

# 2024 Sustainability Report



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# Word from the Chairman



Allied Supreme. Corp  
Chairman

A handwritten signature in black ink, appearing to be in Chinese characters, located below the printed name of the Chairman.

You are welcome to read the 2024 Sustainability Report of Allied Supreme Corporation (hereinafter referred to as "ASC", the "Company"). ASC is committed to corporate social responsibility and sustainable management as its mission. The Company is dedicated to innovation, growth, and excellence, striving to become the global benchmark in the processing, manufacturing, development, and application of fluoropolymer resins. We aim to meet customer satisfaction, protect shareholders interests, maintain harmonious labor relations, and foster cooperative, trustworthy, and mutually beneficial partnerships with suppliers. The vision is to contribute our expertise in fluoropolymer R&D to our partners and the scientific community.

In 2024, global economic and geopolitical changes continued to impact the business environment. As major economies adjusted monetary policies and inflation eased, industries faced both challenges and new opportunities, especially with ongoing supply chain shifts. At the same time, climate change, industrial transformation, and the Sustainable Development Goals (SDGs) have become key factors in business planning. In response, our company remains committed to sustainable management, adapting our business model with greater flexibility and strengthening our core competitiveness to create long-term value for both business and society.

## 1. Strengthening Sustainable Strategy and Advancing ESG Integration

As ESG—Environmental, Social, and Governance—has become not only a regulatory expectation but also a key indicator of corporate competitiveness, we are committed to deepening our efforts in sustainable operations. This includes enhancing green supply chain management,

reducing carbon emissions, and improving energy efficiency to support the global goal of net-zero emissions by 2050. In addition, we prioritize employee well-being and uphold strong corporate governance, approaching future challenges with transparency and accountability.

## 2. Expanding Global Markets and Seizing Growth Opportunities

Amid global supply chain restructuring and growing regional economic cooperation, we are actively expanding into international markets to unlock new growth momentum. Through strategic alliances, localized operations, and diversified market deployment, we aim to enhance our global brand presence and competitiveness. We are committed to building strong partnerships and staying agile to navigate global market trends and ensure steady business growth.

## 3. Fostering a Culture of Innovation and Empowering Talent

People and innovation are at the heart of long-term success. We continue to invest in talent development and organizational learning, encouraging internal innovation and cross-functional collaboration. By promoting knowledge sharing and embedding innovation into our culture, we aim to strengthen our capabilities in a dynamic market. Our people are key to driving ESG progress and creating sustainable impact.

As 2025 marks a critical year, we move forward with an open mindset and steady determination. With a clear long-term vision and firm commitment, we strive to remain competitive in a rapidly changing world and contribute positively to society. Together, we look ahead to a more resilient and sustainable future.

# Annual ESG Performance

## Economics Aspect

1. The overall average customer satisfaction rating was 4.5 points(total5 points)
2. There were no violations of product and service safety information labeling or marketing regulations.
3. The contract signing rate for total product liability cooperation has reached 100%.
4. The Company achieved a net operating income of NTD 6,457,399 thousand, compared to NTD 5,692,353 thousand in 2024.
5. The company's 2024 net profit after tax is NT\$1,732,764 thousand, with an EPS of NT\$21.68, up 2.17% from 2023. The 2024 profit distribution target is 55.35%.

## Environmental Aspect

1. There were no major environmental-related non-compliance incidents.
2. There were also no leakage incidents in the Company.
3. The "SCADA ultra-pure water discharge recycling system" saved 15,034 tons of water consumption, with an average monthly recovery of 1,252.83 tons of water.

## Social Aspect

1. Obtained external audit certification for ISO 45001 Occupational Health and Safety Management System.
2. Received the Ministry of Labor's Golden Award for Outstanding Companies Supporting Employees with Disabilities.
3. The company and its suppliers have not engaged in the use of child labor.
4. The total amount invested in public welfare activities is NTD 1,418,555.
5. In the first year of organizing volunteer activities, a total of 5 volunteer participants contributed 23 hours.
6. Donated a total of 28,750 cc of blood (29 bags of 250 cc; 43 bags of 500 cc).

## Corporate Governance Aspect

1. There were no complaints related to privacy violations, nor incidents of information leakage, theft, or loss of customer data.
2. The overall score for the performance evaluation of the Board of Directors remained above 93 points, indicating that the evaluation result was good.
3. In 2024, 66 new suppliers signed the Social Responsibility Commitment, totaling 235 suppliers.
4. Corporate governance evaluation results: Ranked within the 36%–50% range among listed companies.

