This Chapter

Water Resource Management
Air Pollution Control
Waste Management
Climate Change and Energy Management



4.1 Environmental Management System

USI has continuously promoted the ISO 14001 Environmental Management System since 1998, achieving a 100% coverage rate. This system provides a robust environmental protection framework for the company, controlling and reducing environmental impacts, preventing accidents from causing environmental consequences, and ensuring regulatory compliance. Following international trends, the company has integrated the environmental management system with the safety and health system, establishing environmental, safety, and health (EHS) policies and "Five Zero Goals," which are communicated and disseminated to respective departments by the EHS/Energy Management Committee.

Upholding and implementing the Chairman's business philosophy, ensuring occupational safety and health, process safety, and environmental protection to guarantee personnel safety and health while safeguarding the ecological environment is our aspiration and the responsibility of every colleague.

To promote sustainable development, fulfill corporate social responsibility, and respond to cleaner production and green environmental protection movements, the Kaohsiung Plant will continuously improve the working environment, occupational safety, process safety, process waste reduction, water efficiency, and energy conservation, aiming to achieve the "Five Zero Goals" of "Zero Pollution, Zero Emission, Zero Accident, Zero Occupational Injury, and Zero Malfunction."



Environmental Management Targets and Action Plans

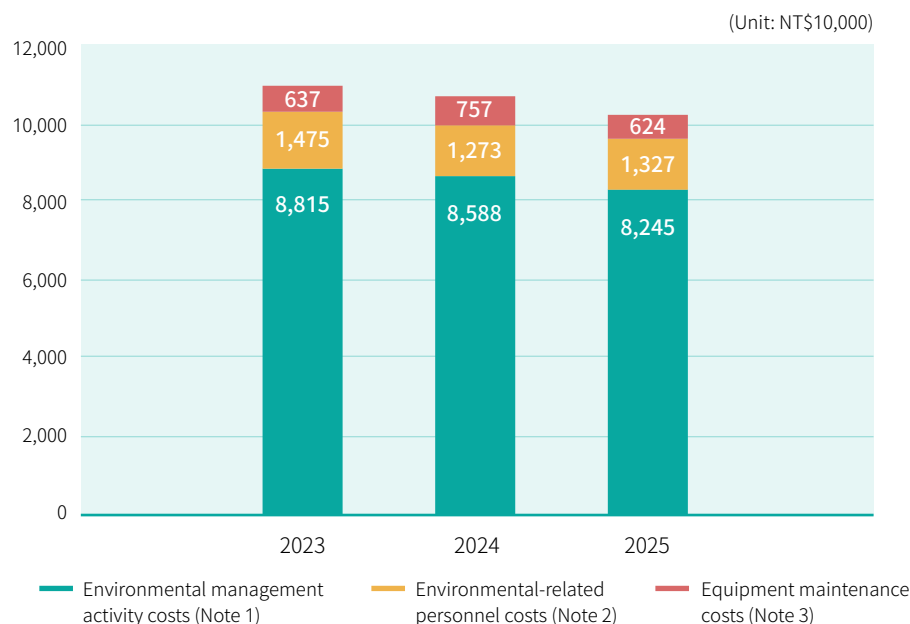
2025 Environmental Protection Targets and Action Plans

Environmental Policy	Zero Pollution	
	Target	
	Program	
	Performance	
	2026 Management Program	
	Air Pollution Zero Pollution: VOCs equipment component leakage rate less than 0.5%	Air Pollution Zero Pollution: Pump replacement to reduce VOCs dissipation into the atmosphere
	1. Reduce equipment component VOCs dissipation (Production Department I) 2. Reduce annual VOCs leakage (Production Department II) 3. VOCs dissipation improvement plan (Production Department III)	Added 1 Modifier pump J-220E to the EF-line.
	In 2025, the measured leakage rate for equipment components in Production Department I, Department II, and Department III was 0.03%.	After replacing the Modifier pump, the emission factor was reduced from 0.00335 kg/hour to 0.00008 kg/hour. Operating 365 days a year, this reduces VOCs dissipation to the atmosphere by 292.76 kg.
	1. Reduce equipment component VOCs dissipation (Production Department I) 2. Reduce annual VOCs leakage (Production Department II) 3. Production Department III VOCs dissipation improvement plan (Production Department III)	2025 program completion progression rate: 63%. This project will be extended to 2026 for continued execution.

Environmental Protection Expenditures

USI's expenses for environmental management are categorized into environmental management activity costs, environmental-related personnel costs, and equipment maintenance costs. In 2025, the company continued to promote projects to reduce VOCs dissipation, recycle and reuse water resources, conserve energy, and implement carbon reduction measures. In 2025, total environmental expenditures were approximately NT\$101.96 million, a decrease of 4.1% compared to 2024. The primary difference was due to lower depreciation expenses for pollution control facilities in 2025.

Environmental Protection Expenditures in the Past Three Years



Note 1: Environmental management activity costs include expenses related to air pollution control, water pollution prevention, waste disposal, noise control, toxic and concerned chemical substance management, industrial safety improvements, fixed asset depreciation, and others (such as cleaning, weeding, etc.).

Note 2: Environmental-related personnel costs include personnel salaries and environmental protection training expenses.

Note 3: Equipment maintenance costs include environmental protection facility maintenance and equipment servicing fees.

GRI 2-25, 3-3

SDG 6

4.2 Water Resource Management



Impact Issues

Production interruption due to water shortages or rainstorms, water pollution, and water consumption fee levies



2025 Performance

1. Achieved a Grade B rating in CDP Water Security.
2. MRT condensate recovery optimization and detention pond rainwater recycling system generated an actual recycled water volume of 65,605 metric tons, representing a water-saving rate of 6.60%.
3. Promoted the plastic pellet recycling project, recovering 10.5 metric tons.



2026 Target

Wastewater treatment system, MRT condensate recovery optimization, and detention pond rainwater recycling system expected annual water savings: 52,500 metric tons/year, with an estimated water-saving rate of 5.36%.



Medium- and Long-Term Planning

Reduce water intake and consumption, improve water quality, and enhance water resource recycling and reuse

Water Resource Management

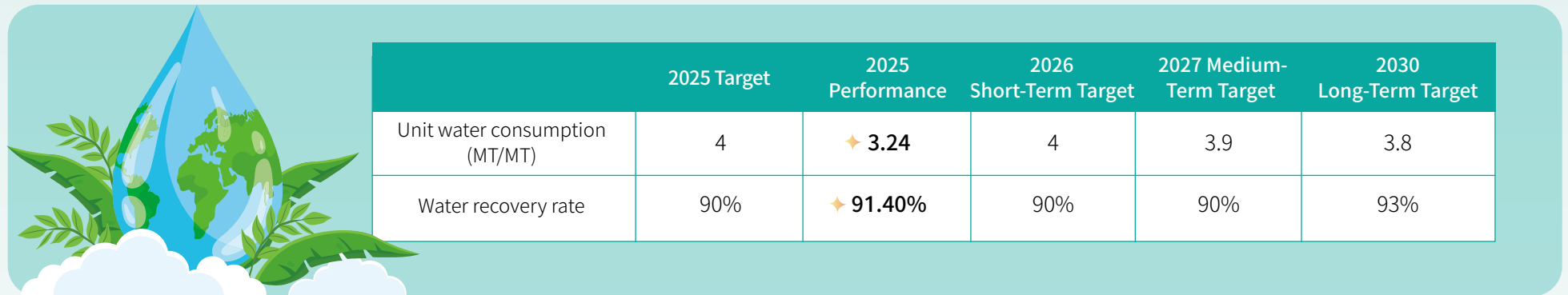
GRI 303-1:2018、303-3:2018、303-4:2018、303-5:2018

RT-CH-140a.3

Target and Management Unit

A circular economy is an industrial system designed to be restorative and regenerative. It replaces the concept of "end-of-life" with "restoration," shifting toward waste conversion and reuse to reduce waste generation. USI continuously promotes a circular economy, executing water conservation and emission reduction through optimization projects to recycle precious water resources. We set an annual performance target of "1% water saving," and the actual achieved water-saving rate for 2025 was 6.60%. The boundary for water resources and wastewater management data is the Kaohsiung Plant, with a 100% data coverage rate.

Water resource management is governed by the Technical Department, designated by the Kaohsiung Plant head. It reports to the Board of Directors regularly each year, setting reduction targets for Unit water consumption and water recycling rates.



Water Resources

Regarding water stress distribution, we refer to the [Aqueduct Water Risk Atlas developed by the World Resources Institute \(WRI\)](#) to understand the global water stress map by country. Our company defines areas with a water stress level exceeding 40% as water-stressed regions, which serves as a baseline for water management and risk response. Based on our queries, USI's primary water source is the Gaoping River Weir, which is located in a low-to-medium water stress region, with a water stress level of 10-20%.

According to the 2024 water resources statistics recently published in official statistical reports by the Water Resources Agency of the Ministry of Economic Affairs, Kaohsiung City's water consumption was 1,033,070 million liters, with domestic and public water use at 361,330 million liters, industrial water use at 264,000 million liters, and agricultural water use at 407,740 million liters. In 2025, the Total withdrawal of USI's Kaohsiung Plant was 927.735 million liters, representing approximately 0.09% of Kaohsiung City's total water consumption. The water source for USI's Kaohsiung Plant is utility tap water, primarily supplied by the Pingding Water Treatment Plant and Chengcing Lake Water Treatment Plant. It is applied to product manufacturing process water, equipment cooling water for manufacturing operations, boiler water, domestic water for factory colleagues, and other uses. The Total withdrawal in 2024 was 938.423 million liters, and the water intake in 2025 decreased by approximately 10.7 million liters compared to 2024. The estimated reason is that there was a long shutdown period in November 2025 to carry out replacements of leaking pipelines that are normally difficult to repair, leading to a significant reduction in subsequent water consumption.

2025 Water Intake, Water Discharge, and Water Consumption

GRI 303-3:2018、303-4:2018、303-5:2018

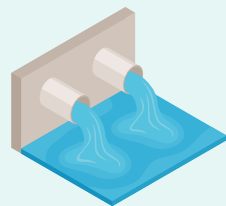
RT-CH-140a.1



Total withdrawal: 927.735 million liters
Low-to-medium water stress region
water stress level 10-20%

- Third-party water - Freshwater (≤ 1,000 mg/L Total Dissolved Solids, TDS): 917.783 million liters
- Surface water - Rainwater: 9.652 million liters
- Water tank truck volume: 0.3 million liters
- Water intake contains zero surface water, groundwater, seawater, or produced water

Note: Third-party water intake is calculated based on monthly meter readings from water meters (flow meters); rainwater intake statistics can be referenced from the "detention pond and tank area rainwater recycling" section under water recycling initiatives; water truck volume is compiled from vendors' water collection slips.



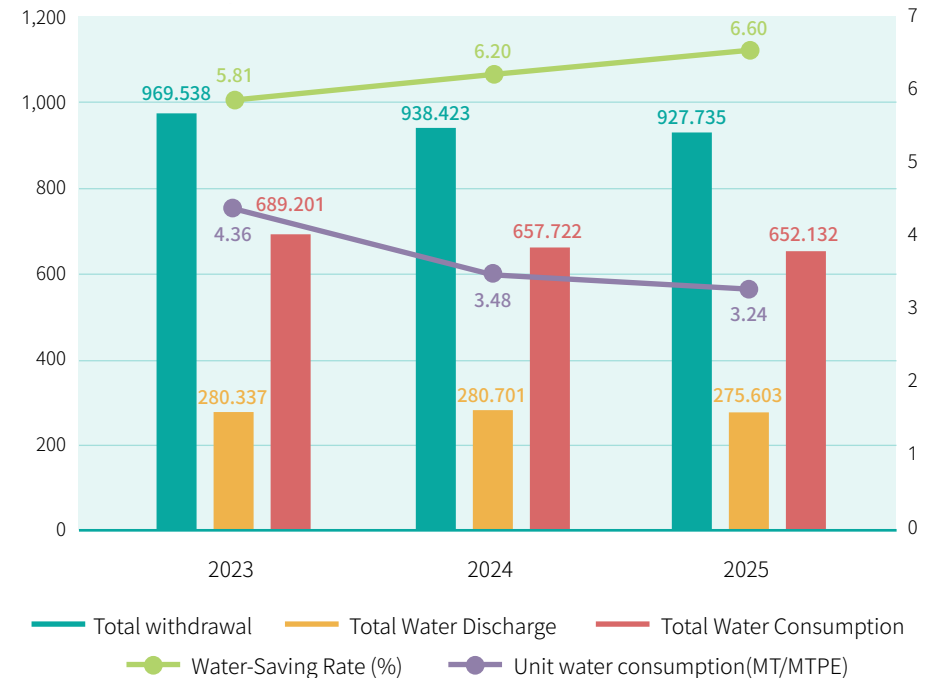
Total Water Discharge: 275.603 million liters
Ammonia Nitrogen Total Volume Control Zone

- Surface water - Freshwater (≤ 1,000 mg/L Total Dissolved Solids, TDS): 275.603 million liters
- Water discharge contains zero groundwater, seawater, or third-party water
- Ammonia nitrogen values for the upper and lower halves of the year were 0.07 mg/L and 0.40 mg/L, respectively, both far below the effluent standard (20 mg/L)

Note: Water discharge is calculated based on readings from the effluent discharge meter (flow meter).

Total Water Consumption = Total withdrawal - Total Water Discharge
= 652.132 million liters

Water Resource Data in the Past Three Years



Water Conservation and Water Recycling GRI 303-1:2018

With rising water demands, climate change impacts, and increasing pressure for sustainability, USI remains consistently attentive to water scarcity and endeavors to reduce its own water use or improve water recycling efficiency as a mitigation strategy.

USI established a water condition monitoring system in 2020 to track water supply at all times. Emergency responses during dry seasons include suspending non-essential water usage, intensifying pipeline and valve inspections, and decreasing cooling tower blowdown. In addition, backup storage in firefighting water tanks acts as a buffer, water tank trucks are purchased, and cooperation is aligned with the government's three-stage water restriction measures. Water improvement initiatives are actively promoted to reduce Total withdrawal year by year.

Water Resource Recovery Plan	Performance
Continuous wastewater monitoring and recovery	Continuously monitor the effluent water quality of the wastewater pool in the plant to improve wastewater treatment response capabilities and ensure the effluent meets regulatory standards. The effluent is treated by the recovery system and then supplied as make-up water for the cooling tower to reduce tap water consumption and process wastewater discharge. Calculation description: Based on the actual on-site pump meter readings, the total wastewater recovery in 2025 was 38,853 metric tons.
Rainwater recovery from detention basins and tank areas	Rainwater accumulated in existing detention basins and tank areas is planned to be piped to the cooling tower. The rainwater is filtered by a rainwater separator next to the cooling tower and provided as make-up water for the cooling tower. Calculation description: The project was completed in 2017 and started operations in 2018. The total rainwater catchment area of the plant is 3,500 square meters, and the tank dike area is 2,300 square meters. The annual rainfall in Kaohsiung City in 2025 was 1,849.0 mm (Note 2). The recovery rate is estimated at 90% (Note 3), projecting a recovered water volume of approximately 9,652 metric tons in 2025. Calculation description: $\\$1,849.0 \times (3,500 + 2,300) \div 1,000 \times 90\% = 9,652$ metric tons/year).
MRT steam condensate recovery	Steam condensate is recovered and reused as boiler feedwater to reduce tap water consumption, with an estimated annual recovery volume conservatively estimated at 17,100 metric tons. Calculation description: The steam condensate recovery volume is $2.4 \text{ metric tons/hour} \times 24 \text{ hours/day} \times 330 \text{ working days/year} \times 90\% \text{ recovery rate} = 17,107$ metric tons/year.

Note: 1. The total estimated recoverable and reusable water volume in 2025 is 65,605 metric tons, and the total water withdrawal is 927,735 metric tons. The percentage of recoverable and reusable water to the total water withdrawal is estimated to be 7.07%.

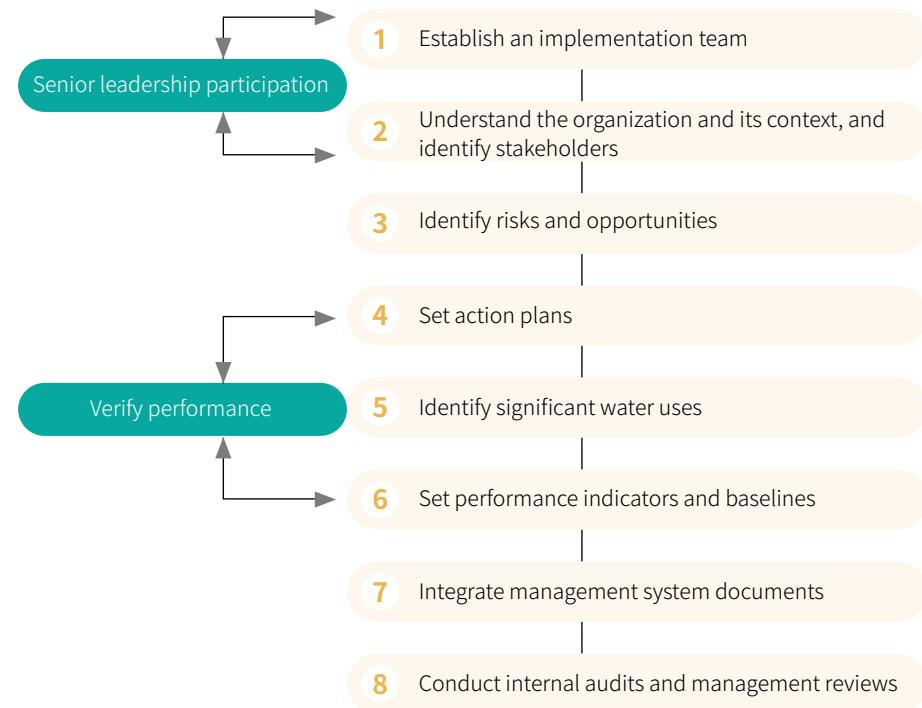
Note: 2. Source of annual rainfall data: Central Weather Administration, Ministry of Transportation and Communications.

Note: 3. MRT steam condensate, detention basin, and tank area rainwater recovery - due to potential losses from pumps, pipelines, and rainwater evaporation, the recovery volume is estimated at 90% of the calculated value.

Note: 4. MRT steam condensate recovery - taking into account the actual time required for equipment maintenance or repair, the annual working days are calculated based on 90% of the 365 days in a year (i.e., 330 days).

Water efficiency management GRI 303-1:2018

USI introduced the ISO 46001:2019 Water efficiency management systems in 2021 (certificate validity: 3/17/2022-5/17/2025). By auditing current water use conditions across the entire plant, water resource risks and opportunities are identified, planned, managed, and improved through systematic water management. This optimizes water demand management, effectively achieves water-saving and emission-reduction goals, enhances water resource utilization efficiency, and reduces costs.



- ✓ Continuously monitor wastewater system management in 2025 to reduce wastewater discharge and increase wastewater recovery.
- ✓ The actual increased recovery water volume was 38,853 metric tons, with a wastewater recovery rate of 12.36%.
- ✓ Calculation formula: $38,853 / (38,853 + 275,603) = 12.36\%$.
Additionally, the recovered rainwater volume from detention basins and tank areas was approximately 9,652 metric tons.
- ✓ The water saving rate was 6.60%.
- ✓ The estimated recovery water volume for 2026 is 52,500 metric tons, with an estimated water saving rate of 5.36%.

External verification of water recovery rate

In 2025, the Kaohsiung Plant commissioned the Foundation of Taiwan Industry Service to verify the plant-wide water recovery rate of the previous year (excluding internal cooling tower circulation, commonly known as R2). The verified recovery rate was 91.4% (see the verification statement for details), which is better than the industry range of 30% to 80%.



Wastewater management GRI 303-1:2018

The wastewater generated by the plant includes process wastewater and domestic sewage from employees. The generated wastewater is transported via pipelines to the wastewater treatment plant for internal processing. The wastewater treatment system consists of pre-treatment and primary physical-chemical processes, ensuring the effluent meets discharge standards through

screening, oil removal, sedimentation, chemical dosing, and a sludge treatment unit for solid-liquid separation.

To reduce the environmental impact of drainage and promote water resource recycling and reuse, in addition to complying with environmental regulations, the plant added a sludge thickening tank to the wastewater treatment facilities in 2020. This improved the sedimentation tank's bottom sludge extraction system and added a sludge washer to the flotation system, enhancing sludge collection efficiency and wastewater treatment performance.

Water quality monitoring and management GRI 303-2:2018、303-4:2018

Every six months, USI commissions an environmental testing institution approved by the Environmental Analysis Laboratory to test effluent water quality items, including ammonia nitrogen, which is subject to total quantity control. The items reported in periodic tests over the years have all been below the effluent standards.

According to the newly revised and announced "Effluent Standards," the effluent water quality control items for the petrochemical industry include 7 general water quality items and 15 specific water quality items, totaling 22 items. In 2025, the Company conducted testing and analysis on raw wastewater and effluent water quality, and the effluent fully complied with regulatory discharge standards.

Results of Water Quality Examination in Last 3 Years

Water Quality Indicator	2023		2024		2025		Effluent Standard (Petrochemical Industry)
	H1	H2	H1	H2	H1	H2	
Suspended solids (mg/L)	8.6	14.2	13.8	8.5	21	6.1	30
Oil/grease (mg/L)	5.3	4.3	7.8	8.7	9.8	6.7	10
Chemical oxygen demand (mg/L)	33.5	77.8	51.6	28.1	50	25.8	100
Ammonia nitrogen (mg/L)	0.13	0.06	1.54	0.8	0.07	0.4	20

Operation Clean Sweep (OCS)

The Plastics Industry Association and the American Chemistry Council jointly promote the international Operation Clean Sweep (OCS) program, which mainly aims to prevent the loss of plastic pellets, flakes, and powders to avoid them from entering the marine environment and causing environmental pollution.

Starting in 2020, the Company has promoted preventive management measures for plastic pellet leakage, introduced the concept of plastic pellet leakage management in the plant, and conducted educational training for contractors.

Through on-site contractor inspections and audits, as well as comprehensive process area inventories, the Company seeks to understand contractors' and employees' methods for cleaning up plastic pellets or preventing leaks, alongside source management in plant processes to prevent leaks. The Company also revises relevant control documents and strengthens awareness campaigns to ensure the collection of plastic pellets, flakes, and powders, avoiding environmental impacts caused by rainwater runoff or flow into wastewater.

In 2025, the total amount of recovered plastic across the entire plant was 10.5 metric tons.

Year	Recovered Weight (kg)
2023	11,996.9
2024	10,369.7
2025	10,465.9

Operational management

- On-site inventory and audit
- Enhance employee awareness
- Track implementation outcomes
- Formulate procedural documents

Workplace

- Ensure a flat workplace surface
- Provide cleaning equipment for employees
- Set up containment measures

Personnel training

- Educational training
- Workplace promotion
- Ensure employees adhere to standard operating procedures

Management measures

- Unloading management
- Transport and packaging management
- Area cleaning
- Collection management



4.3 Air Pollution Control

GRI 2-25、3-3

SDG 11



Impact Issues

Air pollution



2025 Goals

1. Zero air pollution: The leakage rate of VOCs equipment components is less than 0.5%.
2. Zero air pollution: Replace old pumps with new ones to reduce VOCs fugitive emissions into the atmosphere.



2025 Performance

1. The measured VOC leakage rate for Manufacturing Department I / Manufacturing Department II / Manufacturing Department III is 0.03%.
2. Zero air pollution: Replace old pumps with new ones to reduce VOCs fugitive emissions into the atmosphere (plan is 63% completed, continuing into 2026).



2026 Goals

1. Zero air pollution: The leakage rate of VOCs equipment components is less than 0.5%.
2. Zero air pollution: Replace old pumps with new ones to reduce VOCs fugitive emissions into the atmosphere.



Medium- and Long-Term Plans

1. Promote reduction plans for Volatile Organic Compounds emissions.
2. Decrease equipment component leakage incidents.
3. Reduce pollutant emissions.

Management Approach Description

USI is located in Kaohsiung City, which falls under the High Kaoping total quantity control zone. The areas for suspended particulates (PM₁₀), fine suspended particulates (PM_{2.5}), and ozone (O₃) all belong to Class 3 control regions. Improving air quality has long been a continuous direction for the Company. To fulfill its corporate social responsibility, the Company continuously works on environmental improvements, aiming to achieve "Zero Pollution and Zero Emissions" among the Five Zero Goals, and contribute to the enhancement of air quality.

Management Goals

USI continues to promote pollution reduction, substitute fuels with clean energy, and effectively collect and properly treat waste gas in control equipment. We also comply with the High Kaoping total quantity control reduction requirements to achieve the goal of zero pollution and zero emissions.



Management Methods

In addition to conducting regular testing and reporting of air pollutants, USI has planned the following reduction strategies to effectively decrease air pollutants:

Reduce Volatile Organic Compounds emissions	The Kaohsiung Plant implements an equipment component management plan. Aside from establishing procedural documents for equipment component management, filing and managing equipment components, planning outsourced quarterly regular testing, purchasing measurement instruments, and conducting regular instrument calibrations, each plant also strengthens the autonomous management of equipment components. Progress on inspections and repairs is regularly reviewed and tracked, maintenance and repair re-testing for equipment components are conducted, high-leakage rate components are identified and improved, the number of equipment components is reduced or replaced with low-leakage or leak-free types, and enhanced testing is applied to leak-prone and highly active equipment components. In 2025, the Company continued to promote the VOCs fugitive emission reduction management plan for equipment components. The Environmental Protection Section of the plant independently spot-checked 1,803 equipment component points and found 1 leak point, which was rectified immediately.
Effectively treat Volatile Organic Compounds	The Regenerative Thermal Oxidizer (RTO) treats high-concentration VOCs in the plant. According to outsourced testing in 2025, non-methane hydrocarbons were 1,420 ppm before treatment and 18 ppm after treatment, achieving a removal rate of 98.7%, which is superior to the regulatory requirement of 95% or less than 150 ppm. In 2026, equipment operation and maintenance training, the establishment of management systems, and educational training will continue.
Emergency response to air quality deterioration	From 2020 to 2025, an annual air quality deterioration response drill was conducted to enhance employees' emergency response handling capabilities, followed by a joint review of items for improvement post-drill. Joined the LINE group of the Environmental Protection Bureau to receive real-time updates on Kaohsiung City's air quality and take response measures accordingly.
Hazardous air pollutant management	In the 2025 testing of Hazardous Air Pollutants (HAPs), except for p-xylene, which was less than 400 ppb, all other tested items were below 200 ppb.

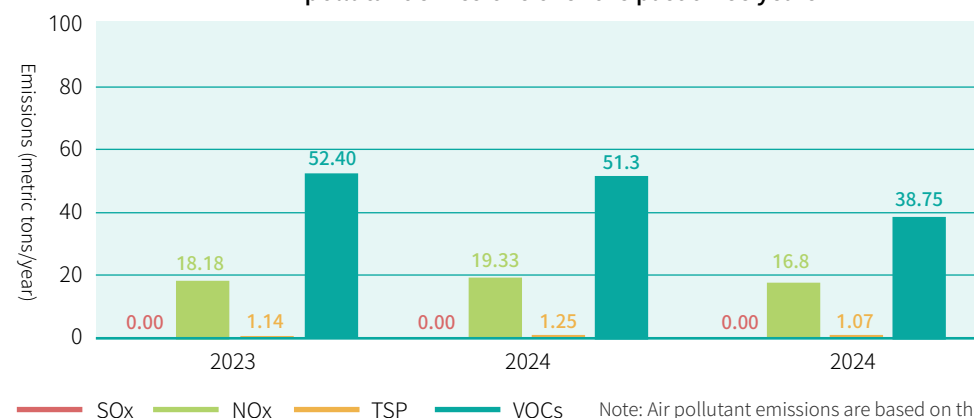
Management Performance GRI 305-7 RT-CH-120a.1

USI's main air pollutants include Sulfur Oxides (SOx), Nitrogen Oxides (NOx), Total Suspended Particulate (TSP), and Volatile Organic Compounds (VOCs). The SOx, NOx, and particulate matter in the plant are primarily generated from the combustion of boiler fuel, whereas VOCs mainly originate from the Regenerative Thermal Oxidizer (RTO), flare stacks, storage tanks, and equipment component emissions.

The emission flues have historically been tested by companies certified by the Environmental Analysis Laboratory, and the results have all been below the emission standards announced by the Ministry of Environment.

The air pollutant emissions for 2025 were: (1) Nitrogen Oxides: 16.8 metric tons/year; (2) Sulfur Oxides: 0 metric tons/year; (3) Volatile Organic Compounds: 38.75 metric tons/year; (4) Particulate matter: 1.07 metric tons/year; (5) Hazardous Air Pollutants (HAPs): 16.54 metric tons/year.

Air pollutant emissions over the past three years



Boiler emission flue testing results over the past three years

Pollutant	2023	2024	2025	Emission Standard (Announced 2020)
SOx(ppm)	ND	ND	ND	50
NOx(ppm)	92.6	78.1	75.7	100

Note 1: Over the years, the VOC testing results of emission flues have all complied with regulations, with a reduction rate of over 95%.

Note 2: ND indicates values below the detection limit.

Regenerative Thermal Oxidizer (RTO) emission flue testing results over the past 3 years

Pollutant	2023	2024	2025	Emission Standard
SOx(ppm)	ND	ND	ND	100
NOx(ppm)	1.4	1.0	1.0	150
TSP(mg/NM ³)	-	-	-	100
VOCs(ppm)	55	11	18	Reduction rate >95% or <150ppm

Note: Over the years, the VOC testing results of emission flues have all complied with regulations, with a reduction rate of over 97%.

Manufacturing Department I Thermal Oxidizer (TO) emission flue testing results over the past 3 years

Pollutant	2023	2024	2025	Emission Standard
SOx(ppm)	ND	-	ND	100
NOx(ppm)	14	-	6	150
TSP(mg/NM ³)	-	-	-	100
VOCs(ppm)	8	-	8	Reduction rate >95% or <150ppm

Note: Over the years, the VOC testing results of emission flues have all complied with regulations, with a reduction rate of over 97%.

GRI 2-25、3-3

SDG 11 SDG 12

4.4 Waste Management



Impact Issues

Resource circulation, waste disposal



2025 Performance

1. Random inspections were conducted on 9 waste clearance contractors and 8 waste disposal contractors; all audit results complied with relevant laws and regulations.



2026 Goals

1. Continuously promote the waste audit and management system.
2. Promote packaging material reduction, recycling, and reuse.



Medium- and Long-Term Plans

1. Strengthen the waste audit and management system.
2. Promote waste reduction.

Management Approach Description

To properly dispose of waste, USI complies with relevant waste management regulations and commissions licensed clearance and disposal organizations to carry out related operations.

The qualifications of commissioned units are confirmed periodically, proper disposal documents are required, and the operational management of commissioned waste is regularly visited to fulfill the duty of due care.

Management Methods

The industrial waste generated by USI is mostly general industrial waste, with only other flammable mixtures classified as hazardous industrial waste. The disposal methods include incineration, physical treatment, and washing treatment.

Regarding hazardous waste management, the quality control laboratory has continuously evaluated and reviewed analytical methods in recent years to reduce solvent usage and effectively decrease the generation of hazardous industrial waste.

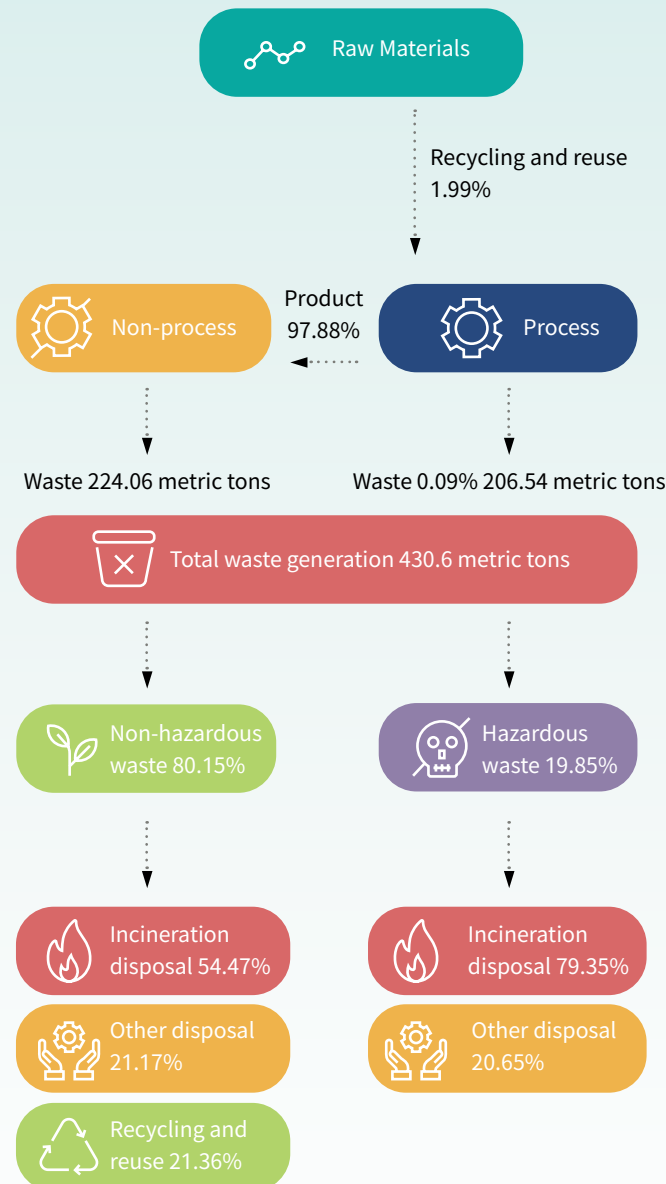
In addition, waste plastic containers are washed and treated by qualified disposal contractors before being crushed and sliced. The contractors then recycle and reuse the plastics to achieve a circular economy of resources.