# Awarded by the Ministry of Labor for Outstanding OSH Performance

## Disclosed occupational health and safety indicators in the sustainability report.

Occupational safety and health have always been a cornerstone of our sustainable development. We are committed to providing a safe, healthy, and friendly work environment for all employees and stakeholders. By implementing ISO 45001 and promoting safety and health programs, we aim to reduce risks and enhance employee well-being. In recognition of our ongoing efforts, we were honored in 2024 as an Outstanding Enterprise in the Corporate Sustainability Report Voluntary Evaluation of Occupational Health and Safety Indicators, highlighting our strong performance in transparency, data disclosure, and safety management.



Occupational  
Safety and Health  
Management System  
**ISO 45001**



Ministry of Labor  
"Proactive Evaluation  
of Occupational Health  
and Safety Indicators in  
Corporate Sustainability  
Reports"  
**Outstanding  
Enterprises**

## Key Actions in Occupational Safety and Health:

	<b>1.Enhanced Safety Management System:</b>  We conduct thorough risk assessments, implement preventive measures, and carry out regular safety audits to ensure all worksites comply with the highest safety standards.
	<b>2.Employee Health Programs:</b>  Regular health checkups, mental health support, and counseling services are provided to promote physical and mental well-being.
	<b>3.Strengthened Education and Training:</b>  We offer comprehensive training for high-risk operations and general workplace safety to improve employees' self-management and emergency response capabilities.
	<b>4.Transparent Data Disclosure:</b>  In alignment with international standards such as GRI 403, we disclose occupational injury rates and safety performance data to demonstrate responsible and transparent management.

We are committed to continuously improving our occupational safety and health practices, fostering a culture that prioritizes safety, and holding ourselves to the highest standards. Our goal is to create a sustainable and secure workplace where employees can thrive, contributing to positive impacts for both the company and society.

# Received the Ministry of Labor's Golden Award for Outstanding Companies Supporting

## Received the Ministry of Labor's Golden Award for Outstanding Companies Supporting

The Award is the Ministry of Labor's highest honor recognizing outstanding companies that employ persons with disabilities. In 2024, ASC received the award in the "Job Redesign" category.

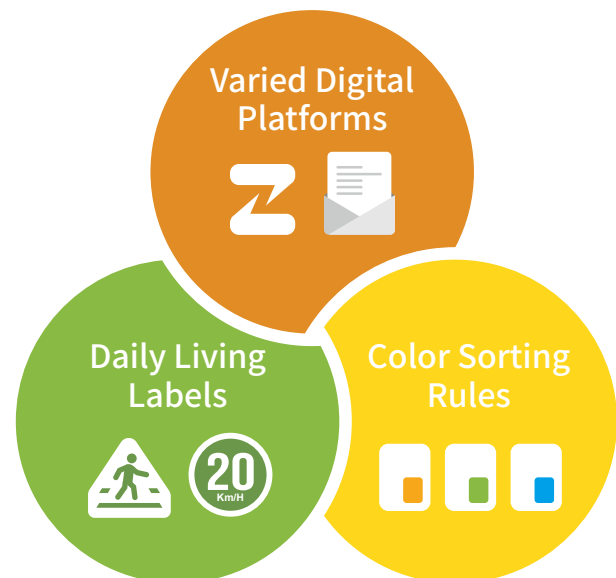
The award ceremony was held on December 2, 2024, at the Sheraton Grand Taipei Hotel, where 36 companies were honored. ASC was recognized for its efforts in supporting employees with disabilities through job adjustments and dedicated guidance, creating an inclusive workplace.



## Approach to Winning the Category:

The company actively fosters an inclusive workplace culture that promotes mutual understanding and respect among all employees. Specifically, for hearing-impaired staff, ASC focuses on "visualizing the work environment and enhancing safety" as its key initiative and goal.

Through diverse digital platforms, a color-coded classification system, and clear sidewalk and driveway markings, ASC creates an efficient silent communication environment, ensuring hearing-impaired employees can perform at their best in a barrier-free workplace. Receiving the Award not only recognizes ASC's years of effort but also reflects the company's commitment to corporate social responsibility and sustainable development. ASC will continue to promote an inclusive workplace, provide equal opportunities for persons with disabilities, and collaborate with other enterprises to create greater positive social impact.



# ESG AWARD

This year, ASC participated in supply chain sustainability activities for the first time and actively promoted related initiatives:

Encouraged internal teams to propose innovative solutions in energy efficiency, green process optimization, and social responsibility. The company fostered active employee participation, resulting in multiple concrete initiatives.

Established five core ESG Award focus areas to strengthen the company's sustainability impact:



Implementation Results of the Five Key Areas in This Year's ESG Award Proposal:

## Implementation Results of the Five Key Areas in This Year's ESG Award Proposal:

1	Water cycle optimization: Introduced water recycling and reuse technologies to reduce factory water consumption.
2	Smart meter installation: Implemented smart meter systems to enhance electricity monitoring and energy management efficiency.
3	Purchasing charity dumplings: Supported social enterprises by buying dumplings made by persons with disabilities, promoting inclusive employment.
4	Blood donation activities: Encouraged employees to participate in blood donation to support sustainable medical resources.
5	Marine cleanup education: Engaged employees and their families in beach cleanups and environmental education to raise environmental awareness.
6	Vegetarian initiatives: Promoted vegetarian days among employees and supply chain partners to reduce carbon emissions and encourage healthy eating.

## Stimulate innovative ideas:

1	Food waste disposer: Evaluated food waste treatment equipment to convert organic waste into reusable resources.
2	Weight loss health campaign: Encouraged employees to focus on health, enhancing workplace well-being and happiness.

Food waste disposer: Evaluated food waste treatment equipment to convert organic waste into reusable resources.



# About This Report

## Scope and sources

The scope of this report covers the policies and performance results of ASC from January 1 to December 31, 2024, focusing on the economic, environmental, and social dimensions. Subsidiaries are not included in the scope of data disclosure, except for financial data which includes consolidated financial information of subsidiaries. Other disclosures mainly pertain to parent company only, with coverage including the Changbin production plant and warehouse in Taiwan, as well as operational offices in Taipei, Hsinchu, and Tainan. The scope of data and information disclosed in this report are consistent with the annual report (January 1 to December 31, 2024).

During the reporting period, there were no significant restatements of information. The adjustments made were based on the updated GRI to identify stakeholders and material topics, as detailed in sections “1.2 Stakeholders Communication” and “1.3 Identification of Material Topics”.

## Editorial principles and external assurance

This report complies with the latest GRI Standards (2021 version) issued by the Global Reporting Initiative (GRI) as its framework for sustainability disclosures. Additionally, it utilizes the Task Force on Climate-related Financial Disclosures (TCFD) framework, the FSC's Sustainability Indicators (chemical industry), and the Sustainability Accounting Standards Board (SASB) standards. These frameworks are employed to encompass significant issues of concern to stakeholders and to provide information on environmental, governance, and social aspects.

The Company has incorporated the preparation and verification of the assurance of the report into the Company's internal control system. External assurance for this report has been entrusted to Ernst & Young (EY). Financial accounting-related information has been audited and certified by Deloitte Taiwan. Ernst & Young (EY), based on the guidelines set forth by the Accounting Research And Development Foundation, issued Assurance Standard Bulletin No. 3000, “Assurance Engagements other than Audits or Reviews of

Historical Financial Information”. Under these standards, ASC conducted a limited assurance engagement on the seven disclosure indicators in the chemical industry disclosed in its 2024 Sustainability Report, as outlined in “Appendix 1-2 of Article 4 of the Operating Procedures for Preparation and Submission of Sustainability Reports by Listed Companies”. For details on the specific assurance items and scope, please refer to Appendix V: “CPAs' Limited Assurance Report” in this report.

## Report publication date

The financial reporting period is from January 1 to December 31, 2024, and it is issued on the same annual frequency as the Sustainability Report. The Company issues the Sustainability Report on a regular basis every year, and this is the fourth issuance by ASC.

Current issued version: Issued in August 2025

Scheduled publication date of the next report: August 2026

## Contact Information

If you have any questions or suggestions about the content or activities of this report, you are welcome to contact us.

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# I. Sustainable development management framework

## 1.1 Sustainable development strategy

The Company's ESG Sustainability Committee is chaired by the Chairman, who collaborates with senior executives from various fields to review the Company's core operational capabilities and establish mid- to long-term sustainability development plans.