A comprehensive review of waste legality is conducted annually, and a monthly reported data cross-checking and inventory system is implemented to ensure accurate grasp of waste information.

Furthermore, industrial waste storage areas are classified and stored according to the main component characteristics of the industrial waste, with clear labeling at storage locations, containers, and facilities. Sheltered storage areas and intercepting ditches are also established to prevent the pollution of surface water and groundwater leakage.

In 2025, monthly audits of waste storage areas were conducted, all of which complied with relevant regulations.

Waste management flowchart GRI 306-1:2020 RT-CH-150a.1



1 Generate waste/resources through use

- Waste collection and sorting management
- Report waste generation and storage status online regularly
- Regular monthly storage area inspections to confirm regulatory compliance
- Source management review to reduce waste generation
- Promote waste reduction plans

2 Waste clearance management

- Online reporting of the weight of waste cleared from the plant
- Real-time tracking system for clearance vehicles (GPS positioning)
- Retain tripartite manifests for commissioned joint processing and controlled delivery for inspection
- Clearance contractor audit management

3 Waste disposal management / Resource recovery

- Disposal contractors report received waste weight online
- Retain written documentation of proper clearance records for inspection
- Disposal contractor audit management
- Compilation of resource recovery and reuse records

Waste contractor audit management GRI 306-2:2020

USI's industrial waste clearance and disposal operations are commissioned to licensed organizations for legal clearance and disposal.

Starting from 2021, in accordance with the "Criteria for Determining Due Care Obligations in the Commissioning of Industrial Waste Clearance" (revised on February 23, 2021), random inspections were conducted in 2025 on 9 waste clearance contractors and 8 waste disposal contractors for items listed in Annex II of the regulation. This was to understand the operational management of their waste storage, clearance, disposal, and reuse. All audit results complied with relevant laws and regulations.

Basic document review

- 1 Environmental protection permit
ISO Management Systems

Compliance with waste storage

- 2 Disposal regulations
Consistency of disposal methods with contracts/manifests

Final waste disposal

- 3 Confirmation of final disposal method and flow direction
Consistency of disposal methods with contracts/manifests



Management Performance GRI 306-3:2020 、 306-4:2020 、 306-5:2020

USI is committed to waste resource sorting; recyclable resources are collected and managed by category, and outgoing quantities are weighed and recorded. Scrap metal is fully commissioned to legal contractors for recycling and disposal. In 2025, the amount of scrap metal recovered was 55.94 metric tons, while waste paper was handed over to nearby resource recycling operators for clearance and disposal, with a recovered volume of 1.18 metric tons. The resource recovery rate accounted for 21.36% of the total non-hazardous waste, a decrease of 26.86% compared to 2024. The higher recovery rate in 2024 was primarily due to the replacement of old equipment and spare parts in Manufacturing Department I, resulting in a higher volume of recovered scrap metal. In addition, the total output of all types of waste in 2025 was 430.60 metric tons.

In 2025, USI had no spills of oil, fuel, waste, or chemical substances.

Waste generation, transfer, and disposal over the past three years

Waste		Disposal Operation / Recovery Operation	2023	2024	2025
Hazardous Waste	Industrial Waste Direct Disposal	Incineration (excluding energy recovery)	60.46	77.71	67.84
		Other disposal operations	17.76	16.32	17.65
Total Hazardous Waste Volume			78.22	94.03	85.49
Non-Hazardous Waste	General Industrial Waste Direct Disposal	Incineration (excluding energy recovery)	275.91	177.72	198.34
		Other disposal operations	65.06	63.44	73.06
	Non-Hazardous Waste Disposal Volume		340.97	241.16	271.4
	Resource Recovery	Recycling and reuse	109.27	224.56	73.71
		Resource Recovery Rate (%)	24.27	48.22	21.36
Total Non-Hazardous Waste Volume			450.24	465.72	345.11
Total Waste Volume (metric tons)			528.46	559.75	430.6

Note 1: Data on waste generation, transfer, and disposal is sourced from the Ministry of Environment's Industrial Waste Reporting and Management Information System. Data on resource recovery is sourced from internal plant records and detailed accounting ledgers.

Note 2: All generated waste is commissioned to qualified clearance contractors for transport to qualified disposal contractors for off-site processing. Waste transferred for recovery operations is fully sent off-site for recycling and reuse.

Waste Reduction Plan



Strengthen promotion

Strengthen the promotion of waste sorting and labeling within the plant to increase the volume of recovered waste and reduce the clearance volume of general trash.



Cleaner production

Strengthen process management to reduce end-of-pipe treatments and minimize the generation of sludge and other industrial waste.



Hazardous waste reduction management

1. Waste plastic containers are washed and treated by qualified disposal contractors before being crushed and sliced. The contractors then recycle and reuse the plastics.
2. For the inhibitor analysis method, the quality control laboratory improved the analytical method by removing the extraction step, eliminating the need for solvents and thus significantly reducing solvent usage.

Additionally, solvents are recovered and reused for washing operations to reduce the consumption of cleaning solvents. In the future, USI will continue to evaluate and review analytical methods to effectively promote the reduction of hazardous industrial waste.

GRI 2-25、3-3 SDG 7 SDG 13

4.5 Climate Change and Energy Management



Impact Issues

Green electricity, carbon emission reduction



2025 Goals

1. Annual power savings rate of 1.51%
2. Plan to implement four energy-saving and carbon-reduction initiatives in 2025, with an estimated carbon reduction of 585 metric tons CO₂e
3. Install solar panels at the Kaohsiung Plant and legally utilize approximately 3.698 million kWh of solar green energy



2025 Performance

1. Annual power savings rate of 1.7% (average annual power savings rate from 2015 to 2025 is 1.48%)
2. Executed four energy-saving and carbon-reduction initiatives, creating a total carbon reduction benefit of 1,922 metric tons CO₂e
3. Completed GHG inventory and verification for consolidated subsidiaries
4. Accumulated grid-connected capacity of invested solar sites reached 9MW
5. Installed a 478.8kW solar power generation system at the Kaohsiung Plant for self-consumption



2026 Goals

1. Annual power savings rate of 1.27%
2. Plan to implement six energy-saving and carbon-reduction initiatives in 2026, with an estimated carbon reduction of 1,443 metric tons CO₂e
3. Complete the second phase of solar power generation equipment installation at the Kaohsiung Plant
4. Procure green electricity



Medium- and Long-Term Plans

1. Establish an AI smart management platform to provide energy-saving operational recommendations.
2. Continuously execute energy-saving plans to improve energy efficiency, targeting annual power savings of 1.5%.
3. Continue the planning and implementation of green power.

Management Performance

Climate Change: Responding to climate change is an opportunity for sustainable corporate operations

Climate change risk management

Climate change is a common challenge faced globally. To align with international standards and balance the needs of sustainable development, Taiwan announced the amendment of the "Greenhouse Gas Reduction and Management Act" to the "Climate Change Response Act" on February 15, 2023.

In the face of climate change impacts, carbon reduction has become a globally shared goal. In early 2022, the USI Group set a 2030 carbon reduction goal to "reduce carbon emissions by 27% in 2030 compared to 2017," and further established "2050 Carbon Neutrality" as a long-term corporate goal in 2023.

To achieve its corporate sustainability vision, the USI Group actively implements corresponding response strategies and management mechanisms through concrete actions. The Group's domestic manufacturing plants continuously implement ISO 14064-1 GHG inventories and verifications, plan and execute carbon reduction initiatives, and the Group actively develops external renewable energy sites. By the end of 2025, the cumulative grid-connected capacity of invested solar sites had reached 9MW, generating over 11.25 million kWh of renewable electricity annually.

USI maps its carbon reduction pathway in line with the Group's 2030 carbon reduction goal. In 2025, GHG emissions decreased by 25% compared to the baseline year (2017). In the future, the Company will more actively implement energy-saving and carbon-reduction initiatives.

The medium-term carbon reduction strategy will move towards low-carbon energy transition, energy efficiency improvement, intelligent monitoring, and the installation and use of renewable energy. The long-term strategy will continue to focus on low-carbon fuels, Carbon Capture and Utilization (CCU) technologies, and negative emission technologies to achieve the carbon neutrality goal and promote sustainable development.

USI's 2030 carbon reduction pathway planning

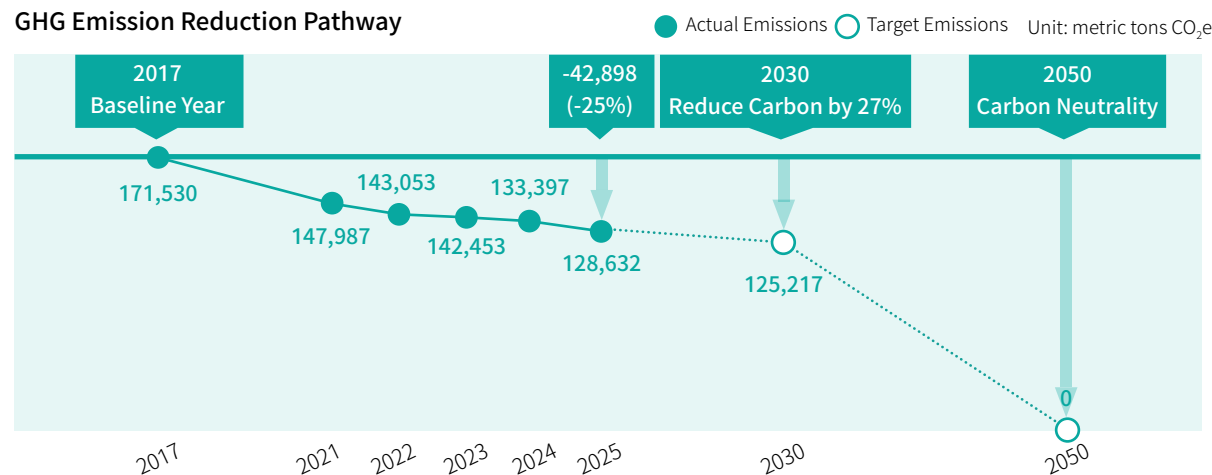
Because USI's electricity-related emissions account for over 80%, green energy deployment is an important strategy:

Solar Power: In 2025, the grid-connected solar capacity was raised to 9MW, with an estimated annual power generation exceeding 11.25 million kWh. The installation scale is set to reach 12MW by 2027, steadily moving towards low-carbon operations.

Geothermal Power: The site is located in Taitung, and late-stage exploration operations are currently underway.

Offshore wind power: The Company has formed Chem Union Renewable Energy Corporation with peers in the petrochemical industry to negotiate power purchase agreements with wind power developers.

GHG Emission Reduction Pathway



Target Emissions (10k metric tons)	2025 Actual Emissions (10k metric tons)	Achievement Rate	2026 Current Emissions (10k metric tons)
14.49	12.86	113 %	14.49

Note 1: Achievement rate = 2025 target emissions / 2025 actual emissions

Note 2: The carbon reduction pathway planning does not include the carbon reduction contribution from the low-carbonization of purchased electricity (Taipower).

Note 3: Since 2017 was the first year of full plant operation after the completion of the new production line, 2017 was set as the baseline year for energy consumption and total greenhouse gas emissions.

Note 4: The source of the carbon reduction pathway data is Scope 1 + Scope 2 of the Kaohsiung Plant.

Note 5: In 2026, considering factors such as new production capacity, the target emissions are higher.

Climate Change Management Framework

USI actively responds to climate change challenges and incorporates them into the Company's core governance framework.

The Company uses the Board of Directors as the highest governance unit, with the subordinate "Sustainability Committee" responsible for strategic review and supervision, and implements risk monitoring through the "Risk Management Team".

In addition, USI integrates ESG performance into the senior executive compensation system to strengthen the accountability of the organization's climate actions.

In terms of strategy and risk management, USI references the IFRS S2 standard to establish a comprehensive process for identifying, evaluating, and analyzing the financial impact of climate risks.

To achieve the sustainability vision, the Company has clearly defined the consolidated company's carbon reduction pathway: using 2017 as the baseline year, the goal is to reduce carbon emissions by 27% by 2030, and advance towards carbon neutrality by 2050.

Through specific response actions such as equipment replacement, renewable energy installation, and production optimization, along with regular disclosure of carbon emission data, USI demonstrates its determination to commit to climate resilience and the sustainable development of the value chain.

Climate change management framework

Category	Management Strategy and Action
 Governance	Governance Unit: USI designates the Board of Directors as the highest governance unit for responding to climate change and supervising climate change management actions. The subordinate Sustainability Committee, chaired by an independent director, reviews the Company's climate change strategies and targets, actions to manage climate-related risks and opportunities, and inspects the implementation status annually, reporting back to the Board of Directors. Management Level • Group Business Management Meeting: Chaired by the Chairman, it irregularly conducts promotional planning and result reporting for major energy-saving and carbon reduction policies. • Group's Equipment Preventive Maintenance Environmental Risk Control Division (Environmental Protection Department) Quarterly Meeting: As the highest unit executing energy management for the USI Group, it reports promotional planning and progress to the Chairman every quarter and makes decisions. • Risk Management Team: Submits risk identification results to the Board of Directors annually, covering risks caused by global climate change, energy, and related fiscal/tax issues. • Remuneration Committee: Annually reviews senior executives' ESG-related performance (including climate change issues) and integrates climate-related targets into the performance evaluation and compensation systems of senior executives to monitor the achievement of targets for climate-related issues.
 Strategy	• Identify risks and opportunities, and discern material items based on the probability of occurrence and impact of the risk and opportunity items. • Evaluate potential financial impacts: Conduct potential financial impact assessments for identified material risks and opportunities. • Scenario analysis: Set up scenarios based on possible net-zero solutions achievable under different conditions.
 Risk Management	• IFRS S2: Reference the IFRS S2 framework to identify risks and opportunities, communicate with respective responsible units, and have senior executives confirm the annual promotional items. • Based on the nature, probability of occurrence, and potential degree of impact of risks, the Company sets qualitative and quantitative evaluation criteria, and identifies, evaluates, prioritizes, and monitors climate-related risk and opportunity items. • The identification results: Evaluate climate-related risks and opportunities that can reasonably be expected to affect the Company, as well as information on current and anticipated impacts on the business model and value chain.
 Metrics and Targets	• Group carbon reduction target: Set 2017 as the baseline year, reduce carbon emissions by 27% by 2030 compared to the baseline year, and achieve carbon neutrality by 2050. • Climate response: Equipment replacement, construction of renewable energy equipment, production scheduling optimization, building air-conditioning planning, energy management systems, and extreme climate emergency response plans. • Greenhouse Gas Emissions Disclosure : Annually disclose Scope 1, Scope 2, and Scope 3 emission data in the sustainability report, and regularly review the reasons for increases or decreases.

Note: For detailed risk management processes and mechanisms, please refer to Section [2.3 Risk Management](#).

Identification of Climate-Related Risks and Opportunities

To strengthen climate risk management and align with international standards, the Company references the IFRS S2 "Climate-related Disclosures" standard to assess the impact of climate-related risks and opportunities on corporate strategy and financial status.

Key factors are identified through scenario analysis, and countermeasures are incorporated into the business decision-making process.

Physical risks reference research data from the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) "Atlas of Key Indicators of Climate Change in Taiwan: AR6 Statistical Downscaling Edition" and the National Science and Technology Center for Disaster Reduction, adopting scenarios combining IPCC AR6 "Shared Socioeconomic Pathways (SSP)" and "Representative Concentration Pathways (RCP)".

The Company selected the SSP5-8.5 (very high greenhouse gas emissions) scenario as the baseline, anticipating that CO2 emissions will double around 2050 (Year 139 of the ROC era), and conducted financial impact analyses focusing on disasters such as "high temperatures," "flooding," and "droughts."

Transition risks reference the World Energy Outlook (WEO) published in 2021 by the International Energy Agency (IEA), which divides scenarios into 3 categories based on different energy trends and climate policies: STEPS (Stated Policies Scenario), APS (Announced Pledges Scenario), and NZE (Net Zero Emissions).

Among them, NZE assumes that all countries will reach net-zero emissions by 2050, serving as the most aggressive scenario for promoting reduction measures.

In addition, we also refer to the "Taiwan's Pathway to Net-Zero Emissions in 2050" published by the National Development Council in 2022 to echo the national carbon reduction pathway and ensure the Company remains resilient for sustainable operations under the impact of extreme climate change.

To ensure the assessment results align with operational practices, the Company distributed questionnaires to senior executives to evaluate 5 climate risks across four dimensions: "Degree of Impact," "Probability of Occurrence," "Vulnerability," and "Speed of Impact";

At the same time, 5 climate opportunities were evaluated based on "Degree of Impact" and "Probability of Occurrence."

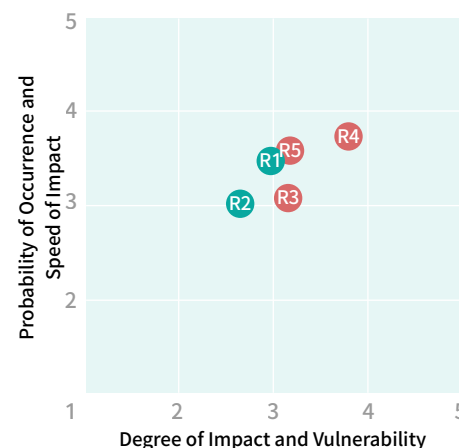
After compiling the questionnaires, conducting quantitative model analysis, and plotting two-dimensional scatter diagrams, 5 key material issues that need to be prioritized in risk management and strategic planning were ultimately identified:

3 high-priority risks: R1 Transition Risk - Carbon fee collection, R4 Physical Risk - High temperature and unstable energy supply, R5 Physical Risk - Extreme wind, rain, and flooding.

2 high-potential opportunities: O1 Opportunity - Introduction of low-carbon energy, O5 Opportunity - Enhancing corporate reputation and brand awareness.

In response to the above material climate issues, USI carried out scenario simulations and financial impact assessments, formulating corresponding response strategies and management mechanisms.

To ensure the effectiveness of risk management, the Company regularly monitors climate change-related risks annually, compiles the execution results into the Company's risk management operations, and reports to the Audit Committee and the Board of Directors every year to ensure effective implementation of risk management measures. This aims to accurately grasp and mitigate operational impacts brought by extreme climates, committing to building a resilient climate change culture.



Transition Risk

- ◆ R1 Carbon fee collection
- ◆ R2 Change in customer behavior

Physical Risk

- ◆ R3 Drought and water shortage
- ◆ R4 High temperature and unstable energy supply
- ◆ R5 Extreme wind, rain, and flooding



Opportunity

- ◆ O1 Introduction of low-carbon energy
- ◆ O2 Low-carbon product innovation and market expansion
- ◆ O3 Energy efficiency improvement and process carbon reduction optimization
- ◆ O4 Water use efficiency management
- ◆ O5 Enhancing corporate reputation and brand awareness

In response to the uncertainties brought by climate change, USI has identified major climate physical risks, transition risks, and climate-related opportunities related to operations, and assessed their potential impacts on the Company's business, operational strategies, and financial performance across different time scales.

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

Short-term: 2025 to 2027

Medium-term: 2027 to 2030

Long-term: 2030 to 2050

Sustainable and climate-related risk and opportunity items that can be reasonably expected to have an impact

Type	Item	Description	Potential Impact Timeframe	Concentrated in which part of the Business Model / Value Chain	Impact on Business Model / Value Chain
Transition Risk	Carbon fee collection	According to the "Climate Change Response Act," Taiwan will officially collect carbon fees starting in 2025, targeting enterprises with annual carbon emissions exceeding 25,000 metric tons of CO ₂ e. USI's Kaohsiung Plant is subject to carbon fee collection. The initial standard carbon fee rate is NT\$300 per metric ton. If an enterprise can propose a specific and verifiable voluntary reduction plan approved by the competent authority, a preferential rate of NT\$100 per metric ton applies. For those with high carbon leakage risks, adjustments to the chargeable emissions apply, with an initial discount coefficient of 0.2.	Short-term Medium-term Long-term	- Suppliers - Own Operations - Customers	Current Business Model & Value Chain - Formulate a low-carbon transition plan - Establish an internal carbon pricing mechanism, incorporate potential carbon fee expenditures into the annual operating cost budget, and evaluate specific impacts on gross margin and cash flow. - Actively plan and execute a "Voluntary Reduction Plan" Expected Business Model & Value Chain - Accelerate the promotion of the Company's low-carbon transition policy - Upstream suppliers may pass on carbon fee costs, leading to increased raw material procurement costs (green premium). - Downstream customers have increasingly strict requirements for "low-carbon products" or "green supply chains." Failure to comply with carbon reduction requirements may result in the risk of losing orders.
Physical Risk	High temperature and unstable energy supply	As climate change intensifies, continuous increases in annual average temperatures and the number of high-temperature days have become a common global trend. According to Central Weather Administration data, Taiwan's annual average temperature and the frequency of high-temperature events have risen significantly, indicating that summer high temperatures may become a recurring risk source in the future. High temperatures increase the risk of unstable power supply from public utility companies. We will conduct regular maintenance and upkeep of power equipment to enhance resilience against power instability.	Long-term	- Suppliers - Own Operations - Customers	Current Business Model & Value Chain - Need to strengthen maintenance of backup generators or Uninterruptible Power Supply (UPS) systems in the plant to cope with sudden power load shedding or outages. Expected Business Model & Value Chain - Increased demand for air conditioning and cooling in factories and offices leads to higher power consumption and daily operating costs (electricity bills). - Need to allocate capital expenditures to replace old, energy-consuming equipment and introduce intelligent energy management systems to improve energy efficiency. - Costs incurred by upstream suppliers to enhance climate resilience may lead to rising procurement costs. - If downstream customers are forced to halt work due to high-temperature power rationing or sudden outages, they may reduce procurement volumes and shipping frequencies.

Type	Item	Description	Potential Impact Timeframe	Concentrated in which part of the Business Model / Value Chain	Impact on Business Model / Value Chain
Physical Risk	Extreme wind, rain, and flooding	According to observations by the Central Weather Administration and IPCC reports, typhoons, heavy rainfall, and localized severe rainstorms in Taiwan have increased significantly in recent years. This not only causes recurring flooding in cities and low-lying areas but also brings immediate and severe impacts on industrial operations, classifying as an acute physical risk.	Medium-term Long-term	- Suppliers - Own Operations - Customers	Current Business Model & Value Chain - Inventory the flooding potential of operational sites, incorporate potential flood control facility construction, disaster recovery expenses, and insurance costs into the annual operating cost budget, and evaluate specific impacts on gross margin and cash flow. Expected Business Model & Value Chain - Accelerate the upgrade of protection resilience at operational sites and the advancement of climate adaptation policies. - Upstream suppliers may experience plant damage or traffic disruptions due to extreme rainfall and flooding, leading to risks of raw material supply shortages and supply chain disruptions, thereby increasing procurement and transportation costs. - Downstream customers have increasingly strict requirements for "supply chain climate resilience" and "stable delivery capabilities." If extreme weather causes capacity standstills or delivery delays, the Company may face risks of breach of contract compensation or loss of orders.
	Introduction of low-carbon energy	Driven by stricter global climate policies and the 2050 net-zero emissions goal, corporate energy usage structures are rapidly transforming. Introducing renewable energy has become a crucial opportunity for enterprises to fulfill carbon reduction commitments and maintain international competitiveness. For carbon-intensive manufacturing industries, self-building or purchasing renewable energy such as solar, wind, and geothermal can effectively reduce indirect energy greenhouse gas emissions generated during electricity usage.	Short-term Medium-term Long-term	- Suppliers - Own Operations - Customers	Current Business Model & Value Chain - Inventory the potential for renewable energy construction at plant sites, and incorporate relevant equipment construction capital expenditures and green power procurement costs into the annual operating budget. Expected Business Model & Value Chain - Expand the proportion of low-carbon and renewable energy use. - Upstream suppliers may face pressure from brands to increase the proportion of green power usage, prompting them to increase renewable energy procurement, thereby raising operating costs. - Due to strong downstream customer demand for "green manufacturing" and "low-carbon products," providing products with low-carbon dividends can help prioritize winning green procurement business opportunities and expanding market share.
Opportunity	Enhancing corporate reputation and brand awareness	By researching, developing, and promoting low-carbon, environmentally friendly innovative products and services, actively respond to consumers' escalating green demands. This move not only serves as a way for the enterprise to explore emerging sustainable markets but also enables it to stand out in fiercely competitive existing markets by leveraging the differentiated advantage of green value, comprehensively enhancing market competitiveness.	Short-term Medium-term Long-term	- Own Operations - Customers	Current Business Model & Value Chain - Invest R&D resources into sustainability-related products. Expected Business Model & Value Chain - As market demand for low-carbon and energy transitions rises, continue to develop various emerging sustainable products. - Due to strong downstream customer demand for "green manufacturing" and "low-carbon products," providing products with low-carbon dividends can help prioritize winning green procurement business opportunities and expanding market share.

Strategic decisions and financial impacts of sustainability and climate-related risks and opportunities

Type	Item	Financial Impact	Response Strategies and Decision Impact
Transition Risk	Carbon fee collection	The relevant financial impacts for the current period are as follows: - USI's Kaohsiung Plant meets the MOENV's "high carbon leakage risk" criteria, proposed a voluntary reduction plan that passed review, and obtained a preferential carbon fee rate of NT\$100 per metric ton. - For this year, based on the carbon fee collection regulations announced by the MOENV, estimated relevant carbon fee expenditures (operating expenses) calculated by emissions multiplied by a high carbon emission coefficient of 0.2 amounted to NT\$2,567 thousand. - To reduce carbon emissions and mitigate carbon fee impacts, current period capital expenditures of NT\$6,476.2 thousand and operating expenses of NT\$1,013.3 thousand were invested in replacing old motors, boilers, and chillers, and installing LED energy-saving lighting and other energy-efficient equipment, leading to an increase in non-current assets and cash outflows from investing activities. - Although short-term equipment investments increase depreciation expenses and cash outflows, in the long term, the reduced electricity expenses and carbon fee costs achieved through improved energy efficiency will help optimize overall operational efficiency and maintain profitability.	- The Company introduced internal carbon pricing, set via a shadow pricing approach, integrating carbon costs into investment evaluations to increase the execution likelihood of carbon reduction projects. - Established an Energy Management Systems (ISO 50001) to analyze various figures and seek room for improvement. - Added rooftop solar equipment for self-generation and consumption, scheduled for completion in 2026.
	High temperature and unstable energy supply	The relevant financial impacts for the current period are as follows: - To ensure operational stability of production equipment under extreme climates, routine maintenance and calibration of core equipment such as compressors, generators, and air compressors were strengthened this period, with related capital expenditures amounting to NT\$17,873 thousand - Considering the long-term trend of global warming and power supply resilience, capital expenditures of NT\$57,463 thousand and operating expenses of NT\$268 thousand were invested this period for installing and replacing electromechanical and air-conditioning equipment to strengthen long-term operational stability, leading to an increase in non-current assets. - By strengthening energy infrastructure and equipment resilience, although capital expenditures and maintenance costs increase in the short term, future business interruption losses caused by high-temperature shutdowns or power rationing can be effectively reduced.	- Continued plant heat-insulating paint projects and pipeline insulation/cooling renewal operations. - Promoted energy-saving and carbon reduction projects, replaced old equipment, and strengthened energy efficiency and operational stability.
Physical Risk	Extreme wind, rain, and flooding	This risk may affect the medium and long term; the relevant financial impacts for the current period are as follows: - Water consumption fee expenditures: From November 1, 2024 to April 30, 2025 (six months), the original water consumption fee expenditure was NT\$599 thousand. [cite_start]Because the previous year's R2 water recycling rate outperformed the industry range and was verified, qualifying for a preferential rate, the updated water consumption fee expenditure was NT\$168 thousand. - In response to the potentially increasing flooding risks under the long-term trend of climate change, insurance investments this period increased by NT\$279 thousand compared to the previous year. - Considering protection needs against long-term physical risks, related capital expenditures of NT\$9,580 thousand and maintenance costs of NT\$311 thousand were invested this period in drainage system upgrades and flood control facility improvement projects to enhance plant operational resilience, leading to an increase in non-current assets. - Through preventive dredging, insurance transfer, and hardware facility enhancements, the Company strives to reduce recovery costs and business interruption risks during medium- to long-term extreme climate events, maintaining long-term financial stability.	Water Consumption Fee Collection - Promote Water efficiency management systems (ISO 46001) - Improve the R2 water recycling rate and conduct verification to strive for preferential water consumption fee rates. - Reduce Water Withdrawal and Water Consumption - Invest in wastewater treatment systems, MRT condensate water recovery improvements, and detention pond rainwater harvesting systems. Flood Control Measures and Equipment - Completed installation of waterproof gates and water pumps, and reinforcement of perimeter walls. - Elevated equipment and storage. - Flood control drills.

Type	Item	Financial Impact	Response Strategies and Decision Impact
Opportunity	Introduction of low-carbon energy	This opportunity affects the short, medium, and long term; the relevant financial impacts for the current period are as follows: · To increase energy autonomy and implement the energy transition, capital expenditures of NT\$13,843 thousand were invested this period to construct plant-site solar photovoltaics, geothermal power, and other renewable energy equipment, leading to an increase in non-current assets and cash outflows from investing activities. · Through self-built solar power and green power procurement, although the Company increased power purchase costs in the short term, with expenditures of NT\$18,458 thousand this period. · However, in the long term, it can reduce reliance on traditional fossil energy, effectively hedge against the impact of future carbon fee cost increases, and enhance corporate green competitiveness and brand value.	1. Develop self-built solar power sites. 2. Prioritize natural gas as the source of steam supply. 3. USI established USI Green Energy Corporation to invest and participate in the renewable electricity market.
	Enhancing corporate reputation and brand awareness	This opportunity affects the short, medium, and long term; the relevant financial impacts for the current period are as follows: · As market demand for transition rises, the operating revenue contribution corresponding to sustainability-related products (including photovoltaic-grade EVA film raw materials) totaled NT\$1,525,765 thousand this period.	Develop various new products and actively transition to capture the B2C market: 1. Internationally certified recycled products under Pre-Consumer material (ISO 14021 PIR). 2. Sustainable product development and resource efficiency enhancement. 3. Promotion of recyclable packaging products.



Resilience Assessment of Climate-Related Risks

Risk	Key Assumptions	Selected Scenarios	Assess Impacts and Resilience Capacity
Transition Risk Carbon fee collection	1. Taiwan will continue to adopt the "Taiwan's Pathway to Net-Zero Emissions in 2050." The Company expects to reduce carbon emissions by 27% by 2030 and achieve carbon neutrality by 2050. 2. The Company proposes a voluntary reduction plan and achieves the specified reduction targets, complying with the designated reduction rate stipulated in Annex II Technical Benchmarks of the "Designated Greenhouse Gas Reduction Targets for Levy Objects" announcement. 3. According to official reports such as the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and national meteorological observations, in terms of climate models, Taiwan's winter will gradually shorten, total annual rainfall will gradually increase, and torrential rain intensity tends to increase.	1. Stated Policies Scenario (STEPS) 2. Net Zero Emissions Scenario (NZE) by 2050	Assess Impacts - STEPS: The MOENV review committee preliminarily recommends phasing in carbon fee hikes, with the rate expected to rise between NT\$1,200 and NT\$1,800 after 2030. - NZE: According to IEA research, the effective carbon price in developed countries should reach US\$140 per metric ton (approximately NT\$4,500) by 2030. Resilience Capacity - Strictly execute the proposed voluntary reduction plan to meet the eligibility requirements for the MOENV's preferential rate, reducing the financial impact of carbon fee expenditures. - Actively introduce high-efficiency energy-saving equipment and low-carbon energy, converting carbon neutrality pressure into motivation for process optimization, and consolidating the Company's competitive advantage in international low-carbon supply chains.
Physical Risk High temperature and unstable energy supply	3. According to official reports such as the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and national meteorological observations, in terms of climate models, Taiwan's winter will gradually shorten, total annual rainfall will gradually increase, and torrential rain intensity tends to increase.	SSP 5-8.5	Assess Impacts - An increase in the number of consecutive extreme high-temperature days will cause cooling demand to remain high for long periods, significantly accumulating electricity expenditure burdens, and increasing the threat of power rationing or outages due to regional grid overloads, potentially causing unplanned production line shutdowns and loss of product yield. - A long-term high-temperature environment increases thermal hazard risks in the workplace. Aside from affecting the health of frontline personnel, it may also shorten equipment lifespan due to cooling equipment running at full load over extended periods. Resilience Capacity - Implement equipment maintenance: Strengthen routine maintenance of core equipment such as compressors, generators, and air compressors to ensure operational stability of production equipment under extreme climates, and effectively reduce future business interruption losses caused by high-temperature shutdowns or power rationing through equipment replacement. - Enhance plant heat insulation and pipeline insulation efficiency: Continuously execute plant heat-insulating paint projects and pipeline insulation/cooling renewal operations to reduce energy consumption.
Physical Risk Extreme wind, rain, and flooding			Assess Impacts - Substantial increases in extreme rainfall intensity and frequency may cause inadequate drainage around the plant area, triggering flood disasters and directly resulting in physical losses from damaged production equipment and raw materials. - Damage to transportation infrastructure and logistics paralysis triggered by extreme wind and rain will lead to raw material supply interruptions and the inability to ship finished products in a timely manner, thereby impacting overall operational performance and customer fulfillment capabilities. Resilience Capacity - Strengthen flood control infrastructure in the plant area and implement elevation projects for critical equipment rooms to reduce the risk of damage to physical assets from extreme flooding events. - Optimize supply chain diversification and Business Continuity Plans (BCP): Establish cross-regional backup supplier lists and logistical supporting plans to cope with supply chain disruption crises triggered by extreme wind and rain.

Group Promotion of Internal Carbon Pricing

To proactively respond to the government's carbon fee policies, effectively tackle climate change, and mitigate carbon risks, the USI Group introduced an internal carbon pricing system in 2024 covering all plant sites in Taiwan. The price references the domestic carbon fee pricing basis, initially set at NT\$300 per metric ton of carbon, and will undergo rolling reviews for phased increases.

This system primarily integrates carbon costs into corporate decision-making and investment evaluation processes, assesses the impact of carbon emissions on business operations, accelerates the implementation of carbon reduction measures, and drives low-carbon investments.

To ensure effective implementation of the mechanism, the Group conducts regular annual management and execution confirmations. In May 2025, verification of the actual integration of carbon pricing into project evaluations by various units was completed, ensuring the mechanism practically translates into low-carbon transition momentum, thereby achieving the enterprise's long-term sustainable development goals.

Product Innovation and Sustainable Brand Management

The Company continuously invests in innovative materials and products to reduce the impact of climate change and actively transitions to capture the B2C market. See section [3.1 Technology R&D](#) for details.

Taskforce on Nature-related Financial Disclosures (TNFD)

USI deeply recognizes the importance of biodiversity protection for maintaining global ecosystem stability and human sustainable well-being; therefore, it actively promotes various actions to reduce the impact of operational activities on the ecological environment.

Biodiversity GRI 101

Biodiversity Policies and Initiatives

Biodiversity is the core foundation for sustaining the stable operation of Earth's ecosystems. It exerts crucial influences on key ecosystem services such as climate regulation, water cycling, soil productivity, and food supply, and further relates to the long-term development and health/well-being of human societies.

In 2022, countries around the world reached a consensus at the 15th Conference of the Parties to the Convention on Biological Diversity (COP15) to explicitly set global action directions and management goals for biodiversity conservation by 2030 through the new Global Biodiversity Framework (GBF).

In the face of challenges brought by climate change and continuous biodiversity loss, pressure on natural resources is increasingly rising.

Approaching from risk management and sustainable business perspectives, USI actively strengthens natural capital management and introduced the Taskforce on Nature-related Financial Disclosures (TNFD) framework for the first time. While formulating the "Biodiversity and Zero Deforestation Policy," the Company follows international conventions and initiatives such as the "UN Convention on Biological Diversity" and the "Kunming-Montreal Global Biodiversity Framework." We work alongside upstream suppliers and key business partners to co-create a sustainable future, progressively achieving "No Net Loss (NNL)" and advancing towards "Net Positive Impact (NPI)."

Nature-related Financial Disclosures GRI 101-2 、 101-4 、 101-5 、 101-6

USI follows the Locate, Evaluate, Assess, Prepare (LEAP) methodology of the Taskforce on Nature-related Financial Disclosures (TNFD) to systematically identify and evaluate nature-related risks and opportunities.

The Company recognizes that the correlation between the state of natural capital and operational activities largely depends on the "geographical location" of operational sites and the "degree of dependencies and impacts" on ecosystems.

Whether it's the operation of its own production sites or the supply and manufacturing processes of upstream raw materials in the chemical industry, they may cause direct or indirect impacts on local ecosystems.

Based on this, the Company uses scientific methods to inventory key operational sites and value chain activities, evaluates their dependencies and impacts on natural resources, and further identifies high-risk areas and key issues as the foundation for subsequent risk management and action strategies. Specific practices are as follows.

TNFD LEAP Methodology Explanation

Locate Phase



USI Assessment Results

- USI's value chain is situated in the mid-to-upstream segment of the chemical industry. The upstream covers petrochemical raw material suppliers, while the downstream extends to plastic product manufacturers and end-consumers, fully integrating the industry chain from raw material acquisition to product application.
 - For scoping the assessment, the Company centered on each operational site and established a 1-kilometer radius buffer zone for analysis. Potential impacts on surrounding stakeholders and adjacent ecosystems were included and regarded as indirect impact areas to ensure the completeness and representativeness of the natural capital impact scope.
 - After narrowing down the aforementioned scope, USI inventoried a total of 3 major operational sites, covering operational attributes such as manufacturing and raw material storage/transportation. The characteristics of these sites serve as a crucial basis for subsequently evaluating the degree of dependence on natural resources and environmental impacts.
- Utilizing the ENCORE database recommended by TNFD, we compiled ecosystem services and impact drivers related to dependencies in USI's value chain industry. The identification results for ecosystem services and impact drivers categorized as moderate or above are as follows:
 1. Ecosystem services of concern: Stable water supply, water flow regulation, soil and sediment retention, flood control, rainfall pattern regulation, water purification, and storm mitigation.
 2. Impact drivers of concern: Disturbances, greenhouse gas emissions, land use, solid waste generation and discharge, air pollutant emissions, soil and water pollutant emissions, and water consumption.
- USI utilized international and national-level biodiversity spatial databases, combined with the buffer zone boundaries defined in the L1 phase, to systematically analyze the spatial correlations between each operational site and surrounding ecosystems.
 - By integrating key indicators such as critical biodiversity areas, water resource pressure, and ecological integrity, the locational sensitivity and species sensitivity within the buffer zones of each site were evaluated to identify whether they fall under ecologically sensitive areas.
- Based on two major evaluation factors—"Identification of High-Dependency and High-Impact Industries" and "Ecologically Sensitive Areas"—USI screened and selected priority attention locations within the value chain. After incorporating the buffer zone analyses of various operational sites, a priority grading mechanism was established, categorized from first to third priority attention levels. Assessment results indicate that a total of 2 operational sites of USI are classified as third-priority attention sites.

Evaluate Step

USI Assessment Results

E1

Identify Natural Capital,
Ecosystem Services, and
Impact Drivers

- Utilized map data referenced in the Locate phase to identify surrounding natural capital, and referred to literature regarding ecosystem services potentially provided by specific ecosystem communities, further detailing the ecosystem services that USI might depend on or impact.

E2

Establish Dependency
and Impact Pathways of
Operational Activities

- To understand the interactive relationships of dependencies and impacts with us, we referenced the Natural Capital Protocol and TNFD guidelines to establish Dependency Pathways and Impact Pathways for operational activities at each plant site. The relevant explanations are as follows:
 1. Dependency Pathway: When potential external environmental or social changes occur, they may impact the state of nature, causing changes to the ecosystem services we depend on, which in turn affect USI's operational activities.
 2. Impact Pathway: Impact drivers from operational activities lead to changes in the state of nature, causing ecosystem services to diminish or be lost, thereby triggering external environmental or social changes.

E3

Measure Dependencies
and Impacts

- Based on the characteristics of each operational site, USI evaluated its degree of dependency on specific ecosystem services, as well as the potential impacts of relevant impact drivers on surrounding stakeholders and the environment. We conducted a systematic analysis and classification using a four-quadrant matrix.

E4

Materiality Assessment

- The analysis results for ecosystem services are as follows:
 1. Areas requiring monitoring: Stable water supply
 2. Low-risk areas: Water flow regulation, soil and sediment retention, flood control, rainfall pattern regulation, water purification, storm mitigation
- The analysis results for impact drivers are as follows:
 1. General monitoring areas: Disturbances, greenhouse gas emissions, land use, solid waste generation and discharge, air pollutant emissions, soil and water pollutant emissions, water consumption.

Assess, Prepare Step

USI Assessment Results

A

Assess Risks and
Opportunities

- Based on the TNFD Risk and Opportunity Framework and international report analysis, we identified and preliminarily evaluated potential risk and opportunity issues in the value chain. Please refer to the Company's Nature-related Disclosures Thematic Report for detailed content.
- According to our risk and opportunity evaluation process, we track risks and opportunities identified and ranked as moderate and above. Please refer to the Company's Nature-related Disclosures Thematic Report for detailed content.

P

Prepare to Respond and
Report

- For material risks and opportunities, we have formulated corresponding response strategies to address related impacts and regularly follow up on progress with the responsible units to evaluate the implementation of these strategies. Please refer to the Company's Nature-related Disclosures Thematic Report for detailed content.
- Regarding the setting of nature-related indicators and targets, USI prioritized focusing on climate change as the main driving factor, setting specific and proactive carbon reduction targets to respond to relevant risks and opportunities. At the same time, corresponding management targets and control measures have been established for air pollutant emission issues to continuously reduce environmental impacts and strengthen overall environmental management performance.

Response to IFRS Sustainability Disclosure Standards

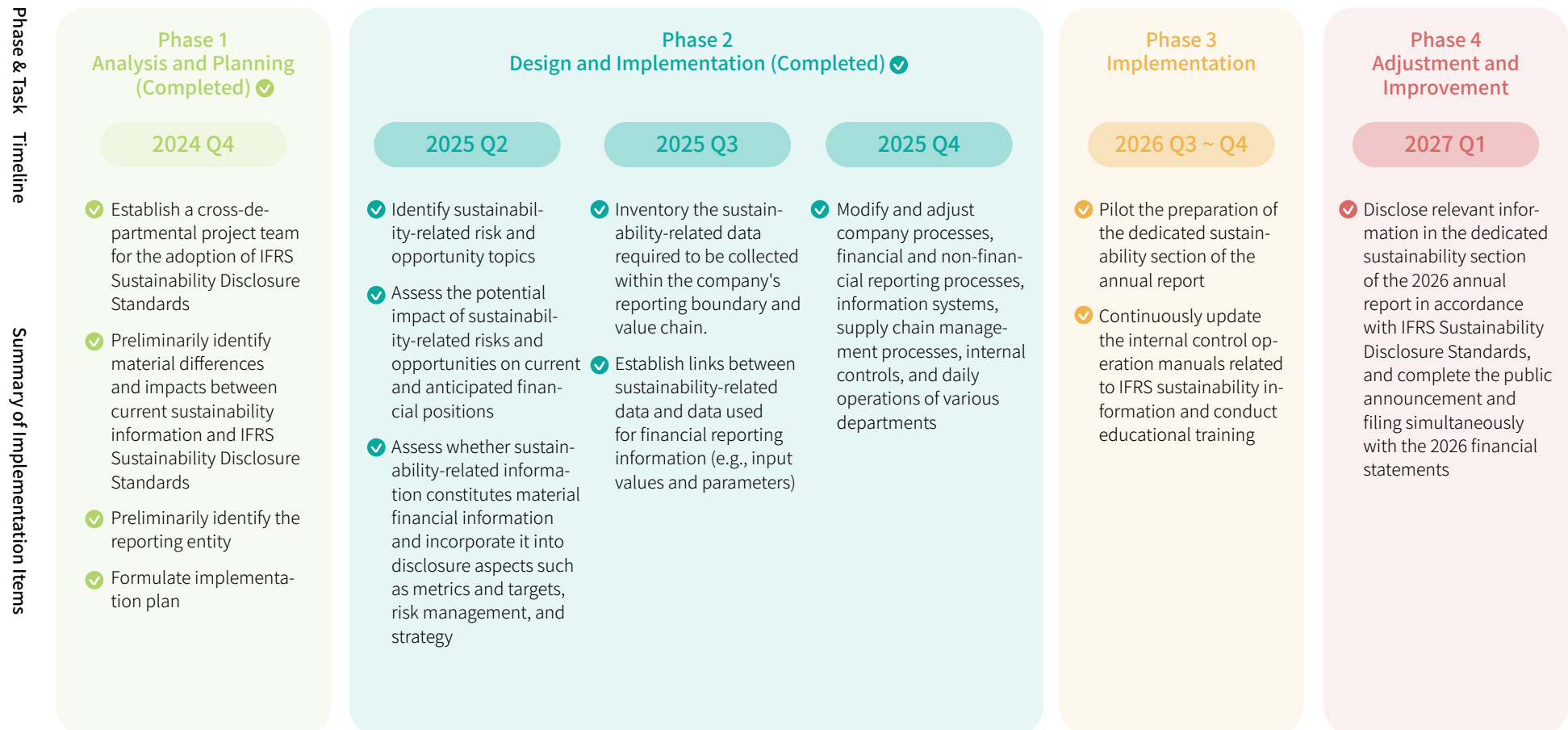
According to the "Roadmap for Promoting the Adoption of IFRS Sustainability Disclosure Standards in Taiwan" issued in August 2023, listed companies in Taiwan will apply the IFRS Sustainability Disclosure Standards in three phases starting from 2026.

USI Group established a cross-departmental IFRS project team in 2024 and reports the implementation status to the USI Board of Directors quarterly for control.

The IFRS project team is coordinated and led by the Group's Chief Financial Officer, with cross-departmental collaboration between the "Operational Impact Task Force " and the " Financial Impact Task Force " to assess the potential financial impacts and effects of material risks and opportunities on the company.

USI completed the Phase 2 project in 2025 and is expected to disclose relevant information in a dedicated sustainability section of the annual report to be published in 2027.

Implementation Plan



Energy Management

Group Energy Management Targets

USI Group proactively set energy management targets as early as 2016, aligning with Taiwan's energy development policies and continuously tracking international trends and national regulations for dynamic reviews.

After weighing internal and external factors, USI Group set a 2030 carbon reduction target in early 2022, and further established a 2050 carbon neutrality target in 2023.

Since 2018, the Group's 9 core domestic production plants have successively introduced Energy Management Systems (ISO 50001) and obtained certification to effectively manage energy performance, continuously implement energy-saving and carbon-reducing improvement actions, and hope to exert influence to further reduce environmental impacts.

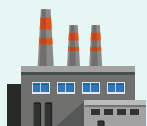
USI Group Carbon Reduction Targets

**27% reduction in carbon emissions by 2030 compared to 2017,
and carbon neutrality by 2050**



Carbon Inventory and Management

- In 2022, all listed companies of the Group's Taiwan sites completed carbon emission inventory and verification
- In 2024, the Group completed consolidated carbon emission inventory and assurance
- Established the Group carbon management platform to digitally integrate data from all units, significantly improving the completeness, timeliness, and accuracy of data collection



Site Energy Saving and Carbon Reduction

- In 2021, all listed companies of the Group's Taiwan sites completed ISO 50001 Energy Management Systems certification
- The Group's Taiwan sites continued to promote energy-saving and carbon reduction improvement plans, with cumulative carbon reduction achievements reaching 23,000 metric tons of CO₂e from 2023 to 2024
- Annually hold the Group Site Technical Case Presentation to promote the sharing and exchange of best practices and accelerate the application of carbon reduction technologies



Pioneering Renewable Energy

- Established a green power project team in 2020 to coordinate the strategic planning and execution of green power development
- By the end of 2025, the cumulative grid-connected capacity of the Group's invested solar power sites reached 9MW, generating over 11.25 million kWh annually, effectively reducing emissions by approximately 5,356 metric tons of CO₂e
- The Group actively continues to develop diversified renewable energy to enhance the resilience of future energy use

USI Group holds the "plant technology exchange meeting" annually and several "northern/Kaohsiung plants resource integration meetings" to achieve resource sharing and improve energy-saving and carbon-reducing performance through technical sharing and problem-solving discussions among plants.

The 2025 Group Site Technical Case Presentation was held in October, focusing on core themes of "Industrial Safety and Environmental Protection", "Equipment Preventive Maintenance", and "Energy Saving and Carbon Reduction".

More than one technical case was submitted by each of the 12 Taiwan plants for written review, and 7 site cases ultimately entered the final selection.

The final selection was jointly voted and scored by Group senior executives and presenting site representatives to select the outstanding technical cases of the year.

Following the solid presentations and careful evaluation, USI Kaohsiung Plant's "B-line Reduced Reaction Pressure Energy Saving Results" ultimately won first place, and Chairman Quintin Wu presented the certificate and prize money.

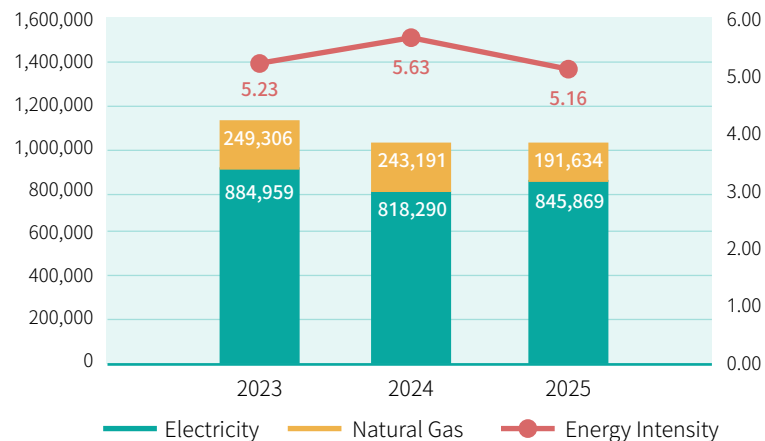


Energy Consumption Performance GRI 302-3

In 2023, total power consumption increased due to increased production volume, and energy intensity per unit of product was relatively high due to the production of high-value-added products. In 2024, natural gas consumption and energy intensity increased due to equipment failures and production line shutdowns.

In 2025, proactive promotion of energy saving and carbon reduction yielded significant results, successfully lowering energy intensity per unit of product.

Kaohsiung Plant Energy Consumption (GJ) and Energy Intensity (GJ/MT PE) over the Past Three Years



Note: Because diesel and gasoline consumption is far lower than electricity and natural gas, their data cannot be displayed in the chart above; please refer to the table on the right.

Power Saving Rate over the Past Three Years

Item	2023	2024	2025
Power Saving Rate (%)	1.72	1.88	1.70

Note 1: Data source: Energy Administration 2025 Energy User Energy Conservation Audit System Declaration Form.

Note 2: Calculated according to the Energy Administration's energy audit form formula, dividing the declared power savings of the year by (total annual power consumption plus declared power savings of the year).

Energy Consumption and Energy Intensity over the Past Three Years GRI 302-1 RT-CH-130a.2

Energy Category	Unit	2023	2024	2025
Electricity	GJ	884,959	818,290	845,869
Natural Gas	GJ	249,306	243,191	191,634
Diesel	GJ	502	555	284
Gasoline	GJ	312	322	296
Total Energy Consumption	GJ	1,135,079	1,062,358	1,038,084
Production Volume	MT	217,173	188,567	201,310
Energy Intensity	GJ/MT	5.23	5.63	5.16

Note 1: The calculation process refers to the unit heating value table of energy products announced by the Energy Administration. The energy conversion factors for electricity, natural gas, diesel, and gasoline are 860 kcal/kWh, 8,710 kcal/m³, 8,629 kcal/L, and 7,520 kcal/L, respectively, where 1 kcal = 4.187 kJ.

Note 2: Data source for natural gas, electricity, and other energy consumption is from energy billing statements; Data source for diesel consumption is from material requisition details; Data source for gasoline consumption is from oil purchase invoices.

Note 3: The energy used by the company is non-renewable energy.

Note 4: The energy data coverage rate is 100%.

The average annual power saving rate from 2015 to 2024 was 1.45%, outperforming the requirement of the Energy Administration, MOEA's "Regulations for Energy Users Setting Energy Conservation Targets and Execution Plans" that energy users should achieve an average annual power saving rate of at least 1% from 2015 to 2024.

On January 2, 2025, the Energy Administration, MOEA announced the "Regulations for Energy Users Setting Energy Conservation Targets and Execution Plans for the Years 2025 to 2028". For users with a contracted power capacity exceeding 10,000 kW, the power saving rate target is 1.5%.

The Kaohsiung Plant's power saving rate in 2025 was 1.70%, outperforming the regulatory power saving target.



USI's planned target value and actual achieved value for the 2025 power saving plan, as well as the planned target value for 2026, are shown in the table to the right:

Year	2025		2026
Item	Planned Target Value	Actual Achieved Value	Planned Target Value
Power Saving Rate (%)	1.51	1.70	1.27

GHG Management

GRI 302-2、305-1、305-2、305-3

RT-CH-110a.1

Based on the ISO 14064-1:2018 GHG inventory standard and referencing the Ministry of Environment's GHG Inventory Registration Operation Guidelines, USI engaged external experts to assist the organization in compiling the GHG inventory and establishing a systematized system. The organizational boundary for the GHG inventory is set using the "control approach," where the organization accounts for 100% of the GHG emissions from facilities under its operational control. The types of GHGs inventoried include carbon dioxide CO₂, methane CH₄, nitrous oxide N₂O, hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride SF₆, and nitrogen trifluoride NF₃. The emission factors used are referenced from the Ministry of Environment's GHG Emission Factor Management Table Version 6.0.4, and the GWPs are referenced from the IPCC Sixth Assessment Report (2021).

The company has long attached importance to GHG management, voluntarily conducting GHG inventory operations early on, and has carried out external verification for the 2019 reporting year continuously since 2020. In line with the FSC's Sustainable Development Roadmap for Listed Companies, the company proactively deployed ahead of time, completing the standalone company inventory and assurance in 2023 (ahead of the 2024 regulatory schedule), and completed the GHG inventory and assurance operations for consolidated subsidiaries in November 2024 (ahead of the 2027 regulatory schedule). The standalone company inventory boundary for the 2025 reporting year includes USI Kaohsiung Plant, Guishan R&D Division, and Taipei Headquarters, adopting the 2023 inventory report.

In 2025, the total GHG emissions of USI Kaohsiung Plant, Guishan R&D Division, and Taipei Headquarters included Scope 1: 17,090 metric tons of CO₂e, Scope 2: 111,540 metric tons of CO₂e, and Scope 3: 463,720 metric tons of CO₂e. The Scope 1 and Scope 2 emissions for USI's consolidated financial statement companies in 2024 and 2025 were 133,970 metric tons of CO₂e and 128,650 metric tons of CO₂e respectively, with 2025 decreasing by 5,320 metric tons of CO₂e compared to 2024.

Scope 1 and Scope 2 Emissions of USI Sites

Site Code	Company	Category	Scope 1	Scope 1 Proportion (%)	Scope 2	Scope 2 Proportion (%)	Total
1	USI Corporation - Taipei Headquarters	Office	19.3247	16.2530	99.5745	83.7470	118.899
2	USI Corporation - Guishan Laboratory	R&D Center	9.9015	9.6108	93.1234	90.3892	103.025
3	USI Corporation - Kaohsiung Plant	Plant	17,064.7375	13.2891	111,347.2452	86.7109	128,428.144

Note 1: The emissions of the Taipei Office and Taoyuan Guishan Laboratory are well below 1%. Based on the principle of materiality, the 2023 inventory results will be adopted directly in the future.

Note 2: The Kaohsiung Plant adopts the 2024 inventory results.

GHG Inventory over the Past Two Years

Unit: 10,000 MT CO₂e/year

Category	Kaohsiung Plant		Guishan R&D Division		Taipei Headquarters	
	2024	2025	2024	2025	2024	2025
Year						
Scope 1	2.605	1.706	0.001	0.001	0.002	0.002
Scope 2	10.77	11.135	0.009	0.009	0.01	0.01
Scope 3 (Category 3) Indirect transportation emissions	0.024	0.018	0	0	0.001	0.001
Scope 3 (Category 4) Indirect emissions from products used by organization	47.01	46.367	0.002	0.002	0.003	0.003
Total	60.409	59.226	0.012	0.012	0.016	0.016

Note 1: Scope 1 refers to direct emissions from stationary combustion, direct emissions from mobile combustion, direct process emissions from industrial processes, and direct fugitive emissions from GHG releases in man-made systems.
Scope 2 refers to indirect emissions from imported electricity.
Scope 3 refers to other indirect emissions:
1. Indirect emissions from the transportation and treatment of solid and liquid waste.
2. Carbon emissions generated by employee commuting and business travel.
3. Carbon emissions generated during the production process of raw materials Ethylene and Vinyl Acetate.

Note 2: The Kaohsiung Plant is a GHG emission control unit of the Ministry of Environment, and its Scope 1 emissions account for 99.9% of USI's standalone company.

Note 3: Values are summed up using original inventory figures and displayed to three decimal places.

Scope 1 and Scope 2 Emissions of USI Consolidated Financial Statement Companies by Site

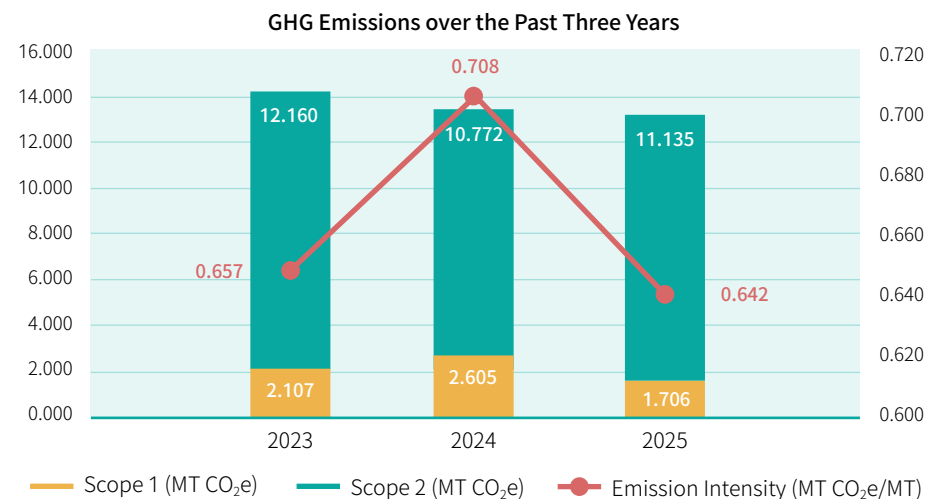
Year		Year 2024		Year 2025	
The Company	Emissions (MT CO ₂ e)	Intensity (MT CO ₂ e /NT\$1 million revenue)		Emissions (MT CO ₂ e)	Intensity (MT CO ₂ e /NT\$1 million revenue)
Scope 1 (Direct GHG Emissions)	17,254.2748			17,110.1245	
Scope 2 (Indirect GHG Emissions)	107,909.7667			111,539.9431	
Subtotal	125,164.0415			128,650.0676	
Consolidated Financial Statement Subsidiaries	Emissions (MT CO ₂ e)	Intensity (MT CO ₂ e /NT\$1 million revenue)		Emissions (MT CO ₂ e)	Intensity (MT CO ₂ e /NT\$1 million revenue)
Scope 1 (Direct GHG Emissions)	170,516.1938			152,350.9736	
Scope 2 (Indirect GHG Emissions)	396,472.3544			405,098.1226	
Subtotal	556,998.5481			557,449.0962	
Total	692,152.590	13.5716		686,099.1638	11.5544

Note 1: The annual inventory calculation adopts the GHG Protocol standard.

Note 2: If a site's carbon emissions account for less than 5% of the total emissions and there are no major operational changes, the first year (2023) emission data will be used for calculation.

Note 3: Assurance Institution: Ernst & Young, Limited Assurance under Assurance Standard 3410.

Although production increased in 2025, both emission intensity and total emissions decreased compared to 2024, demonstrating the effectiveness of energy saving and carbon reduction efforts. **GRI 305-4**



Year	2023	2024	2025
Scope 1 (MT CO ₂ e)	2,107	2,605	1,706
Scope 2 (MT CO ₂ e)	12,160	10,772	11,135
Emission Intensity (MT CO ₂ e/MT)	0.657	0.708	0.642

Note 1: The calculation boundary is the Scope 1+2 GHG emissions of USI.

Note 2: The electricity carbon emission factors are based on the latest data published by the Energy Administration, calculated as 0.494 MT CO₂e /1,000 kWh for 2023, 0.474 MT CO₂e /1,000 kWh for 2024, and 0.474 MT CO₂e /1,000 kWh for 2025.

Note 3: Diesel without biofuels was used in 2024, so the biomass combustion emissions are 0 kg CO₂e.

Note 4: Verified by Norway's DNV Verification Company (DNV) in accordance with ISO 14064-1:2018 standard requirements.

Energy Saving and Carbon Reduction Targets and Results **GRI 302-4** **RT-CH-110a.2**

USI's 2025 energy saving and carbon reduction execution plans and results are as shown in the table below. A total of 4 energy saving and carbon reduction plans were executed, with carbon reductions of 1,922 metric tons of CO₂e and an investment of NT\$10.88 million. **GRI 305-5**

Item	Plan Name	Category	Energy Savings	Unit	Carbon Reduction (MT CO ₂ e /year)	Investment Amount (NT\$ thousand)
1	Manufacturing Department III shutdown, chiller stops running	Power saving	3,468,564	kWh	1,644.1	44
2	Manufacturing Department I B-Line addition of modifier injection point at secondary compressor inlet	Power saving	43,501	kWh	20.6	1,000
3	B Line LDV opening adjustment to reduce secondary compressor load	Power saving	532,537	kWh	252.4	44
4	Demand bidding	Power saving	10,272	kWh	4.9	-
	Total	Power saving	4,054,874	kWh	1,922	1,088

Note 1: The carbon emission conversion factor for electricity is 0.474 MT CO₂e/1,000 kWh.

Note 2: Data source: Energy Administration 2025 Energy User Energy Conservation Audit System Declaration Form.

Note 3: Calculation method for Item 1: Calculate power savings based on equipment specifications and downtime.

Note 4: Calculation method for Item 2: Calculate power savings based on equipment operating current and production line operating time.

Note 5: Calculation method for Item 3: Calculate power savings based on equipment operating current before and after improvement and production line operating time.

Note 6: Item 4 represents electricity from demand response load management measures.

For 2026, 6 energy saving plans are planned for execution, with estimated power savings of 3,017,403 kWh, carbon reduction of 1,443 metric tons of CO₂e, and an investment amount of NT\$59.42 million.

2026 Energy Saving Plans and Estimated Targets

Item	Plan Name	Category	Energy Savings	Unit	Carbon Reduction (MT CO ₂ e /year)	Investment Amount (NT\$ thousand)
1	Manufacturing Department II air compressor renewal	Power saving	232,206	kWh	110.1	6,900
2	Cooling water tower fan material replacement	Power saving	357,193	kWh	169.3	2,000
3	Transformer renewal	Power saving	1,606,392	kWh	761.1	12,210
4	Manufacturing Department I primary compressor return power saving	Power saving Natural gas saving	37,026 8,100	kWh Cubic meters	34.4	1,000
5	Manufacturing Department II melt pump converted to AC variable frequency	Power saving	475,219	kWh	225.3	32,000
6	Lighting fixture replacement	Power saving	301,163	kWh	142.8	5,310
	Total	Power saving Natural gas saving	3,009,199 8,100	kWh Cubic meters	1,443	59,420

Note: Power savings of 3,009,199 kWh + natural gas savings of 8,100 cubic meters; the combined converted power savings equal 3,017,403 kWh.