The Company has established "human rights policy" to protect the human rights of all employees (present employees, contract staff and temporary workers, interns, etc.). The human rights policy is announced to all employees and disclosed on the Company's website. New employees are also briefed on the policy upon joining, and regular announcements are made occasionally to reinforce awareness. In the "Sustainable Development Best-Practice Principles", ASC explicitly mentions that, to uphold social welfare, the Company strives to comply with relevant labor laws and international human rights conventions, protecting universally recognized basic rights and values such as gender equality, labor rights, and non-discrimination, etc.

To further uphold CSR, the Company established an ESG Sustainability Committee in 2022, following approval by the Board of Directors. Additionally, we formed a GHG inventory team within the same year, involving participation from various departments in our ESG sustainability efforts. Starting in 2025, the ESG Environment, Health, and Safety Office will be established under the General Manager's Office to coordinate environmental, social, and governance initiatives, ensuring policy continuity and alignment across all levels. Our goal is to achieve sustainability by emphasizing risk management, ethical corporate management, and dedication to energy conservation and carbon reduction. We focus on water resources, waste management, social welfare, and talent cultivation. Embracing the concept of a global village, we have established management policies addressing climate change and environmental considerations. These include policies on energy conservation and carbon reduction, GHG management, water conservation, and green procurement, etc. We have also formulated short-, mid-, and long-term reduction targets, requiring suppliers to commit to the implementation of corporate sustainability.

The ESG Sustainability Committee reports its

operations to the Board of Directors on a regular basis every year. During the reporting period, the Committee presented its report on March 8, 2024. The Company's ESG Sustainability Committee is chaired by the Chairman, who collaborates with various departments to promote ESG-related issues and policies. The ESG reports issued by the Company are integrated and published after being reviewed by the heads of various departments. The material matters in the report, which include issues such as risk management, ethical corporate management, and social welfare, are reported annually to the Board of Directors. Issues regarding GHG emissions are reported to the Board of Directors on a quarterly basis.

To provide clear direction and action plans for the company's sustainability efforts, the Board of Directors, on December 25, 2024, reviewed the annual risk assessment report and extended it to formulate short-, medium-, and long-term sustainability strategy goals, which will be launched in 2025.

### Sustainable Development Strategy:

Short-term: Develop affordable renewable energy infrastructure and promote energy-saving and carbon reduction in response to climate action.



Mid-term: Focus on sustainable cities and community economic development to create long-term impact.



Long-term: Achieve responsible sustainable production and strengthen strategic partnerships.



The following is a summary of key material events communicated to the Board of Directors by each unit:

Characteristics	Communication method and frequency	Communication results
<b>Environmental aspect</b>	<ol style="list-style-type: none"> <li>1. Board of Directors meeting (quarterly)</li> <li>2. TReport on energy and fossil fuel consumption, as well as waste generation., and the emissions of GHG.</li> </ol>	<ol style="list-style-type: none"> <li>1. The ESG Sustainability Committee reports to the Board of Directors on a quarterly basis. Report contents include:               <ol style="list-style-type: none"> <li>(1)The usage of purchased electricity and the resulting carbon emissions are presented to the Board of Directors, which provides guidance for improvement.</li> <li>(2) Water resources are managed in accordance with the discharge standards set by the Changhua County Government for the Changbin Industrial Park. Our high-quality discharge meets these standards and has shown no abnormalities this year. We will continue to maintain compliance with the government-regulated standards.</li> <li>(3) We monitor waste generated during the production process, classify it accordingly, and ensure it is handled by licensed waste management contractors. This approach aims to reduce environmental impact through proper sorting and responsible recycling practices.</li> <li>(4) Disclosed the purchase and usage of diesel and liquefied petroleum gas in manufacturing processes, with the addition of gasoline consumption for official vehicles newly reported this year.</li> </ol> </li> <li>2. In line with international environmental trends, we align with government initiatives to develop as a core focus of our current industry efforts. Strengthen ASC's production management, process improvements, pollution prevention, environmental design, and resource recycling to enhance environmental quality and green competitiveness. In 2024, the company initiated the construction of a self-use solar power system, expected to be completed in 2025.</li> <li>3. If suppliers have significant violations of environmental regulations, ASC's Procurement Section will promptly contact them by phone to express concern and provide assistance with relevant information.</li> </ol>