Afforestation and Green Power Achievements

Forestation Adoption Program

- The company actively responds to national policies, and its relevant actions directly echo the policy direction of increasing forest area in "Forest 1-1: Implementing new afforestation on national, public, and private lands to increase forest coverage and carbon sinks" under "Taiwan's 2050 Net-Zero Transition Key Strategic Action Plan for Natural Carbon Sinks",
- USI collaborated with the Experimental Forest Administration, College of Bioresources and Agriculture, National Taiwan University to promote the "Forestation Adoption Program," utilizing professional technical teams to assist in tree planting and tending, and profoundly recognizing the benefits of tree planting for soil and water absorption of CO₂ and the importance of environmental ecological protection through this project.
- In December 2021, a contract was signed to donate NT\$9 million in afforestation funding over five years, adopting a total of 7,500 trees covering an area of about 5 hectares, with a donation period of 20 years.
- USI's 2025 afforestation results: 0.57 hectares in Xitou with 750 Taiwan Red Cypress trees, and 4.7 hectares in Neimaopu with 7,000 seedlings including Taiwan Incense Cedar, Luanta Fir, and Taiwan Zelkova.
- The workers are all hired locally (indigenous people from Xinyi Township / residents of Lugu Township), totaling 10 people. The carbon sequestration capacity is approximately 10 tons of carbon dioxide per hectare.
- Completed the Donation for the fifth phase of the Forestation Adoption Program



Solar Power Generation

- By the end of 2025, the cumulative grid-connected capacity of invested solar power sites had reached 9MW, generating over 11.25 million kWh annually.
- The Kaohsiung Plant built 478.8 kW of solar power generation equipment for self-generation and self-consumption in 2025, and it was completed in January 2026. Follow-up construction is being planned successively.

Green Power Procurement

- Procured 3,703,000 kWh of green power in 2025 and completed applications for 3,704 Renewable Energy Certificates (RECs), transmitting a total of 3.703 million kWh of power.

Product Carbon Footprint

USI began promoting product carbon footprint standards in 2021, gradually conducting inventories for its main products.

Based on life cycle assessment data, taking into account the GHG emissions resulting from direct and indirect activities or accumulated in the product throughout the product's life cycle, from raw material acquisition or generation from natural resources to final disposal at the end of life, verification was completed in accordance with ISO 14064-3:2006 and complied with the ISO 14067:2018 Product Carbon Footprint standard. The target products verified are Ethylene Vinyl Acetate Copolymer resins, and the declared/functional unit is per kilogram (including packaging).

According to the FSC's Guidelines for the Recognition of Sustainable Economic Activities, the technical screening criterion for standard polyethylene in the petrochemical industry must be less than or equal to 1.0823 metric tons of carbon dioxide equivalent per metric ton. The company's polyethylene products are all below the standard at the manufacturing end, satisfying the recognition conditions for sustainable economic activities.



Life Cycle GHG Emissions

Verify the declared unit emission of the product in question (Unit: kilograms of CO ₂ e)				Emissions per Functional Unit (Unit: Kg of CO ₂ e)
Life Cycle Stage	Raw Material	Manufacturing	Total	
EVA® UE2828	2.270	0.689	2.96	2.96
EVA® UE649-04	2.128	0.689	2.82	2.82
EVA® UE659	2.223	0.689	2.91	2.91



Added product carbon footprint inventory and assurance for High Density Polyethylene LH5920 in 2025; the total carbon footprint is 2.0446 kgCO₂e/kg (including upstream raw materials).



4.6 Raw Material Management

To address resource consumption and reduce environmental impacts in the plastics industry, the company has integrated "improving resource use efficiency" and "building a green material cycle" into the core of its circular economy policy. Through the recycling of process raw materials and the introduction of eco-friendly materials, it promotes full life cycle sustainability management.

USI's production products include Low Density Polyethylene (LDPE), Ethylene Vinyl Acetate Copolymer (EVA), High Density Polyethylene (HDPE), and Linear Low Density Polyethylene (LLPDE), and its main raw materials are Ethylene, Vinyl Acetate (VAM), and Butene; Auxiliary materials are mainly Alkylate, Propylene, and Isopentane. Raw materials are strictly used by the Kaohsiung Plant, and the raw material data coverage rate is 100%.

In 2025, ethylene usage was approximately 168,000 metric tons, accounting for about 81.6% of all significant raw material usage, followed by VAM at about 17.2%. 96% of the ethylene was procured locally in Taiwan; for details, please refer to [3.3 Supply Chain Management](#). **GRI 301-1**

Packaging Material Management

Based on the weight of packaging bags for each product at the Kaohsiung Plant and estimated by sales volume, the packaging material usage for the 2024 reporting year was 898 metric tons, and increased by 121 metric tons in the 2025 reporting year.

High-sales-volume customers are transported via tank trucks, saving packaging material usage.

2025 Packaging Material Weight

Unit: kg

	Packaging Bag	Jumbo Bag	Paper Bag
Manufacturing Department I	588,445	84,437	0
Manufacturing Department II	175,911	122,529	43,768
Manufacturing Department III	3,169.6	640	0
Subtotal	767,526	207,606	43,768
Total Weight			1,018,900

Due to contamination concerns, packaging materials are not recycled for reuse; however, the direction for packaging material testing and reduction is to use plastic bags remade with mixed recycled materials and to change stretch film box packaging to bare packaging to save cardboard boxes.

Raw material recycling: The product manufacturing process is committed to improving raw material recovery efficiency, hoping to reduce the consumption of raw materials. Recovery methods include the improvement project of the high-pressure recovery system in Plant II, connecting new and old tanks, installing a condenser at the front end of the Ethylene Purification Tower (EPT), and adding a compressor leak gas recovery system, etc. In 2025, the raw material recovery rate was 13.9%, and approximately 28,400 metric tons of VAM, Butane-1, and Isopentane were recovered, saving NT\$697 million. **GRI 301-1**

Applied for ISO 14021 PIR (Pre-Consumer material) certification:

Target (EVA/HDPE) waste materials generated during the factory production process. Through a recycling and reuse procedure, they become plastic raw materials. Passed ISO 14021 international recycling certification in 2025. For details, please visit the [official website](#).

Introduction of ISCC certification for bio-ethylene: Bio-ethylene is ethylene extracted from renewable resources. As a substitute for traditional petrochemical ethylene, it has advantages such as lowering carbon emissions, reducing carbon footprints, renewable sustainability, biodegradability, decreasing reliance on fossil fuels, supporting green economies, and utilizing renewable resources.

It is a recoverable and renewable green alternative material that helps reduce carbon dioxide emissions, promotes environmental protection, and bears significant meaning in promoting sustainable economic development. The project is currently ongoing.



Chapter 5

Safety, Health and Social Inclusion

Operational Highlights

- ✓ Zero incidents of fines for violating occupational health and safety regulations
- ✓ Zero occupational safety and process safety incidents
- ✓ Zero fire incidents causing disabling injuries to workers
- ✓ Cumulative total of 2.435 million safe work hours without disabling injuries
- ✓ Employee health checkup rate of 99.2%
- ✓ Awarded the iSports certification by the Sports Administration
- ✓ Employee education and training: 26.5 hours/person

Material Topics in This Chapter

Occupational Health and Safety
Talent Attraction and Retention



5.1 Operational Safety Management

GRI 2-25

SDG 3

SDG 4

SDG 11

SDG 12

Significance and Strategy	Impact Management	Performance and Targets	Management Approach
Significance to USI	Short-, Medium-, and Long-term Positive/Negative Impacts	2025 Targets	Effectiveness Evaluation
USI's Kaohsiung Plant is a Class C hazardous workplace. By implementing Process Safety Management (PSM), and strengthening hazard identification, risk assessment, and control, we systematically prevent and reduce the risk of major disasters such as fires, explosions, and toxic leaks, ensuring the sustainable operation of the enterprise.	- Medium-term positive actual impact: Ensure a safe workplace and reduce accidents - Short-, medium-, and long-term negative actual impacts: Disasters involving highly hazardous chemicals	- Process Safety Incident Count (PSIC): 0 - Process Safety Total Incident Rate (PSTIR): 0% - Process Safety Incident Severity Rate (PSISR): 0% - PSM KPI control target achievement rate: 90%	- Monthly PSM implementation reports - Quarterly PSM implementation progress meeting reports - Quarterly tracking of process safety management performance indicators
Strategy	Boundary	2025 Performance	Grievance Mechanism
- Promote and continuously improve PSM - Set process safety management performance targets	USI employees, contractors	- Zero process safety incidents in 2025 - Process Safety Incident Count (PSIC): 0 - Process Safety Total Incident Rate (PSTIR): 0% - Process Safety Incident Severity Rate (PSISR): 0% 46 out of 49 KPI sub-items achieved the control targets in 2025 - PSM KPI control target achievement rate: 93.9%	Provide process safety-related technical consultation, coordinate implementation across departments, maintain ongoing communication, understand execution needs, and build consensus
Commitment	Negative Remediation and Preventive Measures	2026 Targets	
Reduce the occurrence of major high-hazard accidents, minimizing company property losses and ensuring worker safety	- Implemented the PSM management system to systematically prevent major high-hazard accidents - In addition to internal audits, the Group's Equipment Preventive Maintenance Environmental Risk Control Division (Environmental Protection Department) conducts regular audits to accurately monitor PSM implementation status - Establish a PSM database to disclose hazard information of highly hazardous chemicals in the plant, ensuring employees understand process hazards and relevant emergency response measures	- Process Safety Incident Count (PSIC): 0 - Process Safety Total Incident Rate (PSTIR): 0% - Process Safety Incident Severity Rate (PSISR): 0% - PSM KPI control target achievement rate: 90%	- Plant meetings - Safety meetings - PSM-related meetings - Occupational health and safety committee meetings
Data scope: Kaohsiung Plant, contractors, transportation partners		Medium- to long-term planning	
		- Full participation in implementing PSM - Optimize the process safety management system - PSM compliance audits for continuous optimization and improvement - Reduce the risk of major disasters involving highly hazardous chemicals to achieve the goal of zero process safety accidents	

Process Safety Management GRI 403-5:2018 ~ 403-7:2018

Management Approach

From 2019 to 2025, we have continuously built a safety culture of full participation, risk awareness, and continuous improvement through systematic management. Utilizing hazard identification, risk assessment, and compliance audits, centered on the standards of the Occupational Safety and Health Administration (OSHA) and integrating concepts like Risk Based Process Safety (RBPS), we promote 14 key elements: process safety information, process hazard analysis, worker participation, Standard Operating Procedure, education and training, contractor management, Pre-Startup Safety Review, mechanical integrity of equipment, hot work permits, Management of Change, incident investigation, emergency response, trade secrets, and compliance audits. Through comprehensive planning and review, we enhance equipment reliability and management efficiency to prevent major disasters and ensure the safety of employees and the community.

In addition to complying with the 31 major categories (49 sub-items) of performance indicators set by the Group, in 2026, we will strengthen the 10 custom Key Performance Indicators for critical and aging equipment, enhance equipment integrity and process operation safety, and regularly review and track rolling strategy implementation management.



30 Leading Indicators

- Process safety information, process safety evaluation (improvement) progress
- Worker participation and improvement proposals
- Standard Operating Procedure checking, review, and on-site implementation review
- Education and training implementation rate
- MOC and PSSR execution rate
- Incident investigation, emergency response, and safety protective equipment

19 Lagging Indicators

- Number/hours of unplanned shutdowns
- Leakage points in high-risk pipelines/equipment
- Process safety incident rate
- Major occupational hazards and process safety incidents

10 Custom Indicators

- Aging equipment management
- Ultra-high pressure bolt tightness inspection
- Management of pressure/temperature/flow indicators, shut-off valves, and control valves
- Safety valve trip/abnormality management

Management Performance

We systematically promote 14 PSM systems, including establishing a PSM database to provide employees with necessary information under confidentiality controls, applying process safety information, managing permit systems, supervising contractor safety, conducting personnel operational safety observations, strictly enforcing Management of Change and Pre-Startup Safety Review, and conducting regular mechanical integrity inspections. We also focus on process hazard risk assessment and control, encourage the reporting of incidents (near misses), and train to improve investigation techniques to effectively identify root causes for review and improvement. We strengthen personnel's emergency response capabilities to safely execute critical operations, and continuously strive to extend process safety management concepts, systems, training, execution, and performance reviews to every colleague in the plant.

The Occupational Health and Safety Committee meets quarterly to review and explain PSM implementation results, performance indicators, and areas needing reinforcement. In addition, we irregularly share execution strengths and weakness improvements with supervisors and on-site colleagues during plant meetings and departmental safety meetings. Together, we adjust PSM approaches at both the system and execution levels to ensure implementation meets current needs and increases the degree of execution.

Aside from regular annual internal compliance audits, we integrate mutual audit exchanges, outcome reviews, and site visits with affiliated plants within the Group. We also learn from industry PSM implementation results and share and reflect on domestic and international incident cases to achieve resource and outcome sharing, benchmark strategic targets, and continuously improve and refine to enhance the effectiveness of process safety management.

2025 Implementation Focus Areas

- ✓ Conducted 33 process safety management meetings and 41 training courses, with 1,186 participants and a total of 2,897 training hours.
- ✓ Completed 2,428 inspections of critical equipment pipelines and 1,006 inspections of safety-critical process equipment.
- ✓ Completed regular inspections of 3 hazardous machines and 338 hazardous equipment units, with a 100% pass rate.
- ✓ Conducted annual fire safety equipment inspections and reported maintenance results, including fire alarm control panels, manual alarm equipment, emergency broadcasting equipment, exit and emergency lighting equipment, fire water tanks and connecting delivery pipes, fire detectors, sprinkler and water spray equipment, and extinguishing equipment essential for fire rescue.
- ✓ Key Performance Indicators achieved 46 control target sub-items, with a target achievement rate of 93.9%.
- ✓ Items that failed to meet the target include 1 improvement proposal postponed to 2026 due to construction safety considerations; 30 abnormalities in the compliance and implementation of on-site safety inspection observations, all of which have had their deficiencies corrected; and 2 leaks in high-risk equipment, which were immediately repaired, tightened, or replaced, and verified by third-party testing.

Process Safety Management Performance RT-CH-540a.1 、 540a.2

Item/Year	2023	2024	2025
Process Safety Incident Count (PSIC)	0	0	0
Process Safety Total Incident Rate (PSTIR)	0	0	0
Process Safety Incident Severity Rate (PSISR)	0	0	0

Note 1: Based on the "Process Safety Performance Indicators for the Refining and Petrochemical Industries" (ANSI/API RP 754) by the American National Standards Institute and the American Petroleum Institute.

Note 2: Process Safety Incident Count (PSIC) = Number of process safety incidents (Severity level Tier-1 or Tier-2 incidents).

Note 3: Process Safety Total Incident Rate (PSTIR) = (Annual) Total cumulative number of process safety incidents × 200,000 / Total worker hours.

Note 4: Process Safety Incident Severity Rate (PSISR) = (Annual) Total cumulative weighted score of process safety incident severity × 200,000 / Total worker hours.

Note 5: The total working hours for workers in 2025 was 844,612 hours.

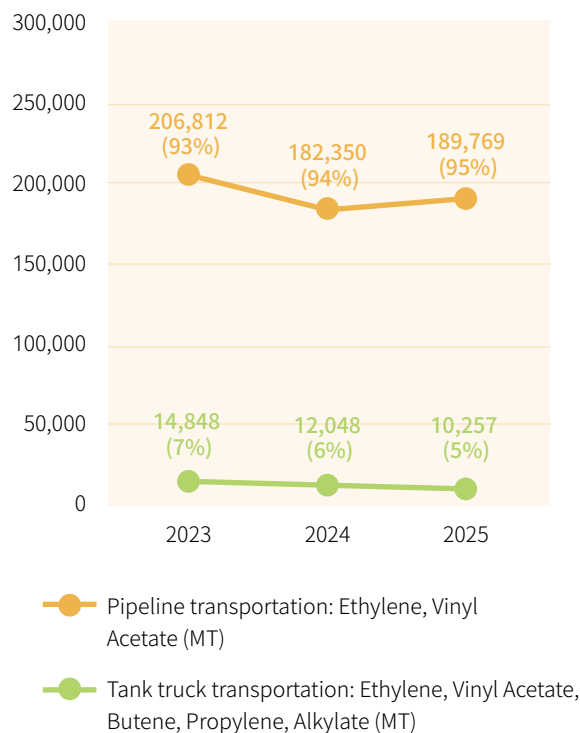
Raw Material and Product Transportation Management

GRI 403-7:2018

Raw Material Transportation

USI's main manufacturing raw materials include ethylene, Vinyl Acetate, butene, propylene, and alkylate. Considering raw material transportation safety, they are mainly transported via underground pipelines, and the rest by tank trucks.

Main Raw Material Transportation Methods



Raw Material Tank Truck Transportation Management

- ✓ Select legally registered transportation companies with qualified inspection certificates for their tank trucks.
- ✓ Follow relevant road traffic safety rules and regulations for the road safety management of high-pressure gas tank trucks.
- ✓ Establish an emergency response mechanism, provide professional training for personnel, and ensure comprehensive response capabilities.
- ✓ Establish Standard Operating Procedure for on-site loading and unloading, mark and issue warnings in loading zones, follow cargo handling safety regulations, and provide on-site supervision.
- ✓ Safety personnel implement occupational health and safety regulations, conducting regular environmental, health, and safety (EHS) inspections to ensure the safety of chemical transportation and handling.
- ✓ Zero raw material transportation-related accidents in 2025.

Underground Pipeline Transportation Management

- ✓ Referring to international standards and complying with the regulations issued by the Economic Development Bureau of the Kaohsiung City Government, we have formulated various operations, maintenance, testing, inspection, and emergency response procedures for underground pipelines. This maintains the safety management of underground pipelines to ensure their integrity. Additionally, based on the American Society of Mechanical Engineers standard for Managing System Integrity of Gas Pipelines (ASME B31.8S), we have obtained third-party accreditation from DNV and passed the review and approval of the Kaohsiung City Government's Economic Development Bureau.
- ✓ Completed the repair of two rectifier stations in the cathodic protection system in 2025. The repaired rectifier stations can provide full anti-corrosion protection current to inhibit pipeline corrosion growth.
- ✓ All underground pipelines are protected with a dual system of anti-corrosion tape coating and impressed current cathodic protection. In 2025, 192 quarterly measurements at anti-corrosion system test stations and 36 rectifier station measurements were conducted to ensure the normal operation of the anti-corrosion system.
- ✓ Cooperated with the Kaohsiung City Public Works Bureau and the Directorate General of Highways to correct underground pipeline map data after In-Line Inspection (ILI) testing. This allows third-party excavators to reference the maps and avoid industrial pipeline construction, ensuring both construction and pipeline safety.
- ✓ To prevent pipeline damage caused by third-party excavation and construction errors, the pipeline bundle jointly commissioned BES Security to conduct daily pipeline route inspections. We also cooperate with the excavation management mechanism of the Kaohsiung City Government Public Works Bureau's Pipeline Excavation Management Center to avoid third-party excavation damage to the pipelines. In 2025, a total of 34 potential third-party excavation damage incidents were prevented.
- ✓ In 2025, in addition to organizing internal underground pipeline drills, we held tabletop exercises and live-action drills jointly with various pipeline bundle manufacturers. We also participated in the Economic Development Bureau's evacuation drill for sensitive receptors to improve response capabilities through continuous emergency response training, reducing the potential damage caused by natural disasters or accidents.
- ✓ In 2025, we participated in the industrial pipeline emergency response training organized by the Economic Development Bureau, with 2 personnel completing basic-level training and 2 completing operational-level training.

Underground Pipeline Emergency Response Evaluation

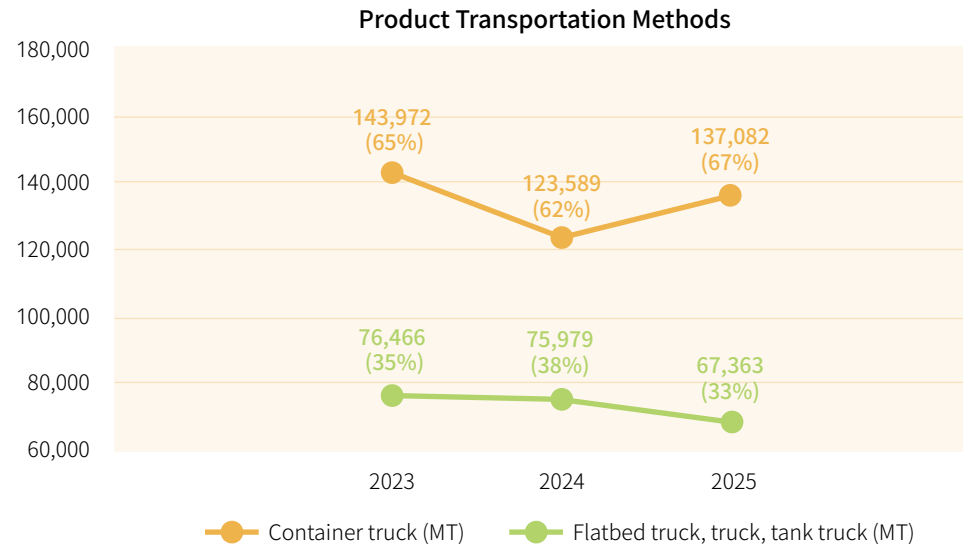
To enhance the emergency response capability of underground pipelines, we planned a phased emergency response plan evaluation targeting High Consequence Area (HCA) regions. In 2025, we evaluated Section 5 (KP15.000 to KP20.450) of the 10-inch ethylene pipeline's high-consequence risk identification area, specifically the intersection of Jiuda Road and Jiuqu Road. This area is close to sensitive receptors such as residential zones, businesses, schools, factories, and the Gaoping Bridge. The process included a comprehensive evaluation of pipeline leak dispersion simulation, cold/warm/hot zone demarcation, personnel evacuation, receptor contact, and external support communication and coordination. We hope this will aid in the response efficiency should an underground pipeline accident occur.



▲ Emergency response plan simulation evaluation

Product Transportation GRI 403-7:2018

USI's main product transportation uses flatbed trucks, regular trucks, tank trucks, and container trucks.



Product Vehicle Transportation Management

- ✓ Select legally registered transportation companies with qualified inspection certificates for their transport vehicles.
- ✓ Pass ISO 9001 Quality Management Systems certification and employ qualified health and safety management specialists.
- ✓ Conduct annual regular evaluations based on carrying capacity, efficiency, cooperativeness, and operational quality. Through transportation meetings, propose improvement plans and make timely corrections based on customer feedback regarding transportation issues.
- ✓ Transportation contractors hold quarterly safety meetings to strengthen promotion and educational training, ensuring products can be safely transported to their destinations while reducing the environmental impact of transportation.
- ✓ From 2021 to 2025, we have continuously refined and strengthened contractor management in the finished goods warehouse shipping area and product transportation operation area. Through the dual integration of AI technology-assisted application layers and a systematized assessment management system, we steadily elevate the safety and quality of product transportation operations and reduce potential risks in on-site operations.
- ✓ Zero product transportation-related accidents in 2025.

Product Loading Safety Management GRI 403-7:2018

An AI industrial safety image identification system was introduced for forklift transport and tank truck loading operations in the finished goods warehouse shipping area.

Going beyond current basic regulatory inspection requirements, this real-time image identification technology transforms traditional manual spot checks into automated, continuous monitoring. It accurately identifies whether personnel are wearing safety protective gear, strengthening the supervision and execution of safety regulations on the contractors' operational sites.

From 2021 to 2025, we have continued to promote safety protection identification for forklift operations in the warehouse area (AI system), focusing primarily on three management aspects during personnel forklift operation: wearing hard hats, correctly using hard hat chinstraps, and using forklift seatbelts. Through continuous monitoring by the identification system and industrial safety promotions on the importance of protective equipment, we effectively heightened the safety protection awareness of forklift operators. In 2025, there were no contractor deficiencies during the forklift transport process.



▲ Continuous monitoring by the safety protective equipment



▲ Real-time identification of protective equipment; normal execution determined for the operator



Product Transportation Safety and Quality Assessment GRI 403-7:2018

From 2020 to 2025, we have consistently promoted product transportation safety and quality assessments. The evaluation is based on eight major aspects: company profile, driver qualifications, safety policy and communication, work procedures and instructions, safety equipment, individual driver assessment, vehicle condition control, and transportation quality.

We draft inspection management frequencies based on assessment score grading to enhance the performance of safety and quality assessments.

Through a systematic, data-driven evaluation and dynamic checking mechanism, we not only execute follow-up reviews on recommendations from the previous year but also verify the regulatory compliance of relevant documents, on-site operations, and equipment status. If non-compliant items are found, we promptly require improvement countermeasures and track management to ensure the safety of transportation operations.

In 2025, the transportation safety and quality assessment result for the contractor (De Yuan Transport Ltd.) was Grade A.



▲ Latest version of the driver's manual equipped in the vehicle



▲ Document review for transportation safety and quality assessment



▲ Vehicle recording equipment function confirmation



▲ Spot check of mechanical tachograph charts

5.2 Occupational Health and Safety

GRI 2-8、2-23、2-24、2-25、3-3

SDG 3

SDG 4

SDG 8

SDG 12

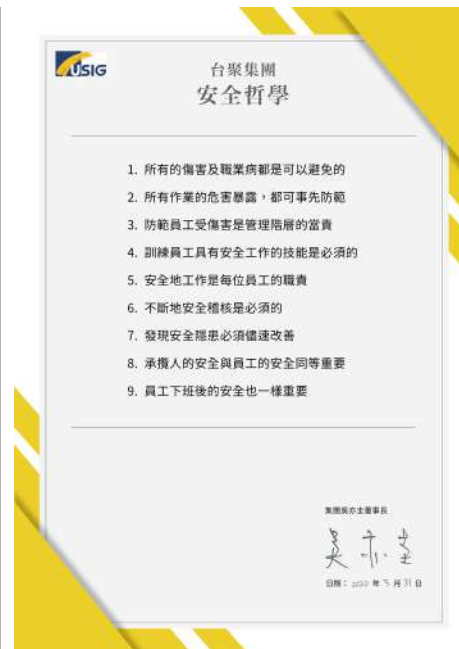
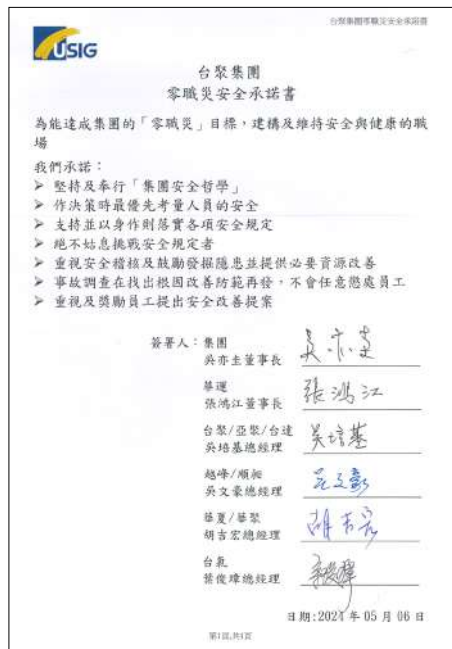
Significance and Strategy	Impact Management	Performance and Targets	Management Approach
Significance to USI Properly care for employee health, prevent industrial accidents, enhance the safety and health protection of operational personnel, and cultivate employees' capabilities in emergency response and personal safety management	Short-, Medium-, and Long-term Positive/Negative Impacts - Medium-term positive actual impact: Create a friendly workplace, reduce turnover rate and occupational hazards - Short-, medium-, and long-term negative actual impacts: Industrial accidents	2025 Targets - Monitoring results exceeding standards=0 - Disabling Injury Frequency Rate (FR)=0 - Disabling Injury Severity Rate (SR)=0 - Number of shutdowns caused by critical equipment=0 - Frequency-Severity Indicator (FSI)=0	Effectiveness Evaluation - Annual employee health check-ups - Monthly occupational hazard content and statistics table - Monthly occupational hazard statistics report - OHS management system performance
Strategy: - Strengthen personnel training to enhance operational safety awareness - Implement occupational health and safety (including fire safety) management to build a safety culture - Promote Process Safety Management system, strengthen process equipment safety prevention (see 5.1 Operational Safety Management)	Boundary USI employees, contractors	2025 Performance - Disabling Injury Frequency Rate=0; Disabling Injury Severity Rate (SR)=0; promoted 6 disabling injury safety and health management plans with a 100% completion rate - Frequency-Severity Indicator=0; promoted 5 comprehensive injury safety and health management plans: 4 completed, 1 at 75% progress and expected to be completed in 2026 - Monitoring results exceeding standards=0; conducted labor working environment monitoring for Class 2 organic solvents, specific chemicals, noise, CO₂, etc., per regulations; additionally tested local exhaust equipment wind speed. All 2025 monitoring results complied with regulatory standards - Number of shutdowns caused by critical equipment=5; the engineering department intensified critical equipment pipeline inspections, completing 2,428 cases	Grievance Mechanism Implement and maintain communication, participation, and consultation channels for environmental, OHS, and fire safety-related issues - Labor-management meetings - Union board of directors and supervisors meetings - Plant meetings - Occupational health and safety committee meetings - EHS and Energy Management Committee meetings
Commitment Create a safe working environment and reduce the occurrence of industrial accidents Data scope: Kaohsiung Plant, contractors, transportation partners	Negative Remediation and Preventive Measures - Strengthen EHS and fire safety inspections, and take timely corrective measures for improvement - Play industrial safety videos during weekly plant meetings to enhance safety awareness	2026 Targets - Disabling Injury Frequency Rate (FR)=0 - Monitoring results exceeding standards=0 - Disabling Injury Severity Rate (SR)=0, 5 health promotion sessions, 2 health promotion activities - On-site occupational physician health services 12 times - Frequency-Severity Indicator (FSI)=0	
		Medium- and Long-term Planning - Continuously refine occupational health and safety and fire safety management - Continuously accumulate no-disabling-injury man-hours records - Healthy Workplace Certification Health Promotion Mark - Smart factory safety management	

GRI 2-8、2-23、2-24

GRI 403-1:2018、403-8:2018

Occupational Health and Safety Management Systems

USI Group places great importance on employee operational safety. We have formulated a "Zero Occupational Hazard Safety Commitment Letter", requiring all plants within the Group to adhere to and implement the "Group Safety Philosophy". This aims to construct and maintain a safe and healthy workplace to achieve the goal of "zero occupational hazards, zero incidents, and zero failures."



Starting in 2001, USI legally promoted Occupational Health and Safety Management Systems (including fire safety management), integrating health and safety management into corporate sustainable development strategies to maintain a safe operational environment and employee health across the plant.

We completed the Occupational Health and Safety Management Systems (ISO 45001:2018) transition verification in 2020 and continue to obtain certification through third-party independent verification bodies (certificate valid until April 2028).

The scope of the Occupational Health and Safety Management Systems (including fire safety management) covers USI's Kaohsiung Plant (design and production of five processes). In 2025, it covered 1,189 workers, consisting of 410 Kaohsiung Plant

employees (accounting for 34%) and 779 non-employees (contractors accounting for 66%), representing a 100% coverage rate.

To achieve the occupational health and safety management policy and goals, various operations are executed, including regulatory identification and compliance assessment, hazard identification risk assessment and control, contractor management, permit management, emergency response, incident investigation, internal and external audits, and non-conformity corrective actions. We also strengthen the safety management of hazardous machinery/equipment and Process Safety Management (see 5.1 Operational Safety Management).

In terms of fire safety management, we legally appoint fire prevention managers, safety supervisors, safety inspectors, as well as fire prevention coordinators and fire source responsibilities for each area. We implement preventive management grouping, and everyone should bear the responsibility for fire prevention.

Guided by the PDCA (Plan-Do-Check-Act) cyclic management framework, we continuously promote and review implementations. We increase management-level workplace safety inspections, provide a reward system for reporting near misses, and promptly adopt corrective measures for improvement. This helps achieve overall occupational health and safety performance, create a safe work environment, and safeguard the safety and health of workers.

Occupational Health and Safety Organization and Operation GRI 403-4:2018

USI has legally established an occupational health and safety organization. The Plant Manager serves as the chairman, the Director of the Industrial Safety Office serves as the executive secretary, and relevant committee members (department heads/medical personnel/labor representatives) jointly organize and participate. The committee consists of 20 members, including 7 representatives elected by the union and labor (meeting the regulatory requirement of at least 1/3).

At the beginning of each year, we hold EHS and energy management review meetings. We convene quarterly Occupational Health and Safety Committee and EHS and Energy Management Committee meetings. Labor representatives speak on behalf of all employees, jointly researching, coordinating, planning, and making decisions with management on occupational health and safety and fire safety issues. This includes policies, targets, proposals, and reviewing various performance indicators to actualize employee participation, consultation, and communication.

Occupational Hazard Identification and Risk Assessment GRI 403-2:2018、403-9:2018

The Kaohsiung Plant is a Class C hazardous workplace using organic peroxides and flammable liquids (solids). We comply with occupational health and safety and fire-related regulations, strictly controlling hazardous substances and hazard sources to ensure the working environment meets safety standards.

Hazardous chemicals used in the plant are publicly disclosed in the control rooms of each department. Public hazardous material layout plans and hazard identification cards (H-CARDs), updated semi-annually, are kept in the guardroom. Safety Data Sheets (SDS) and fire hazard risk warning boards are set up in areas where hazardous chemicals are used to enhance hazard prevention awareness.

To ensure the safety of operations, activities, services, and facilities, we implement proactive risk monitoring and prevention management for all operations to prevent personnel injuries and financial losses.

For existing, potential future changes, and temporary changes in various operational activities, as well as external underground pipeline transportation, the Baseline Review Team (department heads) and colleagues continuously conduct occupational health, safety, and fire hazard identification and risk assessments. Using semi-quantitative and qualitative descriptions, we evaluate and screen risk levels. Based on graded controls, we implement necessary control methods or eliminate hazards according to the risk control hierarchy: elimination, substitution, engineering controls, administrative controls, and personal protective equipment. We evaluate and find improvement opportunities to reduce risks to acceptable levels.

In 2025, based on occupational health and safety targets and corresponding risks and opportunities, we established 11 health and safety management plans. The proactive safety performance completion rate was 91%. Ten items were fully completed, including steam injection point inspections, equipment replacement, equipment improvement and renewal, strengthened inspection and maintenance, regular patrols, educational training, adding gas detectors in high-risk areas, equipment rust removal/welding/painting, and fire door renewal projects. Only 1 item, the rain drainage pipe system piping project, is at 75% progress due to construction safety considerations requiring scaffolding first; it is expected to be completed in 2026.

Occupational Health and Safety Budget Financial Disclosure

To reduce occupational safety hazard risks and ensure a safe work environment, the Kaohsiung Plant integrates occupational health and safety into its financial planning and resource allocation. In 2025, the total financial input budgeted for occupational safety and health workforce initiatives was NT\$143.5 million.

Project	Item	Investment Amount
Occupational health and safety investment projects	Equipment renewal, addition of gas detectors and monitors, equipment safety improvements, etc., totaling 11 items	NT\$67.05 million (Accounting for 36.5% of capital expenditure)
Process improvement and reliability investment projects	Spare parts purchase, system optimization and improvement, etc., totaling 11 items	NT\$59.07 million (Accounting for 32.1% of capital expenditure)
Healthcare	Health check-ups, doctor health consultations	NT\$0.71 million
Employee welfare fund	Welfare subsidies, education grants, club leisure and recreation, other benefits	NT\$16.13 million
Personnel professional training	External professional training	NT\$0.54 million

Occupational Injuries GRI 403-7:2018 、 403-9:2018

From February 21, 2023, to December 2025, the cumulative total working hours without disabling injuries for workers at the Kaohsiung Plant reached 2,435,119 hours.

According to the Frequency-Severity Indicator (FSI) for various industries over the past three years released by the Occupational Safety and Health Administration, Ministry of Labor on March 14, 2025, the reference FSI standard for the manufacturing of chemical materials, fertilizers, nitrogen compounds, plastic and rubber raw materials, and man-made fibers is 0.68. USI's FSI for occupational accidents from 2023 to 2025 was 0.66, 0, and 0, respectively, outperforming the annual industry average for 3 consecutive years.



- ✓ Zero occupational safety incidents and process safety incidents in 2025
- ✓ 0 fire incidents resulting in disabling injuries for employees and contractors in 2025
- ✓ 0 recordable cases of fire and fire drills for all workers in the past three years

RT-CH-320a.1 、 320a.2

Occupational Health and Safety and Fire Safety Performance

Item/Year	2023		2024		2025	
	Employees	Contractors	Employees	Contractors	Employees	Contractors
Total working hours	775,331	120,921	752,074	108,044	844,906	129,625
Disabling Injury Frequency Rate (FR=LTIFR) / FR caused by fire and fire drills	1.11/0	0/0	0/0	0/0	0/0	0/0
Disabling Injury Severity Rate (SR) / SR caused by fire and fire drills	399/0	0/0	0/0	0/0	0/0	0/0
Frequency-Severity Indicator (FSI)	0.66	0	0	0	0	0
Number/rate of recordable occupational injuries	1/1.11	0/0	0/0	0/0	0/0	0/0
Number/rate of severe occupational injuries	1/1.11	0/0	0/0	0/0	0/0	0/0
Number/rate of occupational injury fatalities	0/0	0/0	0/0	0/0	0/0	0/0
Total Recordable Incident Rate (TRIR)	0.22	0	0	0	0	0
Lost Time Injury Rate (LTIR)	0.22	0	0	0	0	0
Annual occupational hazard rate per thousand people / Rate per thousand people caused by fire and fire drills	2.21/0	0/0	0/0	0/0	0/0	0/0

Note 1: Occupational injury refers to accidental injury occurring when a worker is performing duties or in the workplace; the statistical basis excludes commuting accidents.

Note 2: Disabling Injury Frequency Rate (FR) = Lost Time Injury Frequency Rate (LTIFR) = Number of disabling injuries (persons) × 1,000,000 / Total working hours (rounded down to two decimal places).

Note 3: Disabling Injury Severity Rate (SR) = Total lost work days × 1,000,000 / Total working hours (decimals not calculated).

Note 4: Frequency-Severity Indicator (FSI) = $\sqrt{[(FR \times SR) / 1000]}$ (rounded down to two decimal places).

Note 5: Recordable occupational injury rate = Number of recordable occupational injuries (including occupational injury fatalities) × 1,000,000 / Total working hours (rounded down to two decimal places).

Note 6: Severe occupational injury rate (unable or unlikely to recover to pre-injury health status within 6 months) = Number of severe occupational injuries (excluding fatalities) × 1,000,000 / Total working hours.

Note 7: Occupational injury fatality rate = Number of occupational injury fatalities × 200,000 / Total working hours.

Note 8: Total Recordable Incident Rate (TRIR) = Number of recordable occupational injuries (persons) × 200,000 / Total working hours.

Note 9: Lost Time Injury Rate (LTIR) = Number of lost-time injuries (persons) × 200,000 / Total working hours.

Note 10: Annual occupational hazard rate per thousand people = The number of deaths and injuries occurring in a year per 1,000 employees. Number of hazard cases / Number of employees × 1,000.

Note 11: In 2023, there were 452 employees and 1 disabling injury. The type of occupational hazard was falling/tumbling. Emergency treatment and hospitalization were provided immediately, prompt reporting and site preservation were executed, and an incident investigation and review were initiated. Timely improvement measures were taken, requiring the contractor to assist in securing the scaffolding to complete the improvement countermeasures.

Incident Investigation GRI 403-2:2018

The Kaohsiung Plant has a systematized incident investigation system that combines incident investigation and analysis techniques such as time series, fault tree, or event tree analysis to identify the causes of incidents that have occurred or may lead to incidents, and formulate effective corrective and preventive measures to avoid the recurrence of similar incidents.

Incident investigation is incorporated into the Process Safety Management performance indicators (9 lagging indicators and 1 leading indicator) to grasp and confirm the implementation status, prevent the failure of safety barriers, and achieve the goal of preventing incidents.

For the incident investigation process, please refer to: Occupational Health and Safety / Occupational Health and Safety Incident Investigation.

Regular employee education and training strengthen personnel's professional skills in investigation and analysis, hoping to review the root causes of incidents through effective recording, investigation, and analysis, and implement appropriate improvement measures to prevent the recurrence of accidents or near misses and ensure the safety and health of employees.

In addition, incident case awareness is conducted regularly. By reviewing the root causes of others' incidents, employees reflect on whether their own operations carry related hazard risks, thereby establishing a safety culture of vigilance in peacetime and continuous improvement.

A reward system is established to encourage colleagues to report near misses, discovering unknown risks and eliminating potential hazards before incidents occur, enhancing safety awareness, and preventing disasters.

- ✓ In 2025, experts and scholars were invited to conduct 2 incident investigation education training and drill sessions with 37 attendees.
- ✓ Incident case awareness is conducted during weekly plant affairs meetings to strengthen and enhance safety awareness.
- ✓ In 2025, incident case awareness was conducted in various units' safety meetings for 4 sessions with 193 attendees.



Contractor Safety Management

Before entering the plant, contractors must pass qualification and case document reviews, participate in environmental, health, and safety education and training and pass the assessment, and effectively implement contractor work environment hazard notifications, chemical risk awareness and prevention, operation hazard identification and risk assessment control, and conduct work safety meetings and agreement organization meetings. Furthermore, communication and coordination meetings with contractors are held irregularly. Through continuous communication, training, advocacy, and requirements, contractors are encouraged to spontaneously comply with various safety and health regulations, and these are incorporated into emergency response plans and drills to ensure operational safety and achieve the goal of zero incidents.

Guards confirm the safety of contractor vehicles entering the plant, check vehicle flame-arresting equipment or whether hazardous materials are carried, and inspect the physical and mental status of contractors, conducting irregular breathalyzer tests and blood pressure measurements to prevent physical and mental status from affecting work safety. Prior to operations, high importance is placed on the implementation of various work permits and toolbox meetings to confirm and require a safe operating site environment.

Specific advocacy is provided for each operation to explain the task content, potential hazards in the work environment, safety protections, and required regulations, and to complete on-site construction equipment/tool safety inspections and environmental testing. To strengthen contractor operational safety upon entering the plant and implement the supervisory management responsibilities of occupational safety and health management personnel, industrial safety colleagues conduct on-site inspection confirmations for all projects during operations, including pre-operation checks of machinery and equipment, whether there are unsafe conditions during the operation, and whether personnel exhibit unsafe behaviors. If violations are discovered during the process, an immediate cessation of work will be required, and operations can only resume after improvements are made; If the violation is severe, the contractor will undergo retraining and re-advocacy. Two Process Safety Management performance leading indicators are incorporated: contractor evaluation and confirmation of high-risk operation compliance rates, and regular spot checks on work permit compliance, to strengthen contractor operation safety management and ensure personnel safety and health.



- ✓ In 2025, the distribution of work permit operation types was: 365 hot works, 40 confined space operations, and 624 other operations. High-risk operations accounted for 39%, and comprehensive daily inspections confirmed the safety of highly hazardous operations.
- ✓ Implemented contractor management (100% coverage). Work safety meetings (agreements) were held before contractors entered the plant, and they received notifications about the contracting work environment and hazards. The pass rate for pre-entry document reviews and education and training assessments was 100%. In 2025, a contractor facial recognition access control system was introduced.
- ✓ Combining system qualification data review and biometric recognition technology, it enabled fast and precise identity confirmation, access control, and tracking of remaining personnel, while preventing unverified blacklisted individuals, thereby enhancing plant security.
- ✓ In 2025, contractors were invited to participate together in 2 sessions of emergency response drills and practical firefighting operation training.
- ✓ In 2025, zero fire incidents occurred involving contractors within the plant's workplace.



EHS Management GRI 403-8:2018

To ensure that workers' operations in the work environment comply with legal regulations and to prevent accidental disasters, regular on-site EHS and fire safety inspections are conducted to reduce unsafe work environments, unsafe equipment, and unsafe behaviors. Through systematic EHS and fire safety audits, Group audits, and the insurance broker company's Group loss prevention surveys, the implementation of regulatory requirements and internal policies is regularly inspected and evaluated to promptly discover potential risks or non-conformities and take corrective actions, thereby preventing occupational disasters from occurring. The internal audits, external audits, or third-party verifications in 2025 covered 1,122 workers, including 343 Kaohsiung Plant employees (accounting for 31%) and 779 non-employees (contractors accounting for 69%), achieving a 100% audit coverage rate.

EHS and Fire Safety Inspections

- ✓ In 2025, there were 2,711 on-site EHS and fire safety inspections, of which 2,301 were compliant items, 406 were observations or suggestions, and 4 were non-compliant items. The improvement completion rate for non-compliant items was 100%.
- ✓ Comprehensive daily on-site inspections for all high-risk operations were conducted, and immediate correction and improvement were demanded upon discovering non-compliant items.
- ✓ EHS inspection results were notified to relevant units daily via email and incorporated into the "EHS Management Platform" for regular tracking and management to ensure completion of improvements and prevent recurrence.
- ✓ In 2025, there was 1 routine audit on industrial safety/environmental protection operations and regulatory compliance by the Group Audit Division, 1 industrial safety/environmental protection/fire safety audit by the Group's Equipment Preventive Maintenance Environmental Risk Control Division (Environmental Protection Department), and 1 cross-plant audit on Process Safety Management. All audit deficiencies and improvement results were regularly managed and tracked.

EHS Education and Training GRI 403-5:2018

To establish EHS awareness and skills among all personnel, course planning is categorized for different talents and complies with regulatory training requirements, implementing course training for employees and contractors, and conducting regular retraining for professional licenses to prevent occupational disasters and environmental incidents.

In 2025, EHS education and training statistics showed a total of 499 sessions, 4,537 attendees, and 13,506 total training hours, covering training for new and transferred personnel, EHS training, Process Safety Management training, underground pipeline training, fire safety training, professional license training, and professional qualification certification.

The number of Kaohsiung Plant employees and contractors trained totaled 1,122 (100% training rate). All education and training involved assessments or practical records to evaluate training effectiveness. The training pass rate in 2025 was 100%. Training enhanced workers' safety and health knowledge and skills, ensuring they were competent for the job, capable of identifying and controlling risks, and ensuring a safe and healthy work environment.

Category	Sessions	Attendees	Total Hours
New Employee Training	10	14	90
Transferred Personnel Training	14	23	131
Employee On-the-Job Training	369	3,346	9,822
Contractor Training	106	1,154	3,462

Emergency Response Mechanism GRI 403-5:2018

The Kaohsiung Plant has established Emergency Response Plan Procedures that govern the operational principles of emergency response operational flows and organizations, alarms and notifications, response guidelines, evacuation, and recovery, aiming to mitigate injuries to personnel or major environmental impacts caused by sudden emergencies.

Incident types are divided into three phases to handle events of varying degrees with different response methods. Corresponding response methods are adopted based on the severity of the incident. The related response process is explained as follows:

Phase 1: In response to minor leaks of hazardous substances or minor fires within the plant

- The duty supervisor acts as the on-site commander and directs the unit's personnel in rescue efforts

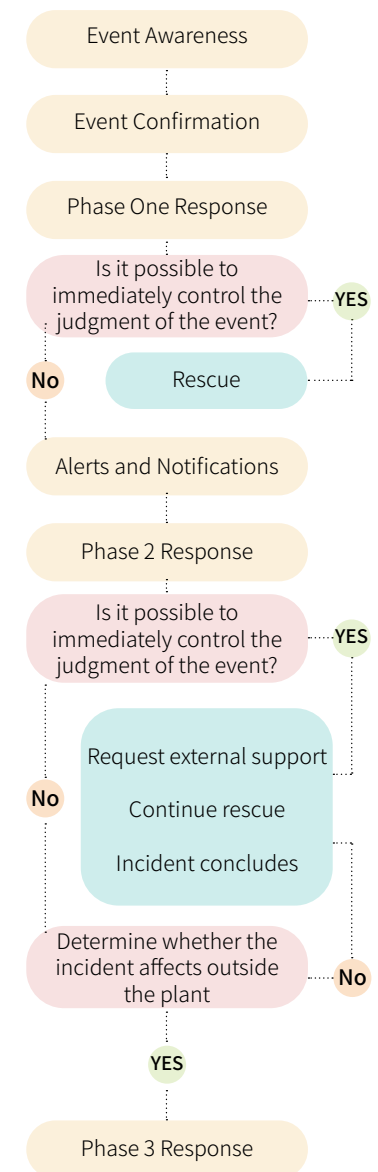
Phase 2 : In response to major leaks of hazardous substances or major fires within the plant where the incident unit's response team cannot effectively control the disaster, necessitating the mobilization of the plant's response organization for support

- The duty supervisor reports the incident to the unit manager to request support and mobilizes the response organization according to alarm and notification procedures
- Direct rescue work, requesting external support and notifying relevant agencies as necessary
- Determine whether an emergency shutdown and isolation of the incident area are required
- The command responsibility at this phase is held by the incident unit or department manager until the General Plant Manager or deputy takes over
- Establish an emergency response command center responsible for gathering the latest disaster information, presenting it to the chief commander for decision-making, and issuing commands to the response organization

Phase 3 : When plant incidents may spread outside the plant and response actions when impacts have already been caused outside the plant

- The General Plant Manager or deputy serves as the chief emergency response commander, directs the in-plant response plan, notifies the Fire Bureau of Kaohsiung City Government and other relevant industrial safety and environmental protection units about the disaster, and transfers command authority to the municipal units
- If the disaster is uncontrollable and may endanger employees' lives, order personnel evacuation immediately

Emergency Response Operation



Self-defense fire safety organization training is held regularly every half year. By referring to the Emergency Response Guidebook, organization members can be quickly mobilized to take correct actions to effectively control disasters and mitigate losses in the event of an emergency. Continual reinforcement of self-defense fire safety organization training enhances responders' operational knowledge and protection through practical firefighting training, fulfilling the first line of defense for corporate disaster mitigation and preparedness. In 2025, fire safety education and training statistics showed 16 sessions, 162 attendees, and 1,186 total training hours, with 140 expected trainees (100% training rate). (For duties of the self-defense fire safety organization, please refer to the ESG website under Occupational Health and Safety / Occupational Health and Safety - Emergency Response).



2025 Fire Safety Education and Training

Category	Sessions	Attendees	Total Hours
Self-Defense Organization Training	2	119	952
Group Fire Safety Seminar	1	2	8
Group Fire Commander Skill Training Class	1	6	36
Group Live Fire Extinguishing Skill Training Class	2	13	65
Security Supervisor Retraining	1	2	16
First Aider Retraining	1	7	21
Toxic Chemical Professional Responders	8	13	88

Toxic and Concerned Chemical Substances Response Drill GRI 403-7:2018 RT-CH-410b.1

The Kaohsiung Plant pays close attention to the impact of its processes on the environment. None of its products contain or produce toxic substances classified under Category 1 and Category 2 of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS). Locations and facilities handling toxic chemical substances also obtain relevant documents issued by competent authorities in accordance with the Toxic Chemical Substances Control Act.

In 2025, toxic and concerned chemical substance response drills were conducted, including 1 planned response drill (tabletop exercise) and 2 unannounced test drills. Furthermore, professional responders are assigned to various levels for toxic and concerned chemical substance response, including 1 expert-level, 1 command-level, 7 technician-level, and 4 operations-level personnel, to strengthen independent response capabilities for toxic and concerned chemical substances.



Health Care

Preventing Occupational Diseases

GRI 403-2:2018、403-3:2018、403-6:2018、403-8:2018、403-10:2018

A healthy workforce is the key to sustainable corporate development. USI commits to creating a safe and healthy workplace environment to safeguard workers' physical and mental health. We actively maintain the healthy workforce of our workers and establish human-centric, diverse, equitable, and inclusive sustainable values. For related human rights due diligence, please refer to the Human Rights Policy and Management Plan.

The Kaohsiung Plant has established five major preventive protection plans, advancing workplace health and safety management through hazard risk identification and control, and promoting health care measures. Based on key indicators such as plan execution results, work pattern analysis, work environment visits, and the degree of health impact, and using the Occupational Safety and Health Act and the Plan-Do-Check-Act cycle as a framework, through questionnaire distribution, autonomous inspections, and multi-directional communication channels, specialized occupational medicine physicians evaluate and analyze health risk levels, followed by the implementation and tracking of tiered management measures. For related occupational safety and occupational health hazard prevention and management measures, please refer to the ESG website under Occupational Health and Safety / Health Care - Health Risk Assessment Management.

- ✔ Over the years, zero occupational disease cases occurred among workers
- ✔ Over the years, zero work-related disease fatalities occurred among workers
- ✔ Over the years, zero recordable work-related disease cases occurred among workers

2025 Five Major Preventive Protection Plans

Management Measures

Execution Results

Ergonomic Hazard Prevention

Identified Headcount: 350
Suspected Hazards: 6

Musculoskeletal Symptom Questionnaire Survey 100%

- Arrange consultations with specialized occupational medicine physicians
- Regularly inspect the correctness of personnel's work postures
- Preventive health education

Workplace Unlawful Infringement Prevention

Identified Headcount: 20
Suspected Hazards: 0

- Hazard identification and risk assessment for preventing workplace unlawful infringement
- Provide grievance channels to report unlawful infringement incidents
- The receiving unit cooperates with labor representatives to participate in coordinated processing
- Nurses track and provide medical assistance if necessary

- Conducted workplace bullying prevention education and training for 36 people
- Publicly announce written statements prohibiting workplace unlawful infringement
- Procedural manuals stipulate that employees should evacuate immediately upon discovering hazards or life-threatening situations at the workplace, providing protection for colleagues

Abnormal Workload Prevention

Identified Headcount: 350
High Workload Risk: 9
10-Year High Cardiovascular Risk: 4

- Work and Personal Burnout Index Questionnaire Survey 100%
- A 10-year cardiovascular risk assessment analysis, implementing health management measures according to risk levels.

- Arrange consultations with specialized occupational medicine physicians
- Limit the frequency of night shifts/overtime
- Proactively track medical visits and medication status
- Continuously care for and enhance employees' health awareness and self-management

Maternal Health Protection

Identified Headcount: 14
High-Risk Headcount: 0

Implement maternal health protection measures for female workers during pregnancy or within 1 year after childbirth

- Maternity subsidies
- Established breastfeeding (milk collection) rooms
- Pre-school childcare allowance
- Sign contracts with partnered kindergartens

Respiratory Protection

Identified Headcount: 137
High-Risk Headcount: 0

- Physiological Assessment Questionnaire 100%
- Protective Gear Fit Test 100%

- Arrange consultations with specialized occupational medicine physicians in 2026
- Education and training on the wearing, maintenance, and care of respiratory protective gear

Health Management GRI 403-3:2018 、 403-10:2018

USI values the physical and mental health of every employee and actively safeguards their well-being. Going beyond regulatory requirements to implement health management and health promotion, we conduct an all-employee health checkup annually and add cancer screening to the checkup items. Personalized tracking is executed based on health checkup abnormalities to completely record health conditions, and on-site consultations with physicians are held once a month to provide professional assessments and health guidance. Additionally, health management is conducted for personnel with metabolic syndrome, providing physician consultations and medical assistance.



- ✓ A total of 425 people were examined in 2025, with an annual checkup rate of 99.2% - the total number of USI health checkup participants (Taipei Headquarters, Guishan R&D Division, and Kaohsiung Plant)
- ✓ The Kaohsiung Plant went beyond regulations by adding 2 cancer screening items - AFP for liver cancer, and CEA for stomach cancer/lung cancer/breast cancer cells
- ✓ A total of 43 employees received physician interviews in 2025
- ✓ In 2025, health management was conducted for personnel with metabolic syndrome, identifying 14 abnormal employees who will be invited to participate in related health promotion activities in 2026



Tiered Management of Health Risk Assessment GRI 403-3:2018 、 403-10:2018 RT-CH-320a.2

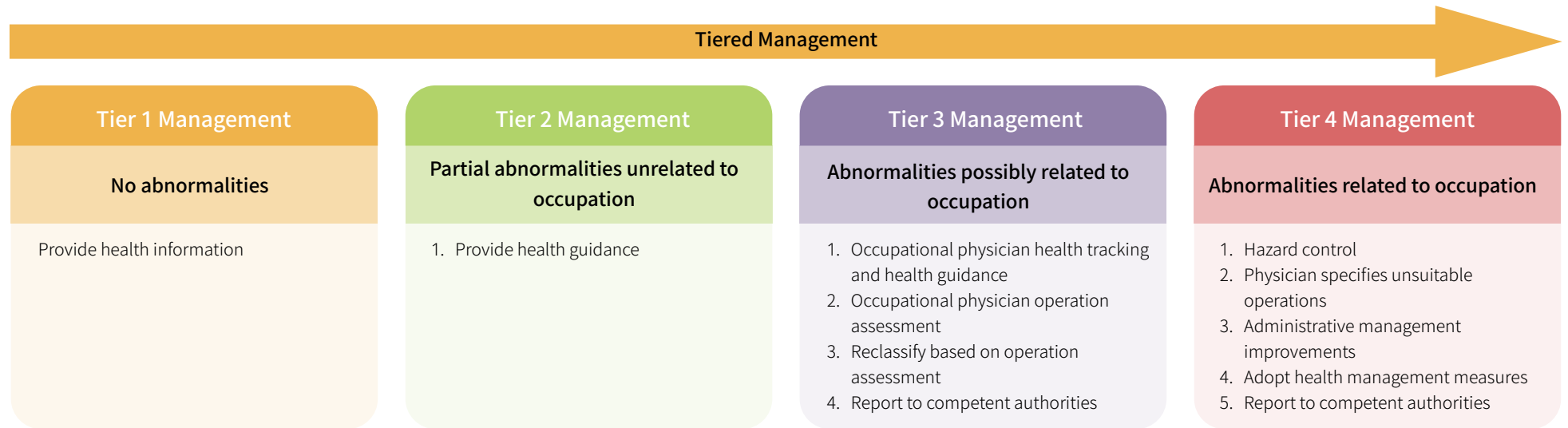
The Kaohsiung Plant legally conducts plant-wide chemical assessments and tiered management. For those with health hazards (CNS 15030), their hazard exposure degree is assessed using chemical tiered management tools to classify health risk assessment risk levels, and corresponding hazard control and management measures are taken. Chemicals subject to monitoring undergo regular occupational work environment monitoring every six months, covering items such as Class 2 organic solvents, designated chemical substances, noise, and CO2. Furthermore, wind speed testing for local exhaust equipment is conducted annually to provide a safe work environment for workers.

Special operation health checkups are conducted annually, going beyond regulations by adding special checkup items to strengthen worker health protection. Tiered management is implemented based on health checkup results. Specialized occupational medicine physicians are arranged to conduct on-site visits to special operation areas. If abnormalities are discovered, suggestions and improvement measures are proposed. Employees are also provided with health education related to special operations and appropriate protective gear to prevent long-term exposure to health risk environments and avoid the occurrence of occupational diseases and occupational injuries.

- ✓ In 2025, there were 122 occupational work environment monitoring items, and all monitoring results met regulatory standards.
- ✓ Arranged for 250 employees to undergo special operation health checkups in 2025.
- ✓ The 2 legally required items are ionizing radiation and 1,3-butadiene; 3 items were added beyond regulations: dust, n-hexane, and noise operation hearing test grading.
- ✓ In 2025, advocacy on the correct wearing of personal protective gear and safety protection concepts was reinforced for 286 attendees.

Special Operation Health Tiered Management

Year	Number of Examinees	Tier 1 Management	Tier 2 Management	Tier 3 Management	Tier 4 Management
2023	241	171	70	0	0
2024	244	181	63	0	0
2025	250	163	87	0	0



Health Promotion GRI 403-6:2018

We promote diverse healthy workforce activities to enhance employee health literacy, lower the incidence of metabolic abnormalities, and improve overall work efficiency and quality of life. USI conducts health advocacy, health promotion activities, contractor and community health care, and health education to continuously strengthen a friendly and safe workplace environment. For details, please visit the website: ESG Section Occupational Health and Safety / Health Promotion.

Health Promotion Activities

- ✓ Share monthly health information newsletters and regularly hold health lectures, weight loss courses, smoking cessation courses, and other health promotion activities to actively promote a smoke-free workplace policy and create a safe and healthy work environment.
- ✓ In 2025, 1 health lecture was held with 87 attendees, and 9 health advocacy sessions were held with 422 attendees.



▲ Outdoor High Temperature Operation Heat Hazard Lecture



▲ Unlawful Infringement Health Advocacy



▲ Special Operation Hazard Advocacy



iSports Certification

- ✓ Awarded the iSports certification by the Sports Administration consecutively from 2022 to 2025. USI established various sports clubs, including cycling, table tennis, badminton, basketball, softball, and mountaineering, etc., not only to enhance camaraderie among colleagues and relieve stress, but also to achieve the effects of exercise and fitness.



Healthy Living

- ✓ In 2023, USI Group held the first walking event "Gather & Walk" to assist colleagues in spontaneously exercising through encouragement. Three months of continuous walking not only improved health quality, but benign competition also sparked employees' interest and attention toward walking. The event was paired with tree-planting points; completing 6,000 steps per person daily earned 1 corporate tree-planting point. Accumulating 1,000 points resulted in planting 1 tree in the name of the company.

Results of the 3rd "Gather & Walk" Event in 2025

Number of Participants Registered	Number of People Achieving the Goal	Goal Achievement Rate	Number of People Achieving the High Goal	High Goal Achievement Rate
317 people	98 people	62.5%	147 people	46.4%
Total Carbon Reduction		Total Carbon Reduction		
31,230kg		20 trees		

Contractor Health Care GRI 403-3:2018 ~ 403-7:2018

The Kaohsiung Plant is obligated to maintain and safeguard the safety and health of the community environment. Before contractors enter the plant, education and training, work environment hazard notifications, and work safety meetings are mandatorily conducted. To ensure the health status of personnel working in the plant, measures include implementing random breathalyzer tests, blood pressure measurements, and advocacy for outdoor high-temperature work environments. It is strictly prohibited for high-risk personnel suffering from high blood pressure and cardiovascular diseases to engage in elevated operations, high-temperature operations, confined space operations, and heavy manual labor to avoid the possibility of occupational disasters. If contractors feel unwell or injured, the plant nurses will provide medical assistance and emergency care.



Community Health Care

To achieve harmonious coexistence with community residents, strengthen various environmental protection and safety and health management, and create a sustainable environment. Continually sponsored the "Kaohsiung City Air Quality Purification Zone Management Plan" from 2018 to 2025, investing in urban greening and air quality improvement. In order to create a safe and healthy workplace, the plant has established a comprehensive epidemic prevention organization and promotion plan. In addition to implementing environmental management and eradicating the breeding of vector mosquitoes from the source, the epidemic prevention capabilities have been extended to neighboring communities and ecological maintenance.

- ✓ In 2025, environmental maintenance for typhoon disaster areas was provided, and epidemic prevention supplies were donated to neighboring schools.
- ✓ Assigned dedicated personnel for dengue fever management, responsible for formulating, promoting, and supervising the epidemic prevention plan, and strengthening the epidemic prevention awareness of all staff through dengue fever prevention advocacy.
- ✓ Dedicated personnel regularly participate in epidemic prevention training organized by the Department of Health, Kaohsiung City Government to grasp the latest epidemic information and prevention techniques.
- ✓ Each unit regularly conducts weekly environmental inspections within the plant, strengthening checks on areas prone to water accumulation, and implementing the "Inspect, Pour, Clean, Brush" principles.
- ✓ For specific water pools within the plant area, ecological prevention methods such as stocking mosquito-eating fish or coordinating with environmental medication are adopted to effectively inhibit the breeding of larvae.



▲ 2025 Kaohsiung City Air Quality Purification Zone Management Plan



▲ Dengue Fever Prevention Advocacy



Emergency Care and Protection GRI 403-5:2018

The plant is equipped with 4 Automated External Defibrillators (AEDs) and 21 first aid kits. Regular respiratory protective gear fit tests, as well as education and training for first aiders and supervisors of special hazardous operations, are conducted. The expectation is to familiarize employees with hazard prevention management and correct rescue processes, improving the cure rate of the injured and work safety. To prevent chemical splashes, 7 sets of Diphoterine (an acid-base splash savior) are installed in the control rooms of various units, and 1 set of Hexafluorine (a hydrofluoric acid savior) is installed in the quality control room, providing employees with wearable emergency response tools.

- ✓ In 2025, 138 people underwent respiratory protective gear fit tests and education training.
- ✓ In 2025, first aid equipment was inspected 12 times.
- ✓ In 2025, the training rate for specific professional personnel was 100%.