Characteristics	Communication method and frequency	Communication results
<b>Economic Aspect</b>	Board of Directors meeting (quarterly)	<ol style="list-style-type: none"> <li>1. Due to the government's concerns over energy shortages impacting production and the economy, and facing rising energy costs, the company has strengthened energy-saving awareness campaigns and is evaluating plans for self-use renewable energy. Additionally, the company has invested in solar power installation to mitigate increasing energy-related expenses.</li> <li>2. Evaluate the cost expenditures associated with solar power from a sustainable energy perspective.</li> <li>3. Report the new product development plan, results and progress to the Board of Directors, and provide the basis for decision-making on the Company's product direction and budget allocation.</li> <li>4. The annual risk management assessment and integrity management promotion report are guided and advised by the Board of Directors.</li> </ol>
<b>Social Aspect</b>	<ol style="list-style-type: none"> <li>1. Board of Directors meeting (annually)</li> <li>2. Communication meetings between independent directors, head of audit, and CPAs.</li> </ol>	<ol style="list-style-type: none"> <li>1. The internal evaluation for 2024 has been completed, and the scores of the Board of Directors, individual board members and functional committees all remain above 93, and the performance has been evaluated as good with no necessity for improvement.</li> <li>2. In 2024, a total of 8 Board of Directors meetings, 3 Compensation Committee meetings, and 6 Audit Committee meetings were held.</li> <li>3. Held a total of 4 meetings between independent directors and the head of audit.</li> <li>4. Held a total of 2 meetings between independent directors and CPAs.</li> <li>5. Support disadvantaged children through donations and assist community volunteer services.</li> <li>6. Report on the company's social engagement outcomes and any legal compliance violations.</li> <li>7. If suppliers violate major labor laws or engage in social issues, ASC's Procurement Department will immediately contact them by phone to express concern and provide relevant support.</li> </ol>

## 1.2 Communication with stakeholders

The company's stakeholder identification process involved holding identification meetings with senior management to discuss the selection of questionnaire participants, who were defined as ASC's key stakeholders for 2024. Stakeholders were categorized into seven groups and others: employees, financial institutions, local communities, government agencies, suppliers, customers, shareholders/investors, and others.

In the reporting year, stakeholder engagement was conducted through questionnaires. Based on the feedback received, the company assessed the actual level of impact—both positive and negative, as well as potential effects—and identified key issues of concern through a two-way evaluation process aligned with the annual risk assessment.

Stakeholders are very important to the Company, and ASC is committed to fulfilling its obligations. We value their concerns and incorporate their

feedback and expectations into our sustainability decisions. At the same time, we have established various communication channels and platforms to actively keep stakeholders informed about the Company's current status and future directions. We encourage stakeholders to provide feedback, suggestions, and needs, fostering effective communication for mutual understanding and trust.



Stake holders	Stakeholders' significance to the Company	Communication channel	Frequency	Communication effectiveness
Employee	1. Employees are the backbone of the Company's sustainability and the driving force behind our continuous growth. 2. The Company ensures fair and stable remuneration for employees to support their family needs and caregiving responsibilities, fostering peace of mind and mutual growth alongside the Company.	1. Internal website	Occasionally	1. An annual health examination is provided once a year. 2. Quarterly labor-management meetings are held, with a total of four meetings conducted annually. 3. Policies and employee benefits information are communicated in a timely manner. 4. The Company allocates employee welfare funds at levels exceeding regulatory requirements. 5. Both physical and electronic suggestion boxes are available for employee feedback.
		2. Provide internal and external education and training	Annually	
		3. On-site and Digital Bulletin Boards	Occasionally	
		4. Regular labor-management meetings are held	Quarterly	
		5. Diverse employee feedback channels, such as the employee feedback email	Occasionally	
		6. Employee Communication hotline Contact: Yu-Hung Chen Email:ivan@alliedsupreme.com Tel: 04-7582827	Permanent	