Specific Professional Personnel Training Statistics

License Category	2023	2024	2025
First Aider	2	11	7
Dust Operation Supervisor	5	0	7
Designated Chemical Substances Operation Supervisor	14	0	8
Organic Solvent Operation Supervisor	8	1	11
Oxygen-deficient Operation Supervisor	7	5	8



▲ Respiratory Protective Gear Fit Test

5.3 Talent Attraction and Retention

GRI 2-25、3-3

SDG 4

SDG 5

SDG 8



Impact Topic

Talent Recruitment Difficulties



2025 Targets

1. Overall employee turnover rate below 5% (excluding retirement)
2. Implement two-way communication with employees
3. Recruit community talent to increase local employment opportunities and give back to the community
4. Continue to cultivate campus relationships, providing industry-academia collaboration and internship opportunities



2025 Results

1. Overall employee turnover rate of 7% (excluding retirement)
2. Provide a comprehensive group insurance plan and legally allocate retirement funds to safeguard colleagues' retirement lives
3. Hold an annual employee health checkup
4. Implement differentiated compensation and rewards
5. Regularly convene labor-management meetings
6. Employee satisfaction survey targets both staff and operators, with a 100% coverage rate



2026 Targets

1. Overall employee turnover rate below 5% (excluding retirement)
2. Implement two-way communication with employees
3. Recruit community talent to increase local employment opportunities and give back to the community
4. Continue to cultivate campus relationships, providing industry-academia collaboration and internship opportunities



Mid-to-Long-Term Plans

1. Continue to provide comprehensive learning resources
2. Strengthen talent inventory and performance appraisal systems
3. Integrate human resource rotation and promotion mechanisms
4. Execute overall performance and talent development systems

Workforce Structure GRI 2-7、2-8

2025 Company Employee Information

Number of Employees	410 people: 383 males (approx. 93%), 27 females (approx. 7%) Data as of December 31, 2025
Average Age	43.9 years old
Average Tenure	14.3 years
Summary Information	1. All employees are hired locally in Taiwan. No foreign migrant workers are employed. They are primarily distributed in the Taipei and Kaohsiung areas. 2. All employment contracts are for full-time regular employees. Except for fixed-term contracts signed with consultants and experts due to the nature of business requirements, all company employees are on non-fixed-term contracts. 3. In 2025, a total of 3 people with disabilities were employed, accounting for 0.7% of the total company headcount. 4. College degree or above accounts for approx. 85.6%. 5. Female managers in managerial positions account for 1.5%.

Note 1: Due to the nature of the petrochemical industry, the proportion of male employees is higher than that of female employees.

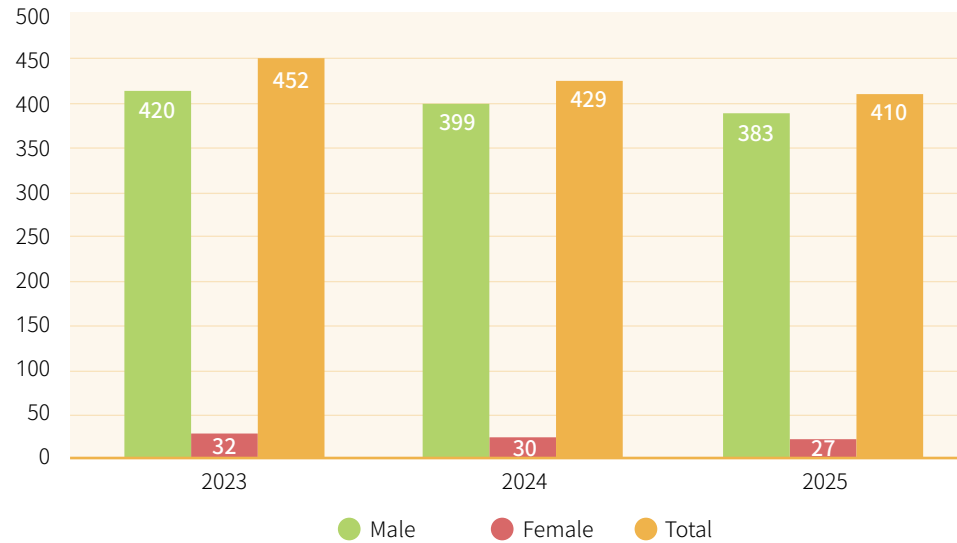
Note 2: Personnel data is compiled from the HR system. The number of employees includes 408 on non-fixed-term contracts and 2 on fixed-term contracts.

Note 3: Currently, the company's employment of people with disabilities falls short of the quota (should be 4 people). The differential subsidy fee has been paid regularly, and we will continue to select appropriate candidates to make up the shortfall.

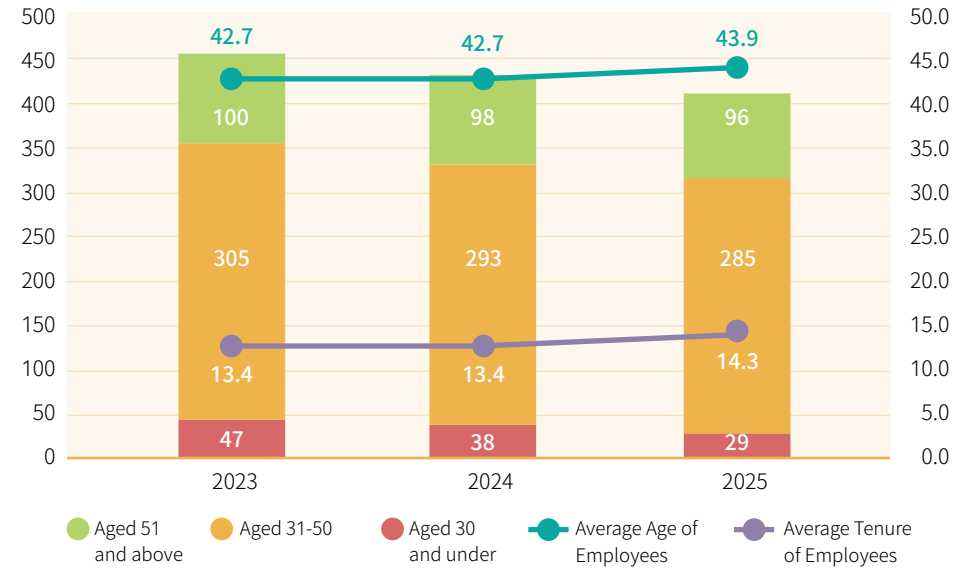
Note 4: Managerial supervisors refer to staff at grade 8 and above.

The Company	Male	Female
Non-fixed-term Contract Employees	382	26
Fixed-term Contract Employees	1	1
Full-time	383	27
Part-time	0	0

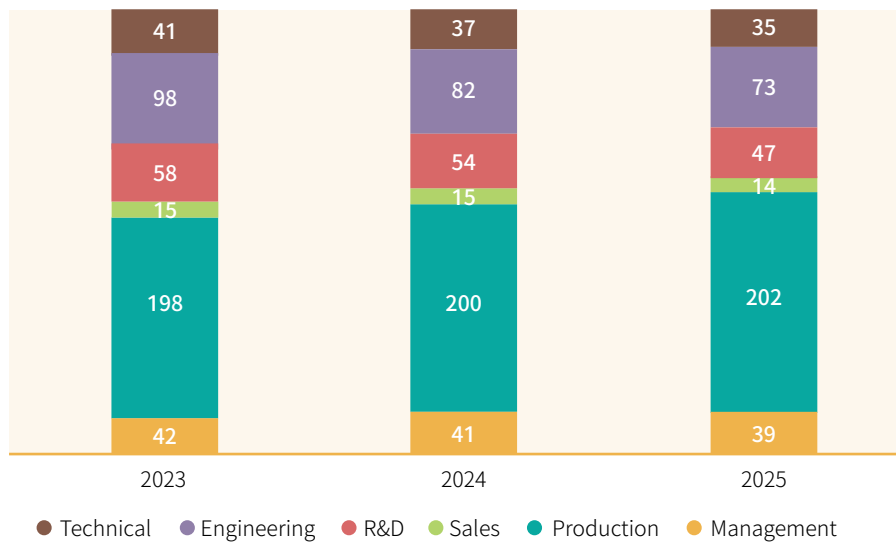
2023-2025 Number of Employees and Gender Distribution



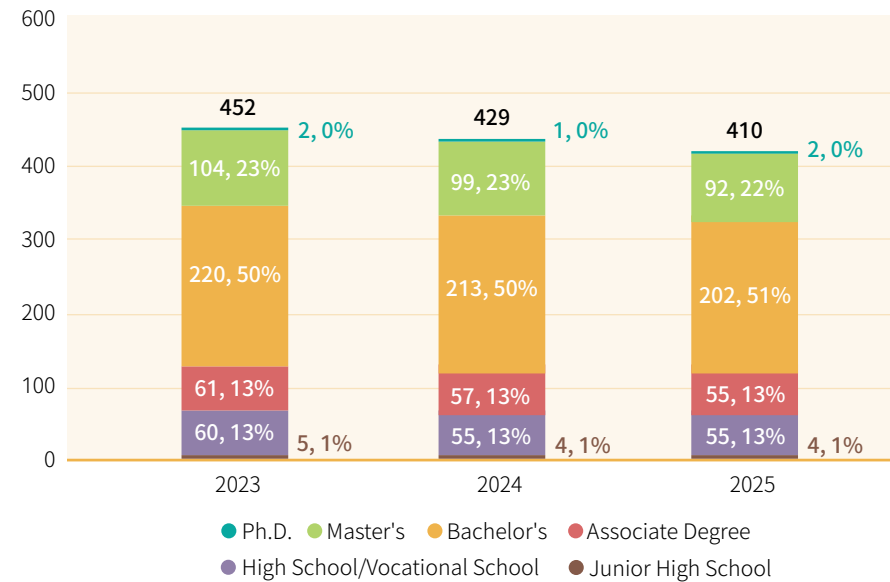
2023-2025 Employee Age Distribution



2023-2025 Employee Job Function Distribution



2023-2025 Employee Education Distribution



Employee Turnover

GRI 401-1 ~ 404-3

Talent Recruitment, Appointment, and Appraisal

To maintain the stability of human resources, our company aims to select outstanding and competent talent through a fair, open, just, and efficient selection system to strengthen our operational constitution. We also balance diversity and equal opportunities for promotion, ensuring no discrimination in hiring based on race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, pregnancy, appearance, facial features, disability, astrological sign, or blood type. In daily operations, we control manpower staffing, analyze and improve personnel turnover, and strive for a balanced distribution of our human resource structure.

Indicator	Percentage
Percentage of female employees in total workforce	6.6%
Percentage of female managers in managerial positions	10.7%
Percentage of female senior executives in senior executive positions	0.0%

When a vacancy needs to be filled or expanded due to business needs, organizational planning, or personnel departure, the employing unit must first fill out a "Personnel Requisition Form". Upon approval, priority is given to internal recruitment and job rotation within the Group. Vacancies are announced via the intranet or e-mail. Colleagues interested in internal vacancies can submit their resumes to the HR department after obtaining consent from their current supervisor. The HR department will then screen and provide them to the supervisor of the department with the vacancy for reference, thereby offering colleagues diverse job choices and a sound career development mechanism. At the same time, external recruitment is conducted through channels such as newspapers, job portals, HR management companies, schools, and employment service stations. If the vacancy is at the Kaohsiung Plant, priority is always given to recruiting community talent, providing local employment opportunities to give back to the community.

The local employment rate in 2025 was 83.17% (341 employees registered in Kaohsiung and Taipei / 410 total employees).

Except for fixed-term contract personnel and new hires joining after October each year, who do not require performance evaluations, 100% of all company employees undergo regular annual performance appraisals.

In 2025, the company hired a total of 17 new employees, accounting for approximately 4.1% of the total workforce. According to the trends in newcomer retention and turnover rates presented in the "Workforce F.B.I. Report " published by 104 Corporations in 2025, observing the 2024 enterprise newcomer retention rate by industry category, the comparison is shown in the table below:

Newcomer Retention Rate (Traditional Manufacturing)

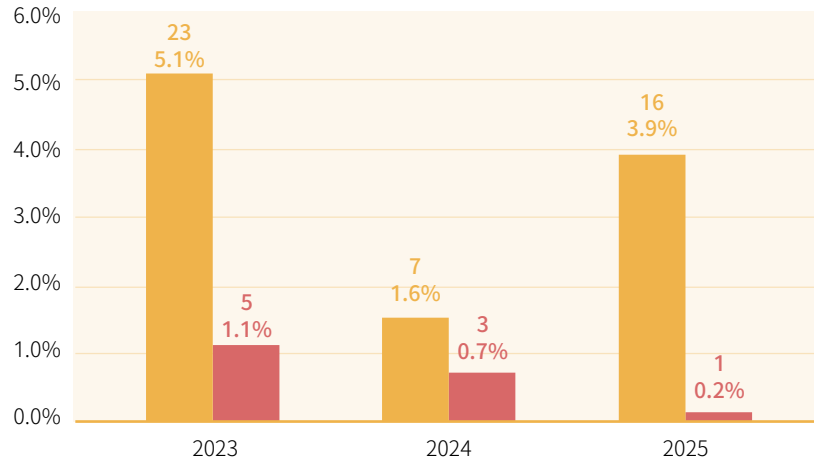
Time Period	The Company	Workforce F.B.I. (Function, Budget, Indicator) Report
One month	76.47%	79.00%
Three months	76.47%	69.50%
Six months	76.47%	65.60%

Note: The newcomer retention rate is the percentage of hired newcomers who remain employed one month / three months / six months after their start date.

Although the retention rate performance was slightly lower than in 2024, it remains higher than the report's data over a longer period. This indicates that the company has gained high recognition from employees, implemented core employee values, and strengthened newcomer training, thereby enhancing employee engagement.

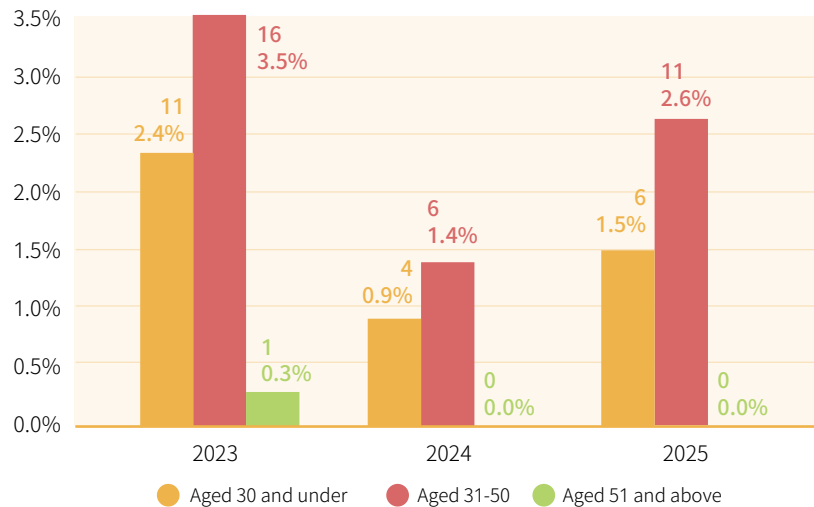
The distribution of new hires by gender, age, and region is shown in the figure below: **GRI 401-1**

2023-2025 New Hire Rate Distribution by Gender



Note: The new hire rate is the number of new hires in the current year / the number of employees employed at the end of the current year.

2023-2025 New Hire Rate Distribution by Age



Campus Recruitment

USI Group is deeply committed to talent sustainability. Through diverse industry-academia cooperation and campus recruitment mechanisms, we are dedicated to building a career development platform for young students. In 2025, the fifth and sixth batches of the internship program admitted a total of 23 outstanding students. Since its inception, the program has cumulatively cultivated 66 campus talents. We not only provide practical learning opportunities but also emphasize substantive career alignment: 4 outstanding graduates seamlessly transitioned into full-time employees, and another 7 students were retained as assistants. This not only effectively integrates academic resources with industry practice but also concretely fulfills USI Group's long-term commitment to supporting youth employment and internal talent cultivation.

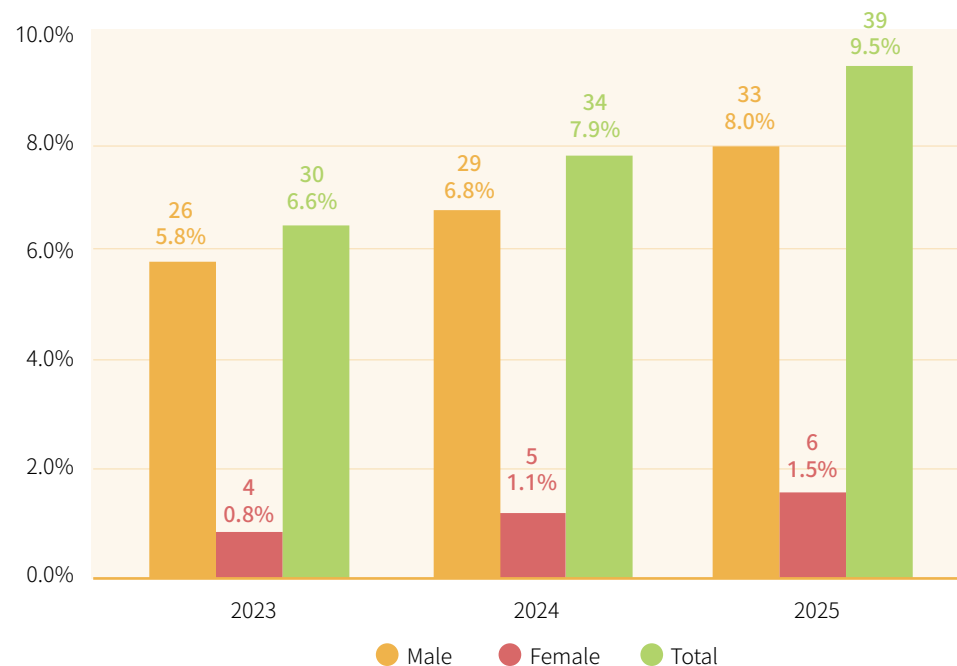


Turnover Rate

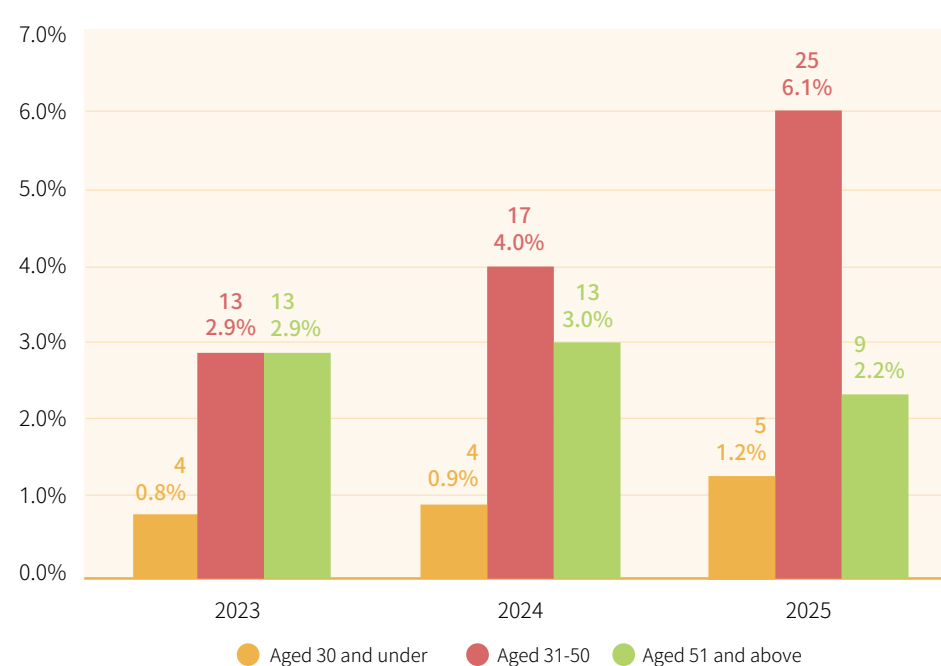
All employees of the company can voluntarily and legally exercise their right to terminate the employment relationship. Their labor conditions comply with local laws and regulations, including minimum wage, working hours, overtime pay, labor insurance, health insurance, and severance pay/pension benefits, while also providing group insurance and various employee benefits.

In 2025, the company had a total of 39 departures (including 8 due to retirement and 2 due to contract expiration), of which 6 were female employees. Both the number and rate of departures showed an upward trend compared to 2024. According to the "Workforce F.B.I. (Function, Budget, Indicator) Report" published by 104 Corporations in 2025, providing the latest annual information for the relevant industry category, the employee turnover rate (excluding retirement) for "Traditional Manufacturing" is 18.3%. The company's employee turnover rate (excluding retirement) of 7.0% is significantly lower than the data analysis in that report. Although it is higher than the expected target value of 5%, it still indicates that USI provides competitive remuneration, related benefits, and retirement systems to attract and retain talent, and rewards employees who can create performance and make continuous contributions, demonstrating the effectiveness of the company's care and job security for its employees. To maintain the employee turnover rate (excluding retirement) below 5%, USI will regularly review its salary and reward systems, continuously provide employee benefits that exceed legal requirements, and offer regular physical health care and medical assistance, comprehensively caring for employees' physical and mental well-being.

2023-2025 Turnover Rate Distribution by Gender



2023-2025 Turnover Rate Distribution by Age



Note 1: Turnover rate is the number of departures in the current year / the number of employees employed at the end of the current year.

Note 2: Turnover rate excludes retirements, contract expirations, internal group transfers, etc.

Human Rights Policy and Management Scheme

Human Rights Policy GRI 2-23

To fulfill corporate social responsibility, implement human rights protections, and realize universal human rights values, the company referenced 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, we formulated a human rights policy applicable to the company and various affiliated enterprises of the USI Group to eliminate acts that infringe upon or violate human rights, provide a safe and healthy work environment, and ensure that our colleagues receive fair and dignified treatment and care.

For details on human rights risk identification management and human rights due diligence procedures, please refer to the ESG Website: Human Rights Policy and Management Scheme.

2025 Human Rights Management Achievements GRI 2-24

After conducting risk identification based on the company's "Human Rights Policy and Management Scheme," a total of 13 human rights issues were included this year. Among them, 9 were listed as major management topics of concern, including: "Workplace Inclusivity," "Forced Labor," "Excessive Working Hours," "Sexual Harassment," "Workplace Violence/Bullying," "Child Labor," "Personal Data Management and Privacy Protection," "Occupational Safety Management," and "Employment and Workplace Discrimination." For items with potential risks among the aforementioned material issues, the company has taken risk mitigation measures and impact compensation measures, achieving a 100% implementation rate for impact compensation. The executed mitigation measures and impact compensation measures are as follows; for others, please refer to the 2025 Human Rights Risk Assessment Management Table:

In 2025, there are two human rights risk issues: Workplace Inclusivity (shortfall of 1 person in employment quota) and Excessive Working Hours.

Issue	Mitigation Measures	Compensation Measures	Results
Workplace Inclusivity (Note 1)	1. Employ people with disabilities in full quota according to regulations. 2. Plan the appointment and management procedures for migrant workers, with designated personnel to manage and care for their work and health status. 3. Construct a barrier-free work environment friendly to people with disabilities. 4. Set up lactation rooms in the Taipei office area for colleagues in need. 5. Have formulated and disclosed a workplace diversity policy (no discrimination based on gender, age, race, nationality, etc.). The standard document "Group Recruitment and Employment Management Measures" explicitly stipulates that recruitment, examination, hiring, distribution, and allocation shall not discriminate or result in differential treatment based on race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, astrological sign, or blood type. 6. The Group hired interns of Vietnamese, Malaysian, and Indonesian nationalities, starting diverse employment from schools.	The shortfall in employment has been handled in accordance with the regulations of the competent authority. We are also actively adjusting our recruitment process to strive to increase the proportion of talent recruitment that meets diversity goals.	The number of people with disabilities employed by the company did not meet the statutory required quota, and the differential subsidy was paid according to regulations.
Excessive Working Hours (Note 2)	1. Comply with relevant labor laws and regulations regarding working hours; company regulations undergo regular compliance reviews and are thoroughly implemented. 2. Accurately record employee attendance time through the attendance and overtime management system. 3. The system sends daily timeout reminders for clocking in/out. In addition to reminding employees of normal commuting times and regulations on extended working hours, it confirms whether late departures are considered overtime. If it is overtime, they can choose to receive overtime pay or compensatory leave. 4. Regularly review the overtime situations of various departments. 5. Promote the Group's electronic operations and smart production to simplify administrative processes. 6. Continuously offer professional training courses and introduce generative AI tool training projects to refine employee skills and enhance office work efficiency.	1. If employees actually work overtime, overtime pay is issued according to the law. 2. Understand colleagues' workloads and reasons for overtime, and actively carry out process improvements and optimization operations to help enhance work efficiency. 3. Those with excessive working hours are included in the identification and risk investigation list for abnormal workloads. Regular employee health check-ups are conducted, and related operations and manpower situations are adjusted accordingly. 4. Understand colleagues' workloads and reasons for excessive working hours, and actively carry out process improvements and optimization operations to help enhance work efficiency.	The system confirms the reasons for overtime daily. If an impact from excessive working hours occurs, due overtime pay or compensatory leave will be issued according to compensation measures, and related operations and manpower situations will be adjusted accordingly.

Note 1: The employment of people with disabilities is expressly guaranteed by the Labor Standards Act. This year, we prioritized formulating risk mitigation measures for this group. Starting next year, we plan to gradually expand to other potentially affected groups.

Note 2: Excessive working hours refers to actual monthly overtime hours exceeding 40 hours.

Human Rights Focus and Training

USI provides a safe and healthy work environment, eliminates illegal discrimination to ensure equal employment opportunities, prohibits child labor and forced labor, and assists employees in maintaining their physical and mental health and work-life balance. There were no major legal violations this year. The company continuously focuses on human rights protection and implements relevant training to raise awareness of human rights protection and reduce the likelihood of related risks occurring. Courses cover "Ethical Corporate Management and Regulatory Compliance": focusing on the Group's Code of Conduct (CoC) and legal risk prevention (such as breach of trust) courses, corresponding to corporate governance evaluations; "Occupational Health and Safety": including statutory safety education (pressure vessels, operations at height), first aid, fire extinguishing skills, and process safety evaluations, directly linked to production stability and employee safety guarantees; "Environmental Management and Emergency Response": incorporating Energy Management Systems (ISO 50001), toxic chemical disaster response, and pollution prevention (air pollution response), demonstrating the company's control over environmental risks; and "Human Rights and Friendly Workplace": targeting human rights promotion (sexual harassment prevention, anti-discrimination) and workplace violence prevention during new hire onboarding, implementing humane treatment in the 'S' (Social) dimension.

✓ In 2025, training related to promoting human rights protection was held, with a total of 4,215 participants and 10,875.5 total hours. For details, please refer to the ESG Website: Human Rights Policy and Management Scheme.

Grievance Mechanism GRI 2-13、2-25

The company has open internal and external grievance channels. If colleagues encounter various problems within the company, they can file grievances to managers at all levels and the Human Resources Department through the company's grievance channels. In addition, to maintain Gender Equality in Employment and provide employees and job seekers with a work and service environment free from sexual harassment, exclusive grievance mailboxes and email addresses for sexual harassment prevention have been set up. During the grievance investigation period, matters are handled confidentially. The name or other relevant information sufficient to identify the complainant will not be disclosed, in order to protect the complainant. For details on grievance channels, please refer to the Grievance Mechanism.

Employee Rights and Benefits GRI 401-2

The company places great importance on employee benefits. Our Articles of Incorporation explicitly stipulate that if there is a profit in a given year, employee remuneration shall be distributed at no less than one percent of the profit for that year. All employees of the company can share in the results of the company's operations.

The employee remuneration and benefits formulated and implemented by the company are as follows:

Employee Remuneration

The company has established a Remuneration Committee to regularly review remuneration policies; it also links rewards and punishments to year-end bonuses to make the reward and disciplinary system clear and effective. Year-end bonuses are issued based on the company's profitability, individual employee performance, and organizational goal achievement rates. The benefits enjoyed by full-time USI employees are detailed in the table below:

Remuneration System

- Provides a fixed salary for 12 months a year
- Issues June and December bonuses based on labor conditions
- Festival bonuses are distributed according to company regulations
- Special year-end bonuses are distributed based on company operational status, individual employee performance, and labor contract provisions

Health Care Benefits

- Provides health check-up items exceeding regulatory requirements
- Established an Employee Welfare Committee and related systems to provide flexible and diverse welfare services
- Wedding cash gifts, bereavement condolence money
- Provides employee and maternity subsidies
- Sets up dedicated lactation rooms and specialized equipment
- Regularly organizes employee travel activities
- Years of service awards
- Provides employee discount benefits for products from affiliated enterprises

Education and Training

- Provides comprehensive education and training as well as opportunities for further learning
- Provides orientation training for new hires
- Provides on-the-job education and training for employees
- Provides foreign language and online learning courses for employees
- Company subsidizes employees for external corporate training

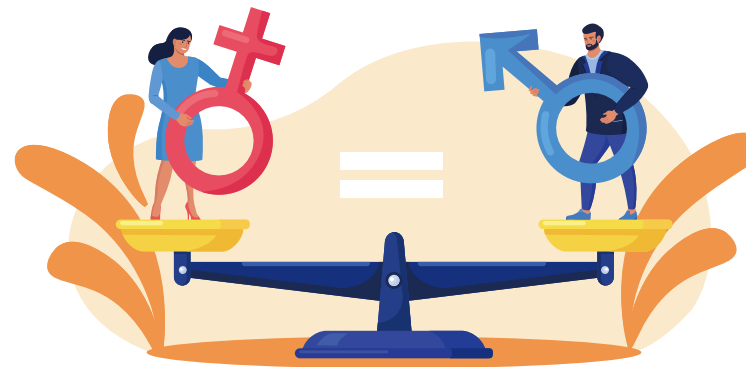
For detailed salary and benefits, please refer to the USI official website.

Pay Equality and Remuneration Policy

Upholding the philosophy of profit-sharing with employees, our company attracts, retains, cultivates, and motivates outstanding talent from all fields, providing a diverse and competitive salary system.

The salaries for new hires are all higher than the statutory minimum wage standards. Various allowances may differ based on position, education, and experience, and year-end bonuses are distributed according to employee performance. Furthermore, the base salary will not differ due to race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, pregnancy, appearance, facial features, disability, astrological sign, or blood type.

Due to the characteristics of the petrochemical industry, the company's female-to-male remuneration ratio is slightly different. To seek the stability of human resources and retain outstanding talent, in addition to annual salary adjustments based on price indices and individual performance, the company participates in petrochemical industry peer salary surveys every year. We evaluate market salary levels to make appropriate adjustments and plans for employee salaries, and provide special salary adjustments for outstanding talent with excellent performance, achieving a market-competitive salary level. Regarding the male-to-female remuneration ratio in 2025, due to industry characteristics, production line workers are mainly engaged in physically intensive roles. Although the female-to-male remuneration ratio differs slightly, it still approaches a one-to-one ratio, demonstrating the results of gender equality.



	Mid-to-Senior Level Managers		General Employees	
	Male	Female	Male	Female
本薪	1.24	1	0.86	1
全薪	1.36	1	1.07	1

Note 1: The ratio calculation sets the female as 1; the base salary is the basic salary for men and women in 2025. The above statistics exclude contract personnel.

Note 2: Mid-to-senior level managers are staff at grade 8 and above; general employees are staff and workers at grade 7 and below.

Note 3: The ratio calculation sets the female as 1; the total salary is based on annual taxable income. The above statistics exclude contract personnel.

Item	Content	2025	Difference from Previous Year
1	Number of full-time employees not in managerial positions	406	-22
2	"Average salary" of full-time employees not in managerial positions (Annual salary / NT\$ thousands)	1,081	43
3	"Median salary" of full-time employees not in managerial positions (Annual salary / NT\$ thousands)	1,001	43

Note 1: The reason for the decline in average salary is a drop in company profitability and reduced employee bonuses.

Note 2: Disclosure path for salary information of full-time employees not in managerial positions: Market Observation Post System (MOPS) > Aggregated Reports > Corporate Governance > Employee Benefits and Remuneration Statistics > Full-Time Employees without Managerial Positions Salary / Salary Information of Full-Time Employees not in Managerial Positions.

Health Care Benefits GRI 401-3

We arrange regular employee health check-ups every year. The Taipei headquarters is equipped with fitness facilities, and the Kaohsiung Plant has qualified nurses to provide physical health care and medical assistance to employees. USI provides female employees with menstrual leave and independent lactation spaces, and cooperates with childcare and educational institutions to provide childcare services. Furthermore, the company regularly organizes outdoor activities, allowing employees to achieve a work-life balance.

In 2025, a total of 5 people applied for the employee maternity subsidy. Regarding colleagues' needs to apply for parental leave, they can apply before their child reaches the age of three. There were 20 employees eligible to apply in 2025; 2 people applied for unpaid parental leave in 2025, with application periods of six months (May 2025 to October 2025) and two months (July 2025 to September 2025). The company has a proper employee reinstatement plan. When personnel who have applied for unpaid parental leave return to work, we provide reinstatement educational training to protect employees' employment rights and ensure a smooth return to their posts.