Stake holders	Stakeholders' significance to the Company	Communication channel	Frequency	Communication effectiveness
Suppliers	Suppliers, who provide the necessary raw materials for our production, rely on stable support from numerous suppliers and are indispensable stakeholders.	1. Supplier business review meeting	Occasionally	1. A total of 16 supplier business review meetings were conducted. 2. Sustainability questionnaires were distributed to and collected from 79 suppliers. 3. The Supplier Code of Conduct was promoted to 45 suppliers. 4. A total of 22 suppliers participated in sustainability awareness activities.
		2. Promotion of the Supplier Code of Conduct	Occasionally	
		3. Supplier follow-up audit	Occasionally	
		4. Supplier Sustainability Awareness Meeting	Occasionally	
		5. Supplier Feedback Contact Person: Ming-hua Lin Email: rita@alliedsupreme.com Phone: 04-7582827	Permanent	
Shareholders	Shareholders provide the capital necessary for the long-term development of the Company, serving as a critical foundation for sustainability. They are concerned with the Company's growth strategies and future development. ASC strives for steady growth and profitability to reward its shareholders.	1. Annual shareholders meeting	Once/year	1. AGM was held on May 30, 2024. 2. In 2024, a total of eight investor conferences were attended to help investors understand the operational overview of the Company. 3. The English versions of the Company's shareholders' meeting agenda handbook, the annual report and the meeting minutes are for investors' reference.
		2. Issuance of the Company's annual report	Once/year	
		3. Communication meetings and investor conferences	1 investor conference/quarter	
			Financial report once/quarter	
		4. Release material information on the MOPS or announce company news on the Company's website	Quarterly	
Banking institutions	Banks serve as another main source of operational funding alongside capital markets for raising funds. Through close communication and interaction with banks, companies can secure stable and competitive sources of operational funding.	1. Meetings, phone calls, emails	Occasionally	1. Visit arrangement. 2. Online meeting.
		2. Official correspondence	Occasionally	
		3. Bank or other creditors contact hotlines Contact: Ya-Fang Yin Email: cathy@alliedsupreme.com Tel: 04-7582827	Permanent	

Stake holders	Stakeholders' significance to the Company	Communication channel	Frequency	Communication effectiveness
Social welfare organizations	As a significant neighbor in the local community, we aspire to contribute to underprivileged groups through the effectiveness of our business operations, aiming to create a better future for these groups.	1. Long-term subscription to support local underprivileged groups their homemade products.	Every two weeks	1. The company catering services source ingredients produced by disadvantaged groups.
		2. Donations to disadvantaged groups	Occasionally	2. Donations to disadvantaged groups and volunteer services
		3. Participation in community activities	Occasionally	3. One marine beach cleanup event and one blood donation campaign were organized.
		4. Community Feedback contact hotline Contact: Yu-Hung Chen Email: ivan@alliedupreme.com Tel: 04-7582827	Permanent	4. The company participates in the Industrial Park Manufacturers' Association.
Customers	To provide comprehensive service, ASC regards customers perspectives and feedback as crucial references for continuous improvement and growth. Collaborating with customers fosters mutual growth and sustainability.	1. Customer satisfaction survey	Annually	1. Complete the annual customer satisfaction survey.
		2. Customer audit	Occasionally	2. Cooperate with customers in various types of annual audits.
		3. Customer technical seminars and briefings	Occasionally	3. Continuous improvement according to customer requirements.
		4. Online service systems and platforms	Occasionally	4. After-sales service for finished products.
		5. Communication meeting	Occasionally	5. Communicate and coordinate based on the needs of both parties.
		6. Questionnaire response	Annually	6. Complete various questionnaires requested by customers.
		7. Customer contact hotline Contact Person: Wen-Rong Chuang Email: simon@alliedsupreme.com	Permanent	7. In 2024, the average customer satisfaction score was above 4.5, accounting for 90.4% of the full score. All performance indicators exceeded the "satisfied" benchmark.

Stake holders	Stakeholders' significance to the Company	Communication channel	Frequency	Communication effectiveness
Government organizations	Our products, services, and related marketing practices are all subject to scrutiny and oversight by regulatory authorities. In addition to complying with the relevant regulations of government agencies, we actively cooperate with policy implementation, aiming to gain trust support, and cooperation through transparent two-way communication.	1. Official correspondence	Occasionally	1. Monitor and respond to official plans. 2. Cooperate with the implementation of government policies. 3. Comply with the laws and regulations formulated by the government.
		2. Participation in meetings (awareness meetings, briefings, seminars)	Occasionally	
		3. Government organization contact hotline Contact: Yu-Hung Chen Email: <a href="mailto:ivan@alliedupreme.com">ivan@alliedupreme.com</a> Tel: 04-7582827	Permanent	

## 1.3 Identification of material topics

The Company identifies material topics through a rigorous process to analyze issues that have a significant impact on our operations, business relationships, and sustainable development. We have identified the material topics for 2024. In the GRI 3 Material Topic Management, the concerns of various stakeholders will be effectively addressed. To ensure that the information disclosed in the Sustainability Report meets the needs of stakeholders, we follow 4 key steps of “understanding organizational context”, “identifying

actual and potential impacts of sustainability issues”, “assessing impact significance”, and “reporting on sustainability issues disclosure”. These steps help us determine the material sustainability topics.