Item		Male	Female	Total
Annual Status	Number of employees entitled to parental leave in the current year	18	2	20
	Number of employees who actually took unpaid parental leave in the current year	1	1	2
Reinstatement Status	A) Number of employees due to return to work from unpaid parental leave in the current year	1	1	2
	B) Number of employees who actually returned to work from unpaid parental leave in the current year	1	1	2
	Reinstatement Rate = B/A	100%	100%	100%
Retention Status	C) Number of employees who actually returned to work in the previous year	1	1	2
	D) Number of employees who returned to work in the previous year and were still employed 12 months after their return	1	-	1
	Retention Rate = D/C	100%	-	50%

Employee Assistance Program (EAP)

USI Group values the physical and mental health and overall well-being of its employees. We carefully planned and introduced the "Employee Assistance Program (EAP)," providing comprehensive, warm, and trustworthy support services.

To help employees cope with potential pressures and challenges in work and life, the Group has set up professional consultation channels. Employees can receive one-on-one professional counseling from qualified psychologists via phone, email, Line, and other methods. This program emphasizes the principle of confidentiality, assisting employees in clarifying problems, relieving stress, and enhancing coping abilities and psychological resilience. This in turn promotes workplace health and happiness, creating a friendly and caring work environment.

We firmly believe that through this comprehensive support system, we not only help employees achieve work-life balance but also stimulate their potential, thereby enhancing the overall organization's cohesion and sustainable competitiveness.

Pension Contribution GRI 201-3

USI has formulated a retirement plan for all full-time employees, which is handled in accordance with the "Labor Standards Act" (old pension scheme) and the "Labor Pension Act" (new pension scheme) formulated by the government. For details on contribution status, please refer to the disclosures in Note 22, Post-Employment Benefit Plans, of the 2025 Individual Financial Report.

Item	Proportion of Retirement Contribution to Salary	Employee Participation in Retirement Plans
Labor Standards Act Old Pension Scheme	Employer: Contributes 12% of the total monthly salary to the labor retirement reserve fund	100%
Labor Pension Act New Pension Scheme	Employer: 6% of the worker's monthly salary Employee: 0-6% of monthly salary	100%

Labor Union

The company has established a Labor Union to safeguard employees' rights to collective bargaining and freedom of association, fully demonstrating the company's determination to protect employee rights and interests. Representatives elected by labor hold regular "Labor-Management Meetings" with management annually to jointly negotiate and discuss company labor conditions and welfare-related matters; In addition, when the union convenes "Board of Directors and Supervisors Meetings" and the "Annual Member Representative Assembly," relevant company executives attend to listen to employees' thoughts and appeals, enabling face-to-face communication with employee representatives. Through these channels, we build consensus between both parties, enhance labor-management cooperation, and create a win-win situation together. Because the company maintains good ongoing communication with employees through the union and labor-management meetings, both parties have not specifically established a collective bargaining agreement.

As of the end of 2025, the union membership consisted of 316 males and 11 females, totaling 327 people. Except for the Taipei headquarters due to different working areas, and the Kaohsiung Plant unit heads and HR personnel who legally did not join the union, all other colleagues at the Kaohsiung Plant are union members, representing a 100% union participation rate. Additionally, representatives selected by both labor and management form the "Supervisory Committee of Labor Retirement Reserve," "Employee Welfare Committee," and "Occupational Health and Safety Committee." They hold regular meetings, providing communication channels for labor and management and protecting labor rights. GRI 102-41

For the union organizational structure, please refer to the ESG Website: Talent Attraction and Retention.



▲ 2025 Member Representative Assembly

Employee Welfare Committee

The company allocates 0.15% of its monthly revenue as funding for the "Employee Welfare Committee." For example, this covers travel subsidies, employee children's preschool recreation allowances, and financial aid for education, to reward employees for their daily hard work. In 2025, 210 employees applied for children's preschool recreation allowances and educational aid, with a total of 344 applications. On average, each employee has 1.64 children, which is higher than Taiwan's average of 1.12 (based on US CIA public data projecting 2025 figures <https://reurl.cc/yQjb7q>). This shows the positive social benefits brought by USI's high-quality welfare system in Taiwan. Regarding club activities, a total of 11 employee activity clubs have been established, including badminton, mountaineering, softball, tennis, and table tennis clubs. Guided and sponsored jointly by the company and the Employee Welfare Committee, employees can use these activities to relieve work stress, improve physical health, and consequently enhance team cohesion. Bowling club activities



▲ Travel activity 1



▲ Travel activity 2



▲ Badminton club activities



▲ Tennis club activities

Emphasizing Employee Benefits and Opinions

To reinforce the purpose of caring for employees and meeting their needs, the company continuously promotes various employee benefits, employee rewards, employee development, and employee communication measures:

Employee Satisfaction Survey

The Group's Human Resources Department conducted an employee opinion survey across Group companies from July to August 2025. The content of this survey included 8 dimensions: supervisors, remuneration, colleagues, job, development, corporate culture, sustainable operations, and organizational commitment.

Target Audience	All staff and workers
Dimensions and Questions	Supervisors, remuneration, colleagues, job, development, corporate culture, sustainable operations, organizational commitment, etc.
Number of Respondents	368 people
Coverage Rate 100%	Staff response rate 73%, worker response rate 23%. To expand coverage, the company included workers in the survey for the first time.
Survey Unit	Group Human Resources Department
Survey Frequency	Once a year
Survey Period	2025/07/28~2025/08/08
Overall Satisfaction Survey Results	4.16 points (Minimum 1 point, Maximum 6 points)
Improvement Measures	Based on the survey results of each dimension, the two items with the lowest satisfaction were remuneration and development. In the future, the following improvement measures will be implemented and continuously optimized: 1. Focus on the market competitiveness of the salary structure, reference the salary levels of benchmark enterprises, and strengthen factors such as job evaluation, professional skills, and work performance to optimize the salary structure and system, enhancing the internal equity and external competitiveness of remuneration. 2. Introduce the Employee Assistance Program (EAP) to improve colleagues' physical and mental health. 3. Strengthen the training quality system, promote skill reinvention, and foster the mutual development of talent and the organization. 4. Cultivate key talent, build a succession pipeline, and optimize performance management and promotion mechanisms. 5. Clearly communicate the company's vision, mission, and values in major company activities, meetings at all levels, and training courses, and concretely implement them in various rules, regulations, and company policies.

Performance Appraisal Measures

According to the "Employee Performance Evaluation Regulations" and the "Employee Performance Supervision and Guidance Regulations", supervisors and colleagues jointly set annual performance goals each year and conduct regular performance evaluations. For employees whose behavior or performance does not meet company requirements, performance supervision and counseling are conducted with continuous observation to maintain the company's competitiveness. To distinguish between outstanding employees and those needing counseling, we implement the "Employee Performance Supervision/Counseling" plan for colleagues receiving an annual performance rating of C or below. If an employee is truly incompetent, the labor contract will be terminated in accordance with the law.

Proposal Improvement Reward Measures

We continue to integrate the Group's proposal reward system & instant reward system, formulating measures for rewarding excellent performance and improvement proposals.

Implementation of Differentiated Year-End Bonus System

We integrated the Group's year-end bonus distribution operations, linking year-end bonuses to rewards and penalties to ensure merits are rewarded and faults are penalized. Year-end bonuses are distributed in accordance with the Employee Performance Appraisal Operation Measures. If an employee exhibits poor work performance, disobeys supervisor commands or dispatch, or is involved in other serious circumstances, their year-end bonus may be suspended or reduced upon approval by the President.

5.4 Talent Cultivation and Development

2025 Goals



1. Indirect employees achieve 8 or more training hours annually
2. Implement hierarchical management competency training mechanisms
3. Implement annual recurring courses
4. Continuously strengthen talent inventory and assessment systems

2025 Actual Performance



1. Average annual training hours per employee is approximately 26.5 hours
2. Total annual training hours reached 10,875.5 hours, with a 100% employee participation rate
3. Average annual training cost per employee is approximately NT\$1,327
4. Plant site employees obtained a total of 24 professional certificates required for their jobs

2026 Goals



1. Indirect employees achieve 8 or more training hours annually
2. Implement hierarchical management competency training mechanisms
3. Implement annual recurring courses and continuously strengthen talent inventory and assessment systems

Medium- to Long-term Plans



1. Integrate manpower rotation and promotion mechanisms
2. Strengthen the comprehensive performance and talent development system
3. Eliminate the talent succession gap to achieve the Company's sustainable development goals

Diverse and Comprehensive Personnel Development Framework

Through work planning and performance management, we establish a "Comprehensive Performance and Talent Development System" that enables business units to better execute key focus tasks, fully utilize departmental functions, and implement talent cultivation and succession plans.

Education and Training

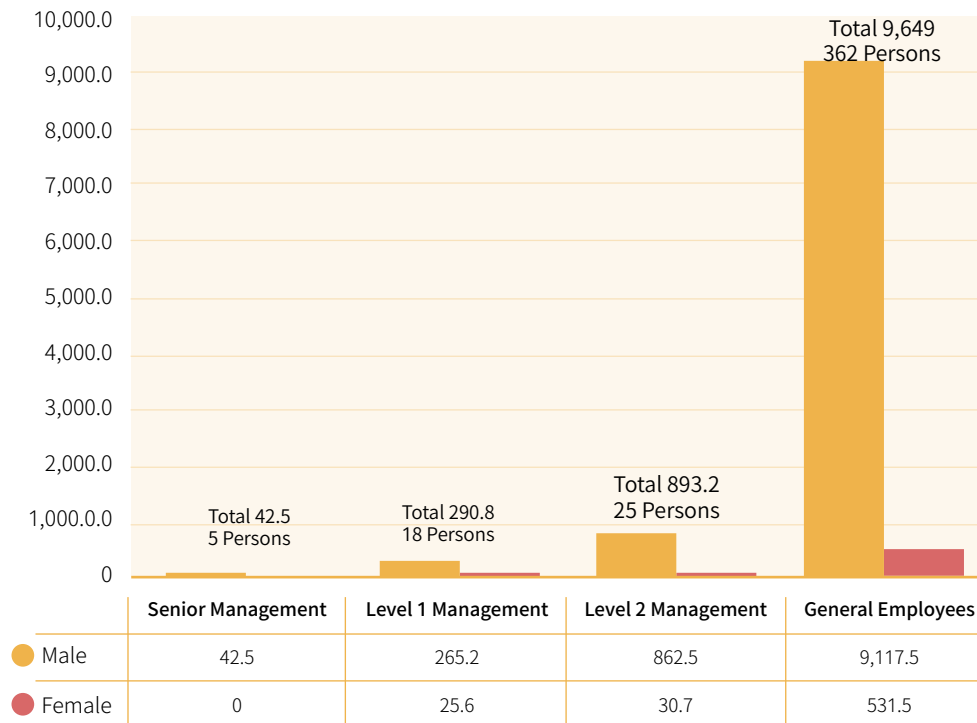
In 2025, the Company's total employee training hours reached 10,875.5 hours (including hours from employees participating in USI Group training courses), with an average of 26.5 training hours per employee, training expenses of approximately NT\$544,000, and a 100% employee participation rate; The majority of male managers are on the production side, and their required training hours for ESH licenses are relatively higher than those for female managers. At the same time, we conducted Personal Data Protection Act courses for employees, with 409 completions totaling 409 hours, accounting for about 99.76% of all employees, and a 100% passing rate in the post-training test. The Company is committed to creating a continuous and enriching learning environment, systematically providing a series of general, professional, and management training courses for colleagues of different job levels, not only inviting external experts to lecture but also cultivating internal lecturers to pass on important internal knowledge and skills.

In 2025, the Group organized "Training Within Industry (TWI)" and "Generative AI Application Workshops", which not only provided comprehensive education and training but also enabled colleagues to better leverage their job effectiveness. TWI improves supervisors' cultivation skills and subordinates' work efficiency, and also helps supervisors build a positive work atmosphere and relationship within the team; Generative AI enables employees to use basic tools to improve work efficiency, while enhancing digital literacy and awareness of cybersecurity precautions when using generative AI tools, empowering employees to effectively apply AI tools at work in the era of the new artificial intelligence wave. We also held a corresponding lecture, "AI Trends and Legal Risk Guidelines", to help employees recognize potential risks and provide practical guidelines for safe use, ensuring that AI tools safeguard corporate information security while bringing convenience.



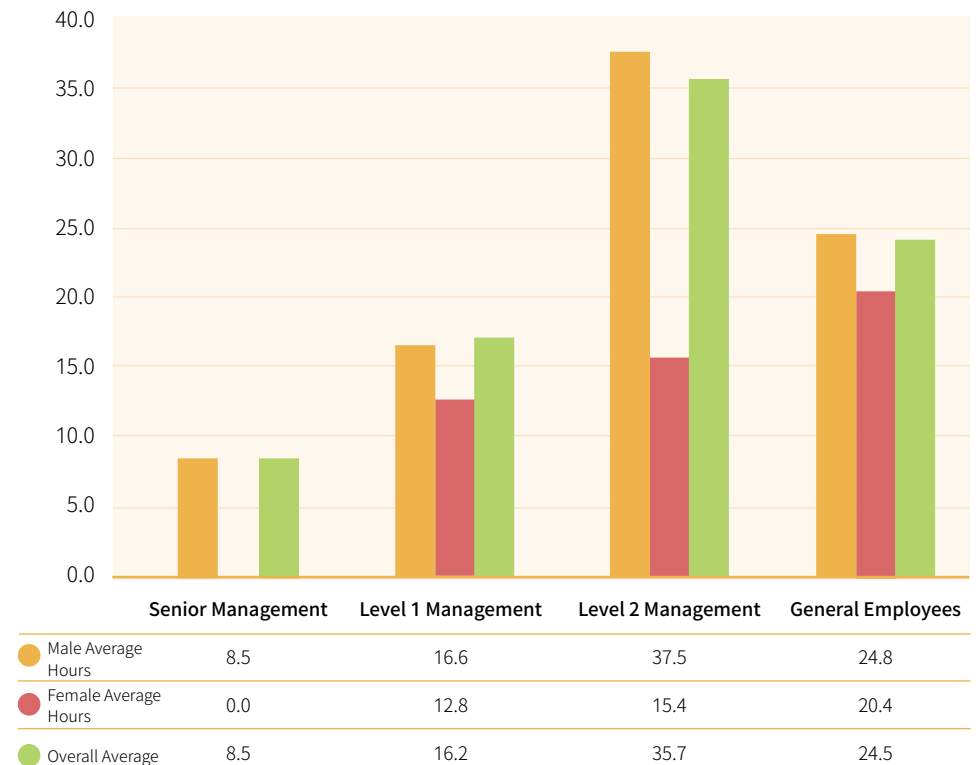
In addition, we provide diverse learning channels and resources, including rich learning resources such as on-the-job training, work coaching, mentoring systems, job rotation, field teaching, and online learning. For employees with high learning willingness and development potential, we provide subsidies for further in-service education at domestic universities, supplemented by job adjustment experience, to cultivate corporate talent. **GRI 404-1**

2025 USI Corporation Education Hours (Unit: Hours)



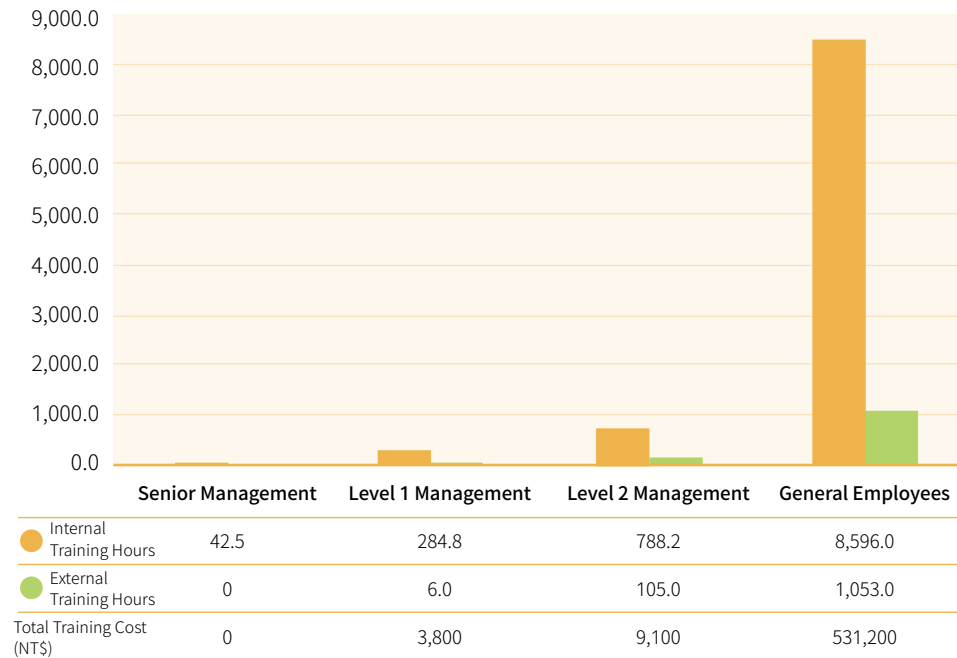
Note: Senior management refers to staff at job grade 13 and above, Level 1 management refers to staff at job grades 10 to 12, Level 2 management refers to staff at job grades 8 to 9, and general employees refer to staff and operators at job grade 7 and below.

2025 USI Corporation Average Training Hours per Employee (Unit: Hours/Person)



As seen from the internal and external training distribution chart, the Company provides comprehensive internal and external training resources for supervisors and colleagues. In addition to regularly hiring external professional lecturers, colleagues can also apply to attend training at external professional institutions via the online form system.

2025 USI Corporation Internal and External Training Distribution (Unit: Hours)



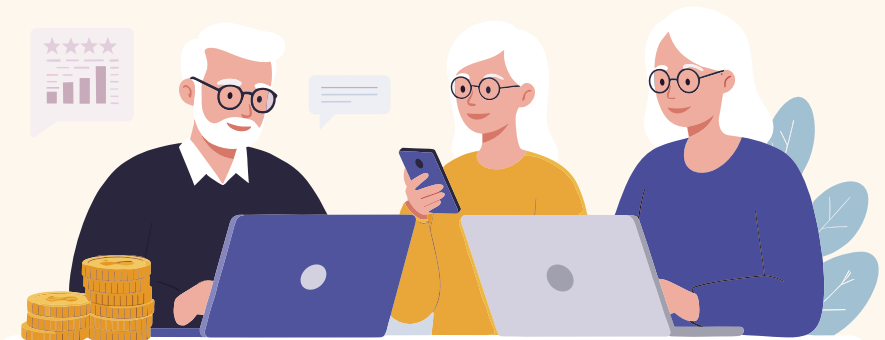
Training Plans to Enhance Employee Competencies GRI 404-2

- Regardless of age, all production-related colleagues undergo verification personnel training to obtain internal qualification certificates in accordance with the “Employee Training and Competence” (OP-KHI-720-01) procedure, and undergo retraining and recertification every three years to ensure their competencies meet job requirements.
- Regardless of age, equipment operators are dispatched for training to obtain government licenses in accordance with occupational safety and health regulations, and undergo statutory retraining every three years to obtain certification and ensure the validity of their licenses.

The above measures ensure professional competence for future re-employment.

Transition Assistance Programs to Support Employees Retiring or Terminating Employment

- Before retirement, supervisors or senior technical colleagues are assigned appropriate candidates for training or work handover according to the succession plan, aiming to reduce their physical and psychological burden and facilitate planning and transition into retirement life.
- We allocate retirement funds in accordance with the law and encourage employee savings to secure the livelihood of retired employees; we hold regular annual retiree networking events and invite retired employees to participate in company trips to care for their physical and mental well-being.
- In alignment with government initiatives, we employ retired employees on fixed-term contracts, which balances flexibility for both labor and management and helps build a retired talent database, thereby passing on experience and revitalizing human resources.
- For resigning or laid-off colleagues, we assist in applying for relevant subsidies or providing severance pay in accordance with regulations to support their living needs during the transition period; we also assist in referring them to government employment or training agencies in hopes of an early return to the workplace.



5.5 Charity and Community Engagement

Community Care

In addition to caring for disadvantaged education, rural education, and environmental ecology education through the USI Education Foundation, the Company upholds the spirit of "taking from society and giving back to society." The Kaohsiung Plant spares no effort in caring for local neighborhoods, community groups, and local schools. The General Affairs Section serves as the external contact window, with an 8-person team assigned to maintain positive interactions and build friendly relations with local communities. During the pandemic, epidemic prevention supplies were provided irregularly to neighborhoods, schools, and fire departments. Over the past three years, approximately NT\$1.7 million has been contributed to the local community.

Giving Back to the Community

Community development associations, education and culture, volunteer police and firefighters, community clubs, local folk festivals, emergency relief, and air purification zones

Providing Job Opportunities

Prioritize hiring local talent for suitable vacancies and encourage contractors to hire local residents.

Community Networking

Neighborhood activities, club representatives, environmental groups, and religious activities

Industry-Academia-Research Collaboration

In recent years, due to the declining birthrate crisis, schools have trended towards refined and specialized development to provide students with high-quality and diverse learning environments. However, in response to population development and education quality in the Renwu and Dashe areas, the Company's Kaohsiung Plant and 12 other companies in the Renda Industrial Park (including Formosa Plastics Renwu Plant, Chang Chun Group, and the Dashe Industrial Park Manufacturers Association) established an industry-academia collaboration model with Renwu High School. On one hand, this cultivates the grassroots talent needed in the future and elevates human resource quality; on the other hand, the school can revitalize teaching by introducing corporate resources, strengthening the competitive advantage of local schools, and attracting outstanding students.

We hope that through this tripartite industry-government-academia collaboration model, students can develop their aptitudes, pursue excellence, and secure future employment; enterprises can integrate into local development, build good neighborly relations, and recruit high-quality manpower; thereby promoting local prosperity, narrowing the urban-rural gap, revitalizing the regional economy, reducing population out-migration, and creating a win-win-win situation for enterprises, schools, and the local community.

"Kaohsiung Renda Petrochemical Talent Stream" Collaboration Project

Period	August 1, 2024, to July 31, 2029 (Total of three cohorts over five years)
Partner School	Kaohsiung Municipal Renwu Senior High School
Target Audience	Primarily students registered in the five districts adjacent to the Renda Industrial Park, including Renwu, Dashe, Dashu, Niaosong, and Nanzih districts. 30 first-year high school students are enrolled each academic year.
Curriculum Planning	- In addition to general high school courses, professional courses are co-planned with universities, including chemical engineering, electrical engineering, information technology, foreign languages, environmental engineering, and biotechnology. - Students in the specialized program participate in plant visits arranged by Dashe Industrial Park manufacturers during the semester or summer vacation to understand the industry and employment environment.
Number of Scholarship Recipients	10 students per academic year, totaling 90 students across three cohorts over five years. Totaling NT\$1.08 million for three cohorts over five years, with an additional NT\$556,000 subsidy for professional course hourly fees.
Scholarships and Grants	The Company shares the cost for students in the specialized program according to the proportion signed in the Memorandum of Understanding, totaling approximately NT\$164,000 for three cohorts over five years.
Employment Guarantee	- The top 10 graduates who enroll in relevant university departments recognized by Renda Industrial Park manufacturers will have one student recommended by the Company to serve as an intern at a partner company during their studies. - Those who pursue higher education and graduate from relevant university departments recognized by Renda Industrial Park manufacturers will be listed as priority hiring candidates.
Implementation Results	- The Renda Petrochemical Talent Stream achieved a 90% admission rate through the Stars Program in 2025, with 50% of students coming from Renwu High School's Junior High Division. This demonstrates the school's excellent articulation between the junior and senior high divisions. Teachers pay attention to every student's learning needs, implementing adaptive counseling and capability cultivation. The six-year consistent effort has paid off, fully demonstrating the fruitful results of teachers' professional teaching and students' diverse learning. - The fourth phase of the International Petrochemical Specialized Program (2024-2029) continues, and the contract renewal ceremony was completed on May 16, 2024. - The specialized program and industry collaboration courses shaped a school-developed compulsory course: Green Energy and Circular Economy. The course starts with local manufacturers, develops practical teaching on green energy, and introduces the concept of sustainable development in the circular economy.

Status of Investment in Cultural Development Projects in 2025

To promote domestic cultural development, USI Corporation sponsored the Alliance Cultural Foundation with NT\$3 million in 2025 to facilitate its execution of various cultural and artistic promotion activities at the "Paul Chiang Art Center". The Paul Chiang Art Center is not only the culmination of Mr. Chiang's life's work but will also become an important platform for international artistic exchange.

Since 2014, the Alliance Cultural Foundation has assisted in promoting the construction plan of the "Paul Chiang Art Center," hoping to create a space where audiences can approach art and personally experience the harmonious beauty of nature and architecture. After thousands of days of construction, the park officially opened in the spring of 2025. The Alliance Cultural Foundation assists in exhibition planning and management and uses various art and aesthetic education programs to bring more people closer to this sanctuary of art.

As the preparatory team for the "Paul Chiang Art Center," the Alliance Cultural Foundation not only assists with exhibition planning and logistics management but also collaborates with the Paul Chiang Art and Culture Foundation. Whether it is enhancing public appreciation for beauty through exhibitions or formulating visitation plans with local schools, they encourage children to engage with arts and cultural venues from a young age through aesthetic education, ensuring the center fully exerts its artistic, educational, and social impact, allowing the ideals of art and sustainable development to be practiced and perpetuated here.

As of September 2025, over the past three quarters, the Alliance Cultural Foundation's funding input for the "Paul Chiang Art Center" reached NT\$4.2 million. Since its opening in March, the center has welcomed over 60,000 visitors in just over half a year. The center's atmosphere, combining nature, architecture, and art, not only attracts domestic tourists but is also expected to become an important window for international art travelers to discover Hualien and Taitung.

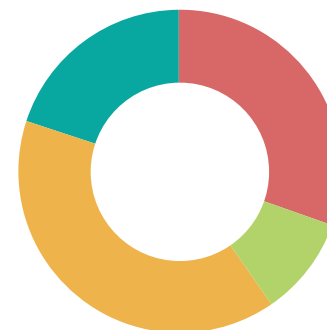
USI Education Foundation

The USI Education Foundation is jointly supported by USI Corporation, Asia Polymer Corporation (APC), China General Plastics Corporation (CGPC), Taiwan VCM Corporation, and Taita Chemical Company, Limited (TTC), enabling the Foundation to invest more resources in public welfare causes such as rural education and environmental sustainability to give back to society.

Major Sponsored Projects in 2025

	Scholarships and Grants	Excellence Scholarships Artificial Intelligence Field Scholarships
	Donations to Public Welfare Organizations	The Alliance Cultural Foundation Taitung Junyi Experimental High School Teach for Taiwan Foundation Boyo Social Welfare Foundation
	Sponsorship of Educational Public Welfare Activities	Toufen Junior High School Music Program Beach Cleanup Activity at Longfong Fishing Port Medical and Health Education Public Welfare Activities Outrigger Canoes

In 2025, USI donated NT\$3 million to the USI Education Foundation. Through the Foundation, approximately NT\$10.04 million was sponsored for various public welfare expenditures, including NT\$3.05 million for scholarships and grants; NT\$1 million to the Alliance Cultural Foundation; NT\$4 million to Junyi School of Innovation in Taitung; and approximately NT\$1.99 million for other public welfare sponsorship expenditures.



2025 USI Education Foundation Sponsorship Expenditures

- **Scholarships and Grants: NT\$3.05 million**
- **The Alliance Cultural Foundation: NT\$1 million**
- **Junyi School of Innovation in Taitung: NT\$4 million**
- **Other Public Welfare Sponsorships: NT\$1.99 million**

Excellence Scholarships

We provide scholarships for outstanding students from chemical engineering, materials, chemistry, and applied chemistry-related departments across 16 domestic public and private universities to promote education and talent cultivation in these fields. We encourage students in related university and graduate programs to study hard and cultivate excellent industrial talent for society. This year marks the 14th year since the scholarship's establishment, with a cumulative total of NT\$26 million awarded to over 360 students.

In 2025, a total of NT\$3 million was awarded to 30 students across 18 departments in 12 public and private universities, including 5 doctoral students, 12 master's students, and 13 undergraduate students.

To encourage the award-winning students, a scholarship award ceremony and recognition luncheon were held at the Taipei Marriott Hotel on December 5, 2025. Group executives were invited to participate and interact with the students. During the ceremony, R&D Chief Liu Han-Tai introduced the USI Group's R&D achievements and the Gold-level green building R&D center under construction at the "New Taipei International AI+ Smart Park" in Linkou. He also extended sincere blessings to the award-winning students, encouraging them to continue cultivating the academic and research fields. With a solid theoretical foundation, innovative research perspectives, and a relentless spirit of exploration, he urged them to continue shining on their future academic and life paths.



▲ 2025 Scholarship Award Ceremony and Recognition Luncheon

Artificial Intelligence Field Scholarships

To encourage outstanding domestic graduate students to participate in research and development applications in the field of Artificial Intelligence (hereinafter referred to as AI), reduce the industry-academia gap, and cultivate chemical industry talents with AI expertise, the Foundation established this program. It rewards master's and doctoral students whose research topics focus on AI applications such as smart production systems and chemical process control, aiming to save energy and costs, reduce maintenance or failure frequency, and increase efficiency. This program has been running as a five-year pilot since 2022. Award-winning students receive a grant of NT\$50,000 per semester. Subject to regular reviews, they can be funded for up to four consecutive semesters. A total of 6 students have received this award to date.

The Alliance Cultural Foundation and Junyi School of Innovation in Taitung

To invest more resources in rural education and the sustainable development of Hualien and Taitung, the Alliance Cultural Foundation and Junyi School of Innovation in Taitung have long been the main sponsorship targets of this Foundation. Over the past fifteen years, the Alliance Cultural Foundation has continuously shaped the blueprint for sustainable development in Hualien and Taitung with three core directions: "Education, Regional Revitalization, and Arts & Culture." In 2025, Junyi School of Innovation once again received the highest rating in the Ministry of Education's experimental education evaluation. Students not only challenge themselves inside and outside the classroom but also bravely step into the world through cross-disciplinary courses and international exchange programs. Regarding vocational education, the Alliance Cultural Foundation continues to connect Shin Yeh Dining with the National Chenggong Commercial and Aquaculture Vocational High School for a Japanese cuisine specialized program, and facilitated faculty from National Kaohsiung University of Hospitality and Tourism to launch a Western cuisine course at Kung Tung Technical Senior High School, opening up broader future possibilities for rural youths.

In terms of regional revitalization, the "Island Life" alliance established in 2022 has officially been incorporated as an association. It gathers the strength of returning youths and local activists to become an important platform promoting community self-reliance and sustainability. At the same time, the "I Nature Farm" is about to collaborate with the Taiwan Regional Revitalization Foundation, dedicating efforts to empowering youths in Hualien and Taitung, integrating agriculture, hospitality, aesthetics, and healthy living, to respond to human needs for sustainable living and physical and mental well-being. The "Paul Chiang Art Center," officially opened on March 15, 2025, attracted nearly 60,000 visitors in just half a year, and is expected to become an important window for Hualien and Taitung to step onto the international arts and culture stage. The establishment of the center symbolizes not only the integration of art and nature but also an opportunity for Taiwan's profound civilization to be seen by the world. We expect it to continue attracting more international artists and travelers, bringing new cultural dialogues and inspiration to Hualien and Taitung.



Outdoor Adventure Education - Mountain



Graduation Ceremony

Toufen Junior High School Music Project

The Foundation partnered with the Harvest365 Music Project of the Chiayi City Private Harvest365 Social Welfare and Charity Foundation (hereinafter referred to as Harvest365) to collaborate with Toufen Junior High School in Miaoli County, establishing the Toufen Junior High School Music Education Special Project in September 2021.

With professional choir teachers cultivated by Harvest365 collaborating with Toufen Junior High School music teachers, they instruct the "Harmony Choir" composed of 7th, 8th, and 9th-grade students. In addition to regular club time, they also utilize after-school hours for practice.

Through the art of singing, we hope to accompany the students as they grow. By participating and performing on stage at the annual Harvest365 Music Festival, we aim to inspire their learning motivation and build their self-confidence.

In the past, students moving up to the 9th grade mostly prioritized further education and quit the club. However, this year, 15 students chose to stay with their parents' support and signed consent forms, continuing their journey with singing. There were also 15 new members joining this year, officially pushing the choir's numbers over 50, making the overall sound more resonant and powerful!



Toufen Junior High School Harmony Choir



Come Hear Me Sing

Longfeng Fishing Port Beach Cleanup Activity

Since 2017, CGPC has cooperated with the Miaoli County Environmental Protection Bureau's marine environment policy by adopting 500 meters of the Longfeng Fishing Port beach in Zhunan Township. Through beach cleanup activities, we hope that participating colleagues, while personally picking up discarded fishing nets, Styrofoam, and plastic garbage, can deeply realize the long-term burden "single-use consumption" places on the Earth. This encourages them to start thinking about plastic reduction in their daily lives, achieving a conceptual shift from "beach cleanup" to a "plastic-free lifestyle." This further reduces the use of single-use plastic products, ensures proper garbage classification and recycling, protects the ecology, and returns a home to marine life. This year, CGPC similarly collaborated with TTC's Toufen Plant to jointly hold a beach cleanup activity on September 20, 2025, maintaining the cleanliness of the marine environment. This year's beach cleanup was led by CGPC President Hu Chi-Hong, with over 220 colleagues from CGPC and TTC's Toufen Plant eagerly participating to jointly protect our beaches and oceans.



Beach Cleanup



Beach Cleanup

Boyo Social Welfare Foundation

Founded in 2002 and led by Principal Lee Chia-Tung, the Boyo Social Welfare Foundation upholds the philosophy of "not letting poor children fall into perpetual poverty." For many years, it has provided free after-school tutoring and free remedial learning materials to disadvantaged children in rural areas. Its aim is to enable disadvantaged rural children to break the cycle of hereditary poverty through education. Through the dual service methods of social work and education, it provides "care and counseling." Social workers strive to untie the physical and mental constraints of children, while teachers help them understand questions they don't know, with everyone working hard together. This is also an important reason for the success of Boyo's after-school tutoring.

Over the more than 20 years since its establishment, Boyo has invested massive manpower and resources annually in course design, remedial material R&D, and community parent training. Currently, it has 17 after-school tutoring service bases, serving nearly 2,600 students. We hope that when the children grow up, they can rely on their own strength to "achieve self-reliance and alleviate poverty," possessing the ability to choose their careers and lifestyles, no longer falling into the cycle of poverty, and achieving the vision of "letting knowledge bring hope home."

Teach for Taiwan Foundation

The Teach for Taiwan (TFT) Foundation, established in 2013, is a non-profit organization dedicated to solving "educational inequality," hoping to create equal educational opportunities for every child. By training outstanding youths to travel to rural areas and "high-need areas" with a high proportion of Comprehensive Assessment Program for Junior High School Students failing to meet basic academic standards, they teach for at least two years. This solves the long-term plight of rural elementary schools facing difficulties in teacher recruitment and frequent turnover.

Currently covered areas include Miaoli, Hualien, Nantou, Yunlin, Changhua, Chiayi, Tainan, and Pingtung. Since the first TFT program to date, TFT has trained over 290 teachers and impacted over 7,000 children. Nearly 70% of the students possess the basic academic abilities for their grade level. In addition to basic academic abilities, the high-quality teaching environment and quality created by TFT program members have also enabled nearly 70% of students to develop good "non-cognitive skills (such as self-management and efficacy, grit, emotional management, etc.)." This assists children in acquiring multifaceted abilities beyond academic skills to create changes for their own futures.



Teaching Scene

Medical and Health Education Public Welfare Activities

Although the National Health Insurance (NHI) is already very convenient, and the public does not need to worry about medical expenses when seeking treatment—since NHI ensures they receive complete medical care and can see a doctor with peace of mind—the humanistic care services brought by student medical service teams to rural areas remain the core value of medical education and healthcare professionals. In addition to providing medical resources and knowledge lacking in the local area, and giving spiritual care and companionship to the public, it is even more important that medical professionals guide medical student team members to integrate what they have learned in class. From this pure service process without commercial interests, they find their sense of mission.

To encourage medical universities to organize medical service teams to deeply penetrate rural areas lacking medical resources and promote public welfare activities such as medical services, health education advocacy, and free clinics for local residents, the Foundation sponsored part of the activity funds for 4 medical and health education public welfare camps in 2025. The 4 camps involved over 500 team members and served over 2,100 people.

School	Club	Location	Number of Participants	Number of People Served
Taipei Medical University	Social Medical Service Team I	Taimali and Jinfeng Townships, Taitung	110	250+
	Green Cross Medical Service Team	Sihu Township, Yunlin	120	400+
	Feng-Hsing Medical Youth Service Team	Penghu	220	1,000+
	Xing-Qing Recreation and Social Medical Service Team	Beinan and Jinfeng Townships, Taitung	55	500+



Lijia Elementary School Oral Examination



Chulu Village Free Clinic



Free Clinic Vehicle Case Visit

Outrigger Canoes

The Taitung County Austronesian Outrigger Canoe Navigation Association is dedicated to reviving marine culture and awakening the Taiwanese people's awareness of Taiwan's status as the homeland of Austronesian speaking peoples. Through outrigger canoeing—a sport carrying rich colors of the Pacific Austronesian speaking peoples—it also allows Taiwan's indigenous peoples to rediscover their cultural roots. Through participation in international competitions, cultural education promotion and exchange, and local cultivation, outrigger canoes have become a key bridge connecting Taiwan with global Austronesian cultures. It allows the world to see Taiwan's core position in Austronesian history and successfully transforms the recognition that "Taiwan is the homeland of Austronesian speaking peoples" from academic research into daily practice.

Using Taitung's Flowing Lake as a base, the association established the first outrigger canoe training center in eastern Taiwan, training over 50 trainees per month and transforming marine culture from a competitive sport into daily life practice. By regularly holding events like the Christmas Cup Friendship Race and the Green Island Crossing Challenge, it attracts participation from tribes such as Taromak, Zhiben, Luye, and Dulan, forming an inter-tribal marine cultural exchange network. The association further collaborated with Junyi School of Innovation to offer an "Introduction to Outrigger Canoeing" course, incorporating marine culture education into the educational system. Through a shipbuilding project spanning from the forest to the ocean, students personally experience the complete cultural context from material selection and shipbuilding to navigation, understanding the ancestors' sustainable wisdom of "a tree becomes a boat." This is not only a transmission of skills but also a process of reconstructing cultural identity.



Flowing Lake KITA Cup Tribal Youth Austronesian Category Race



Junyi School Water Group Pre-Green Island Kuroshio Crossing Sea Training

Chapter 6 **Appendix**



6.1 GRI Content Index

USI Corporation (USI) has reported the information cited in this GRI content index for the period from January 1, 2025 to December 31, 2025 with reference to the GRI Standards and the GRI 1 used (GRI 1: Foundation 2021).

GRI 2: General Disclosures 2021					
Disclosure Item				Page	Annotation
The organization and its reporting practices	2-1	Organizational details	1.2 About USI	<u>16</u>	
	2-2	Entities included in the organization's sustainability reporting	0.2 About This Report	<u>6</u>	
	2-3	Reporting period, frequency and contact point	0.2 About This Report	<u>7</u>	
	2-4	Restatements of information	2.2 Economic Performance 2.4 Ethical Corporate Management and Legal Compliance	<u>45</u> 、 <u>53</u>	
	2-5	External assurance	0.2 About This Report	<u>6</u>	
Activities and workers	2-6	Activities, value chain and other business relationships	1.2 About USI, 1.4 Material Issue Management, 3.3 Supply Chain Management, 3.4 Sales and Customer Service	<u>16</u> 、 <u>19</u> 、 <u>27-30</u> 、 <u>65</u> 、 <u>71</u>	
	2-7	Employees	1.2 About USI, 5.3 Talent Attraction and Retention	<u>16</u> 、 <u>129</u>	
	2-8	Workers who are not employees	5.2 Occupational Health and Safety, 5.3 Talent Attraction and Retention	<u>116</u> 、 <u>117</u> 、 <u>129</u>	
Governance	2-9	Governance structure and composition	2.1 Corporate Governance	<u>34</u>	
	2-10	Nomination and selection of the highest governance body	2.1 Corporate Governance	<u>34</u> 、 <u>40</u>	
	2-11	Chair of the highest governance body	2.1 Corporate Governance	<u>34</u> 、 <u>36</u>	
	2-12	Role of the highest governance body in overseeing the management of impacts	2.1 Corporate Governance	<u>34</u>	
	2-13	Delegation of responsibility for managing impacts	2.3 Risk Management, 5.3 Talent Attraction and Retention	<u>49</u> 、 <u>135</u>	
	2-14	Role of the highest governance body in sustainability reporting	0.2 About This Report, 1.4 Material Issue Management, 2.1 Corporate Governance	<u>25</u> 、 <u>40</u>	
	2-15	Conflicts of interest	2.1 Corporate Governance	<u>36</u>	
	2-16	Communication of critical concerns	2.1 Corporate Governance, 2.4 Ethical Corporate Management and Legal Compliance	<u>35</u> 、 <u>52</u>	

GRI 2: General Disclosures 2021					
Disclosure Item				Page	Annotation
Governance	2-17	Collective knowledge of the highest governance body	2.1 Corporate Governance, 2.4 Ethical Corporate Management and Legal Compliance	34 、 36 、 52	
	2-18	Evaluation of the performance of the highest governance body	2.1 Corporate Governance	36	
	2-19	Remuneration policies	2.1 Corporate Governance	34 、 38 、 39	
	2-20	Process to determine remuneration	2.1 Corporate Governance	38	
	2-21	Annual total compensation ratio	2.1 Corporate Governance	38 、 39	
Strategy, policies and practices	2-22	Statement on sustainable development strategy	1.1 Sustainability Vision and Goals	12	
	2-23	Policy commitments	0.1 Message from the Chairman, 2.1 Corporate Governance, 5.3 Talent Attraction and Retention	4 、 34 、 116 、 117 、 134	
	2-24	Embedding policy commitments	2.1 Corporate Governance, 5.3 Talent Attraction and Retention	4 、 34 、 116 、 117 、 134	
	2-25	Processes to remediate negative impacts	1.4 Material Issue Management, 2.2 Economic Performance, 2.3 Risk Management, 2.5 Smart Management, 3.1 Technology R&D, 3.2 Product Quality, 3.3 Supply Chain Management, 4.2 Water Management, 4.3 Air Pollution Control, 4.4 Waste Management, 4.5 Climate Change and Energy Management, 4.6 Raw Material Management, 5.2 Occupational Health and Safety, 5.3 Talent Attraction and Retention	28 、 44 、 51 、 55 、 58 62 、 65 、 77 、 83 、 85 88 、 110 、 116 129 、 135	
	2-26	Mechanisms for seeking advice and raising concerns	2.3 Risk Management	51	
	2-27	Compliance with laws and regulations	2.4 Ethical Corporate Management and Legal Compliance	52	
	2-28	Membership associations	1.2 About USI	19	
Stakeholder engagement	2-29	Approach to stakeholder engagement	1.3 Stakeholder Engagement	20	
	2-30	Collective bargaining agreements	5.3 Talent Attraction and Retention	-	Since the Company maintains good communication with employees through the union and labor-management meetings, no specific collective bargaining agreements have been established.

GRI 3: Material Topics 2021						
Material Topic	Management Policies and Disclosure Items			Chapter	Page	Remarks
—	GRI 3: Material Topics 2021	3-1	Process to determine material topics	1.4 Material Issue Management	<u>25</u>	
		3-2	List of material topics	1.4 Material Issue Management	<u>25</u>	
		3-3	Management of material topics	1.4 Material Issue Management	<u>28</u>	
Category: Governance						
Economic Performance	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	2.2 Economic Performance	<u>45</u>	
		201-2	Financial implications and other risks and opportunities due to climate change	4.5 Climate Change and Energy Management		
		201-3	Defined benefit plan obligations and other retirement plans	5.3 Talent Attraction and Retention	<u>137</u>	
		201-4	Financial assistance received from government	-		None
Smart Management	Non-GRI Standard Indicator, USI Specific Topic USI 203					
Technology R&D	Non-GRI Standard Indicator, USI Specific Topic USI 201					
Product Quality	Non-GRI Standard Indicator, USI Specific Topic USI 202					
Supply Chain Management	GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	3.3 Supply Chain Management	<u>67</u> 、 <u>69</u>	
		308-2	Negative environmental impacts in the supply chain and actions taken	3.3 Supply Chain Management	<u>67</u>	
	GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	3.3 Supply Chain Management	<u>67</u>	
		414-2	Negative social impacts in the supply chain and actions taken	3.3 Supply Chain Management	<u>67</u>	
Category: Environment						
Water Management	GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	4.2 Water Management	<u>78-81</u>	
		303-2	Management of water discharge-related impacts	4.2 Water Management	<u>81</u>	
		303-3	Water withdrawal	4.2 Water Management	<u>78</u> 、 <u>79</u>	
		303-4	Water discharge	4.2 Water Management	<u>78</u> 、 <u>79</u> 、 <u>81</u>	
		303-5	Water consumption	4.2 Water Management	<u>78</u> 、 <u>79</u>	

GRI 3: Material Topics 2021						
Material Topic	Management Policies and Disclosure Items			Chapter	Page	Remarks
Air Pollution Control	GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4.5 Climate Change and Energy Management	103	
		305-2	Energy indirect (Scope 2) GHG emissions	4.5 Climate Change and Energy Management	103	
		305-3	Other indirect (Scope 3) GHG emissions	4.5 Climate Change and Energy Management	103	
		305-4	GHG emissions intensity	4.5 Climate Change and Energy Management	105	
		305-5	Reduction of GHG emissions	4.5 Climate Change and Energy Management	105	
		305-6	Emissions of ozone-depleting substances (ODS)	N/A	-	
		305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	4.4 Air Pollution Control	84	
Waste Management	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	4.4 Waste Management	86	
		306-2	Management of significant waste-related impacts	4.4 Waste Management	87	
		306-3	Waste generated	4.4 Waste Management	87	
		306-4	Waste diverted from disposal	4.4 Waste Management	87	
		306-5	Waste directed to disposal	4.4 Waste Management	87	
Climate Change and Energy Management	GRI 302: Energy 2016	302-1	Energy consumption within the organization	4.5 Climate Change and Energy Management	102	
		302-2	Energy consumption outside of the organization	4.5 Climate Change and Energy Management	103	
		302-3	Energy intensity	4.5 Climate Change and Energy Management	102	
		302-4	Reduction of energy consumption	4.5 Climate Change and Energy Management	105	
		302-5	Reductions in energy requirements of products and services	N/A	-	
Raw Material Management	GRI 301: Materials 2016	301-1	Materials used by weight or volume	4.6 Raw Material Management	108	
		301-2	Recycled input materials used	4.6 Raw Material Management		
		301-3	Reclaimed products and their packaging materials	4.6 Raw Material Management		

GRI 3: Material Topics 2021						
Material Topic	Management Policies and Disclosure Items			Chapter	Page	Remarks
Category: Social		3-1				
Occupational Health and Safety	GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	5.2 Occupational Health and Safety	117 、 124 、 125	
		403-2	Financial implications and other risks and opportunities due to climate change	5.2 Occupational Health and Safety	118 、 120 、 124	
		403-3	Occupational health services	5.2 Occupational Health and Safety	124 、 125 、 127	
		403-4	Worker participation, consultation, and communication on occupational health and safety	5.2 Occupational Health and Safety	117 、 120	
		403-5	Worker training on occupational health and safety	5.2 Occupational Health and Safety	111 、 122 、 128	
		403-6	Promotion of worker health	5.2 Occupational Health and Safety	124 、 126	
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.2 Occupational Health and Safety	119 、 120 、 123 、 127	
		403-8	Workers covered by an occupational health and safety management system	5.2 Occupational Health and Safety	117 、 121 、 124	
		403-9	Work-related injuries	5.2 Occupational Health and Safety	118 、 119	
		403-10	Work-related ill health	5.2 Occupational Health and Safety	124 、 125	
Talent Attraction and Retention	GRI 401: Employment Relations 2016	401-1	New employee hires and employee turnover	5.3 Talent Attraction and Retention	131 、 132	
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.3 Talent Attraction and Retention	135	
		401-3	Parental leave	5.3 Talent Attraction and Retention	137	
	GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	5.3 Talent Attraction and Retention	141	
		404-2	Programs for upgrading employee skills and transition assistance programs	5.3 Talent Attraction and Retention	142	
		404-3	Percentage of employees receiving regular performance and career development reviews	5.3 Talent Attraction and Retention	131	

6.2 SASB Chemicals Industry Index

Topic	Code	Accounting Metric	Category	Corresponding Chapter	Page
Greenhouse Gas Emissions	RT-CH-110a.1	Gross global Scope 1 emissions (1,709 metric tons CO ₂ e); percentage covered under emissions-limiting regulations (99.63%)	Quantitative	4.5 Climate Change and Energy Management	103
	RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets: Set a target of 27% carbon reduction by 2030 (using 2017 as the baseline year) and achieve carbon neutrality by 2050. GHG emissions in 2025 have decreased by 25% compared to the baseline year.			
Air Quality	RT-CH-120a.1	Air emissions of the following pollutants: (1) NO _x : 16.8 metric tons/year (2) SO _x : 0 metric tons/year (3) VOCs: 38.75 metric tons/year (4) Hazardous air pollutants (HAPs): 16.54 metric tons/year	Quantitative	4.3 Air Pollution Control	84
Energy Management	RT-CH-130a.1	(1) Total energy consumed (GJ): 1,038,084 (2) Percentage grid electricity (%): 100 (3) Percentage renewable (%): 0 (4) Total self-generated energy (GJ): 0	Quantitative	4.5 Climate Change and Energy Management	102
Water Management	RT-CH-140a.1	(1) Total water withdrawn: 927.735 million liters (2) Total water consumed: 652.132 million liters (3) Percentage of each in regions with High or Extremely High Baseline Water Stress: 0%	Quantitative	4.2 Water Management	79
	RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations: 0		2.4 Ethical Corporate Management and Legal Compliance	52
	RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks		4.2 Water Management	78
Hazardous Waste Management	RT-CH-150a.1	Amount of hazardous waste generated: 85.49 metric tons/year, percentage recycled: 0%	Quantitative	4.4 Waste Management	86
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	Quantitative	N/A	
Workforce Health & Safety	RT-CH-320a.1	a. Full-time employees: 408 b. Contract employees: 2 (1) Total Recordable Incident Rate (TRIR): 0% (2) Fatality rate: 0%	Quantitative Discussion and Analysis	5.2 Occupational Health and Safety	119
	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks			
Product Design for Use-phase Efficiency	RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency: NT\$ 1.015 billion	Quantitative	3.1 Technology R&D	60

Topic	Code	Accounting Metric	Category	Corresponding Chapter	Page
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.1	Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances; percentage of such products that have undergone a hazard assessment	Quantitative	5.2 Occupational Health and Safety	<u>123</u>
	RT-CH-110a.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	Discussion and Analysis		
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)		N/A	-
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	2.4 Ethical Corporate Management and Legal Compliance	<u>52</u>
Operational Safety, Emergency Preparedness & Response	RT-CH-540a.1	Process Safety Incident Count (PSIC): 0 Process Safety Total Incident Rate (PSTIR): 0% Process Safety Incident Severity Rate (PSISR): 0%	Quantitative	5.1 Operational Safety Management	<u>112</u>
	RT-CH-540a.2	Number of transport incidents: 0			

6.3 Sustainability Disclosure Indicators - Plastics Industry

No.	Metric	Category	Annual Disclosure Status	Unit	Chapter & Page
1	Total energy consumed, percentage of purchased grid electricity, percentage of renewable energy, and total self-generated and self-consumed energy	Quantitative	(1) 1,038,084 (2) 81.48% (3) 0% (4) 0	Gigajoules (GJ) Percentage (%)	4.5 Climate Change and Energy Management
2	Total water withdrawn and total water consumed	Quantitative	927.735 652.132	Thousand cubic meters (1,000m ³)	4.2 Water Management
3	Amount of hazardous waste generated and percentage recycled	Quantitative	85.49 0%	Metric tons (t) Percentage (%)	4.4 Waste Management
4	Number and rate of work-related injuries	Quantitative	0 、 0%	Number Rate (%)	5.2 Occupational Health and Safety
5	Production volume of main products by product category	Quantitative	201,310	Metric tons	1.2 About USI

6.4 Implementation Status of Climate-related Information

No.	Item	Implementation Status
1	Describe the board of directors and management's oversight and governance of climate-related risks and opportunities.	4.5 Climate Change and Energy Management / Climate Change Management Framework
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finance of the enterprise (short, medium, and long term).	4.5 Climate Change and Energy Management / Sustainability and climate-related risks and opportunities that can reasonably be expected to have an impact
3	Describe the financial impact of extreme weather events and transition actions.	4.5 Climate Change and Energy Management / Strategic decisions and financial impacts of sustainability and climate-related risks and opportunities
4	Describe how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management system.	4.5 Climate Change and Energy Management / Climate Change Management Framework
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors, and major financial impacts used shall be described.	4.5 Climate Change and Energy Management / Strategic decisions and financial impacts of sustainability and climate-related risks and opportunities
6	If there is a transition plan for managing climate-related risks, describe the content of the plan, as well as the indicators and targets used to identify and manage physical risks and transition risks.	4.5 Climate Change and Energy Management / Climate Change Risk Management 4.5 Climate Change and Energy Management / Energy Saving and Carbon Reduction Targets and Results
7	If internal carbon pricing is used as a planning tool, the basis for setting the price shall be explained.	4.5 Climate Change and Energy Management / The Group's Promotion of Internal Carbon Pricing
8	If climate-related targets are set, the activities covered, scope of GHG emissions, planned timeframe, and annual progress achieved shall be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of the carbon offset credits or the quantity of RECs shall be explained.	4.5 Climate Change and Energy Management / Climate Change Risk Management 4.5 Climate Change and Energy Management / Energy Saving and Carbon Reduction Targets and Results
9	GHG inventory and assurance status	4.5 Climate Change and Energy Management / Climate Change Management Framework

6.5 Index of Climate-related Risks and Opportunities Disclosures

To strengthen climate risk management and align with international standards, the Company references the IFRS S2 framework to systematically identify and disclose climate-related risks and opportunities, and assesses their potential impacts on operations, strategy, and finance. Core disclosures cover "Governance," "Strategy," "Risk Management," and "Metrics and Targets," using the Company as the reporting entity scope, and are compiled in the appendix table to help stakeholders understand the Company's management actions and impact levels in response to climate change.

Core Element	Recommended Disclosure	Chapter/Page
Governance	A. The role of the governance body in the governance of climate-related risks and opportunities	4.5 Climate Change and Energy Management / Climate Change Management Framework
	B. The role of management in the governance of climate-related risks and opportunities	4.5 Climate Change and Energy Management / Climate Change Management Framework
Strategy	A. Climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	4.5 Climate Change and Energy Management / Sustainability and climate-related risks and opportunities that can reasonably be expected to have an impact
	B. Information on the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain	4.5 Climate Change and Energy Management / Sustainability and climate-related risks and opportunities that can reasonably be expected to have an impact
	C. Information on the effects of climate-related risks and opportunities on the entity's strategy and decision-making	4.5 Climate Change and Energy Management / Strategic decisions and financial impacts of sustainability and climate-related risks and opportunities
	D. The effects of climate-related risks and opportunities on the entity's current and anticipated financial position, financial performance, and cash flows	4.5 Climate Change and Energy Management / Strategic decisions and financial impacts of sustainability and climate-related risks and opportunities
	E. Climate-related scenario analysis and assessment of climate resilience	4.5 Climate Change and Energy Management
Risk Management	The processes to identify, assess, prioritize and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process	4.5 Climate Change and Energy Management / Identification of Climate Risks and Opportunities
Metrics and Targets	A. Information relevant to the cross-industry metric categories (climate-related metrics)	Greenhouse Gas Emissions: 4.5 Climate Change and Energy Management / Greenhouse Gas Management, Internal Carbon Pricing: 4.5 Climate Change and Energy Management / The Group's Promotion of Internal Carbon Pricing, Remuneration: 2.1 Corporate Governance / Remuneration Committee
	B. Information on industry-based metrics	6.2 SASB Chemicals Industry Index
	C. Information disclosed regarding targets set for climate-related risks or opportunities (climate-related targets)	4.5 Climate Change and Energy Management / TCFD Climate Change Risk Management

6.6 Glossary of Terms

A

- ACC** 美國化學理事會 (American Chemistry Council)
APS 宣示承諾情境 (Announced Pledges Scenario)

B

- B2C** 企業銷售產品或服務給終端消費者 (Business to Consumer)

C

- CBC** 新型環狀嵌段共聚高分子 (Cyclic Block Copolymer)
CDP 原碳揭露計畫 (formerly Carbon Disclosure Project)
CHI 德國包裝可回收性評估機構 (Institute cyclos-HTP)
CNS 中華民國國家標準 (Chinese National Standards)
COP15 第 15 屆聯合國生物多樣性大會 (Conference of the Parties to the Convention on Biological Diversity)
CSF 網路安全框架 (Cybersecurity Framework)

E

- EAP** 員工協助方案 (Employee Assistance Program)
EPT 乙烯純化系統 (Ethylene Purification Tower)
EVA 乙烯醋酸乙烯酯共聚樹脂 (Ethylene Vinyl Acetate Copolymer)

F

- FSI** 綜合傷害指數 (Frequency-Severity Indicator)
FR 失能傷害頻率 (Disabling Injury Frequency Rate)

G

- GBF** 全球生物多樣性框架 (Global Biodiversity Framework)
GRI 全球永續性報告協會 (Global Reporting Initiative)

H

- HCA** 高後果分析結果 (High Consequence Area)
HDPE 高密度聚乙烯樹脂 (High Density Polyethylene)

I

- IEA** 國際能源總署 (International Energy Agency)
IFRS 國際財務報導準則 (International Financial Reporting Standards)
ILI 非破壞性檢驗儀器跑經管線內部進行檢測工作 (In-Line Inspection)
ISO 90001 品質管理系統 (Quality Management Systems)
ISO 14021 PIR 消費前材料認證 (Pre-Consumer material)
ISO 45001 職業安全衛生管理系統 (Occupational Health and Safety Management Systems)
ISO 46001 水資源效率管理系統 (Water efficiency management systems)
ISO 50001 能源管理系統 (Energy Management Systems)
ISO/IEC 27001 資訊安全管理系統 (Information Security Management Systems)

K

KPI 關鍵績效指標 (Key Performance Indicators)

L

LDPE 低密度聚乙烯樹脂 (Low Density Polyethylene)

LDV 高壓控制閥 (Let Down Valve)

LEAP 自然相關風險與機會評估方法學：定位、評價、評估、準備 (Locate, Evaluate, Assess, Prepare)

LLPDE 線型低密度聚乙烯樹脂 (Linear Low Density Polyethylene)

LTIFR 損失工時傷害頻率 (Lost Time Injury Frequency Rate)

M

MBO 目標管理 (Management by Objectives)

MI MI 熔融指數 (Melt Index)

MOC MOC 變更管理 ((Management of Change)

MRT MRT 調塑劑回收處理系統 (Modifier Recovery Treatment)

N

NIST 美國國家標準與技術研究院 (National Institute of Standards and Technology)

NNL 淨零損失 (No Net Loss)

NOx 氮氧化物 (Nitrogen Oxides)

NPI 淨正向影響 (Net Positive Impact)

NZE 淨零排放情境 (Net Zero Emissions)

O

OCS 塑膠原粒洩漏預防 (Operation Clean Sweep)

OSHA 美國職業安全與健康管理局 (Occupational Safety and Health Administration)

P

PIA 美國塑料協會 (Plastics Industry Association)

PDCA PDCA 管理循環：規劃 - 執行 - 檢查 - 行動 (Plan-Do-Check-Act)

PSIC 製程安全事故數 (Process Safety Incident Count)

PSISR 製程安全事故嚴重率 (Process Safety Incident Severity Rate)

PSM 製程安全管理 (Process Safety Management)

PSSR 啟動前安全檢查或開爐試俾前安全檢查 (Pre-Startup Safety Review)

PSTIR 製程安全總事故率 (Process Safety Total Incident Rate)

R

RBPS 風險基礎製程安全 (RBPS)

RCP 代表濃度路徑 (Representative Concentration Pathways)

RTO 爐 蓄熱式熱氧化爐 (Regenerative Thermal Oxidizer)

S

SASB	永續會計準則委員會 (Sustainability Accounting Standards Board)
SDGs	聯合國永續發展目標 (The Sustainable Development Goals)
SOP	標準作業程序 (Standard Operating Procedure)
SOx	含硫氧化物 (Sulfur Oxides)
SR	失能傷害嚴重度 (Disabling Injury Severity Rate)
SSP	共享社會經濟路徑 (Shared Socioeconomic Pathways)
STEPS	既定政策情境 (Stated Policies Scenario)

T

TCCIP	臺灣氣候變遷推估資訊與調適知識平台 (Taiwan Climate Change Projection Information and Adaptation Knowledge Platform)
TCFD	氣候相關財務揭露建議書 (Task Force on Climate-related Financial Disclosures)
TNFD	自然相關財務揭露 (Taskforce on Nature-related Financial Disclosures)
TO 爐	直燃式廢氣焚化爐 (Thermal Oxidizer)
TRIR	總可記錄事故比率 (Total Recordable Incident Rate)
TSP	粒狀污染物 (Total Suspended Particulate)
TWI	工作教導 (Training Within Industry)

V

VA	醋酸乙烯酯 (Vinyl Acetate)
VOCs	揮發性有機化合物 (Volatile Organic Compounds)

W

WEO	世界能源展望報告 (World Energy Outlook)
WRI	世界資源研究所 (World Resources Institute)

6.7 Third-Party Assurance Report GRI 2-5

USI Corporation

Sustainability Report for the Year Ended December 31, 2025 and Independent Auditors' Limited Assurance Report

INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

USI Corporation

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report ("the Report") of USI Corporation ("the Company") for the year ended December 31, 2025.

Subject Matter Information and Applicable Criteria

See Appendix for the Company's selected performance indicators ("the Subject Matter Information") and applicable criteria.

Responsibilities of Management

The management of the Company is responsible for the preparation of the Subject Matter Information in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI), SASB Standards published by the Sustainability Accounting Standards Board (SASB), and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement resulted from fraud or error.

Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a reasonable assurance.

We based on our professional judgment in the planning and conducting of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Inquiring of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the subject matter information is likely to arise.
- Selecting sample items from the Subject Matter Information and performing procedures such as inspection, re-calculation, and observation to obtain evidence supporting limited assurance.

Inherent Limitations

The Subject Matter Information involved non-financial information, which was subject to more inherent limitations than financial information. The information may involve significant judgment, assumptions and interpretations by the management, and the different stakeholders may have different interpretations of such information.

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is Hu, Chia-Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 10, 2026

Notice to Readers

For the convenience of readers, the independent auditors' limited assurance report and the accompanying summary of subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' limited assurance report and summary of subject matter information shall prevail.

APPENDIX

SUMMARY OF SUBJECT MATTER INFORMATION

#	Subject Matter Information	Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports - Plastics Industry
1.	Kaohsiung Plant: In 2025, the total energy consumption was 1,038,084 GJ, percentage of purchased electricity was 81.48%, the utilization rate (renewable energy/total energy) was 1.28%, and total self-generated and self-use energy was 0 GJ.	4.5 Climate Change and Energy Management / 6.3 Sustainability Disclosure Indicators - Plastics Industry	Total energy consumed, percentage grid electricity, percentage renewable, and total self-generated energy	SASB RT-CH-130a.1 Energy Management
2.	Kaohsiung Plant: In 2025, total water withdrawn was 927,735 thousand m ³ , and total water consumption was 652,132 thousand m ³ . The percentage of each in regions with High or Extremely High Baseline Water Stress was 0%.	4.2 Water Management / 6.3 Sustainability Disclosure Indicators - Plastics Industry	Total water withdrawn, total water consumed and percentage of each in regions with High or Extremely High Baseline Water Stress	SASB RT-CH-140a.1 Water Management
3.	Kaohsiung Plant: In 2025, total hazardous waste generated was 85.49 MT, and percentage recycled was 0%.	4.4 Waste Management / 6.3 Sustainability Disclosure Indicators - Plastics Industry	Amount of hazardous waste generated and percentage recycled	SASB RT-CH-150a.1 Hazardous Waste Management
4.	Kaohsiung Plant: In 2025, total recordable incident rate (TRIR), and fatality rate for direct employees and contract employees was 0%.	5.2 Talent Attraction and Retention / 6.3 Sustainability Disclosure Indicators - Plastics Industry	Total recordable incident rate (TRIR), and fatality rate for direct employees and contract employees	SASB RT-CH-320a.1 Workforce Health & Safety
5.	Kaohsiung Plant: In 2025, the air emissions was 16.8 MT of NO _x , 0 MT of SO _x , 38.75 MT of VOCs, and 16.54 MT of HAPs.	4.3 Air Pollution Control	Air emissions of NO _x , SO _x , VOCs, and HAPs	SASB RT-CH-120a.1 Air Quality



USI Corporation

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