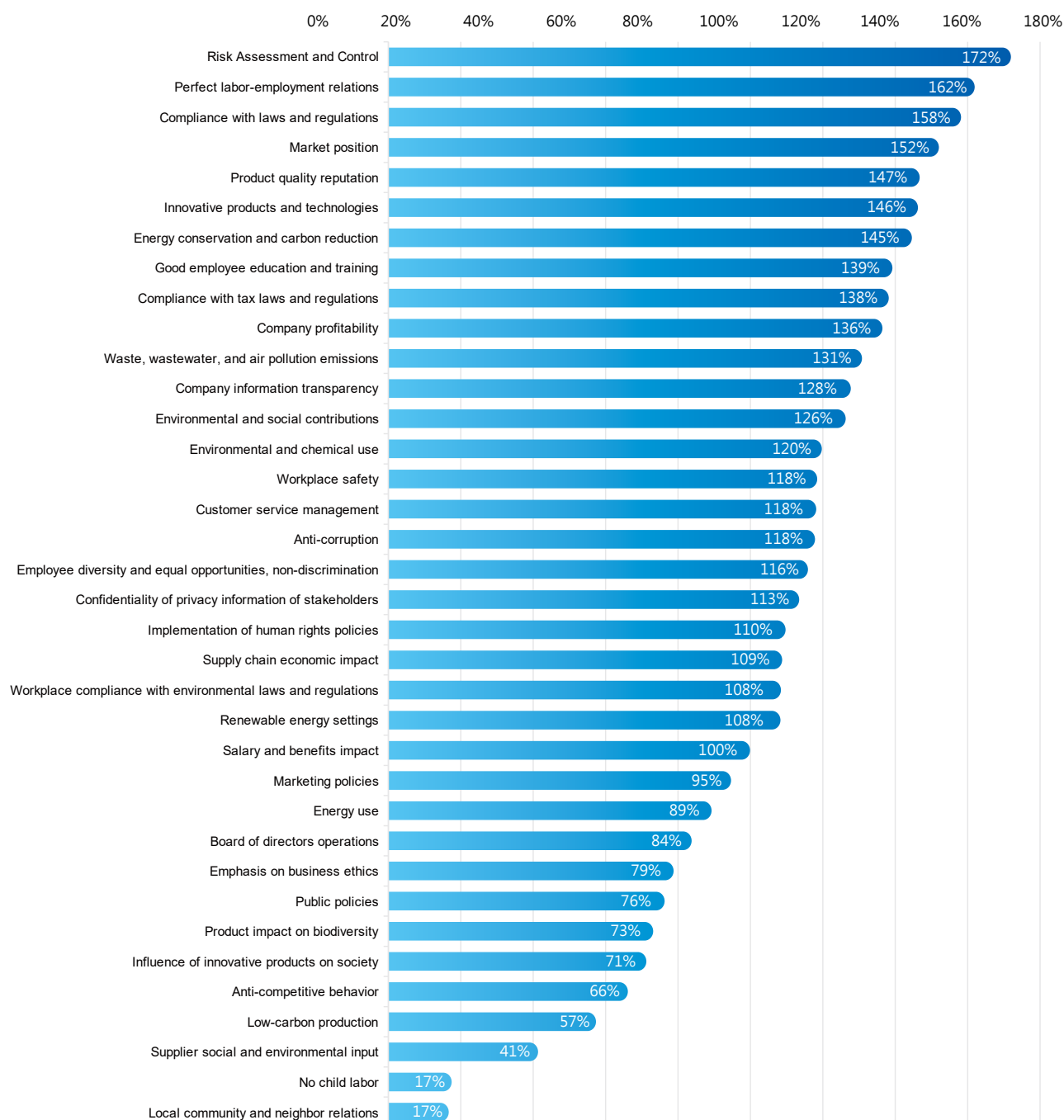
The Company has identified 11 material topics, namely “occupational health and safety”, “energy”, “economic performance”, “water and effluents”, “supplier social assessment”, “supplier environmental assessment”, “innovation in products and technologies”, “waste”, “local communities”, “environmental and social regulatory management”, “customer service management”, and “emissions”. “Emissions” is a newly added material topic compared to the previous version last year.

### 2024 Material Topic Identification Procedure of ASC

Item	Description	
<b>STEP 1</b> <b>Understanding organizational context</b>	To understand organizational context and identify sustainability issues, ASC refers to various frameworks and guidelines, including the Global Reporting Initiative (GRI) Standards, the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB), and the FSC’s sustainability indicators (chemical industry). Altogether, we have compiled 336 sustainability issues covering aspects of corporate governance, economic, environmental, and social across these 4 sustainability dimensions.	4 major sustainability aspects 36 sustainability issues
<b>STEP 2</b> <b>Identifying actual and potential impacts of sustainability issues</b>	Based on the results of annual risk assessments conducted by various departments and stakeholder questionnaire feedback, sustainability topics are prioritized according to their level of importance across economic, environmental, and social (including human and labor rights) dimensions. A weighted scoring methodology is applied to determine the order of materiality. Topics with a total score exceeding 135 points are classified as ASC material topics. In addition, topics identified under the SASB Standards are automatically recognized as material, regardless of their scoring results.	
<b>STEP 3</b> <b>Assessing impact significance</b>	The scoring results were reviewed and approved through internal company meetings. Drawing on past operational experience, the significance and likelihood of each topic’s potential impact were evaluated to determine the material topics for ASC in the current reporting year.	A total of 16 material topics
<b>STEP 4</b> <b>Reporting on sustainability issues disclosure</b>	After the material topics were confirmed, each responsible department conducted integration, comprehensive evaluation, or consolidated disclosure based on their respective business functions. The final outcome was the formulation of 16 material topic management disclosures, which are communicated and responded to through the Sustainability Report to stakeholders.	



## Identification of material topics



### Ranking of ASC's material topics

1 Risk assessment and control	2 Improvement of labor-employment relations	3 Compliance with laws and regulations	4 Market position 5 Product quality reputation	5 Product quality reputation
6 Innovative products and technologies	7 Energy saving and carbon reduction	8 Good employee education and training	9 Compliance with tax laws and regulations	10 Company profitability

## List of Material Topics

### Risk Assessment and Control

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
Risk management is a critical aspect of the Company's operations. Through annual risk assessments, the Company identifies existing and potential gaps, enabling the implementation of preventive and corrective measures to reduce losses and mitigate risks in a timely manner. In the current reporting year, risk management has emerged as a primary concern for stakeholders and reflects the Company's core competency in corporate governance.	Inadequate risk prevention and response capabilities may lead to significant economic losses, increased future costs, and inefficient use of corporate resources.	<p>Potential Impact:</p> <p>Failure to properly assess risks may result in the absence of preventive measures when risks occur.</p> <p>Positive Impact:</p> <p>Efficient risk control helps prevent the occurrence of various risks and hazards.</p> <p>Negative Impact:</p> <p>While risks are effectively identified and mitigated, the associated preventive efforts may lead to increased costs, potentially affecting business operations.</p>	<p>The Company (Direct impact)</p> <p>Employees (Direct impact)</p> <p>Suppliers (Indirect impact)</p> <p><b>Corresponding indicators</b></p> <p>Custom Topic</p> <p><b>Corresponding chapter</b></p> <p>2.5 Risk Control</p>

### Employee-Employer Relations

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
Harmonious labor relations are the driving force behind sustainable business development. Upholding this shared belief, all employees of the Company have worked together based on mutual trust, support, and understanding to cultivate a stable working environment and a strong corporate culture. This foundation has contributed to the Company's continuous growth and development. Moving forward, the Company remains committed to maintaining this harmony in pursuit of enhanced operational performance and the collective well-being of both shareholders and employees.	Harmonious labor relations indirectly influence employee performance and output, thereby contributing to stable business operations.	<p>Potential Impact:</p> <p>Employees' trust and loyalty toward the company may gradually decline.</p> <p>Positive Impact:</p> <p>Smooth and uninterrupted business operations.</p> <p>Negative Impact:</p> <p>Increased employee turnover and decreased productivity.</p>	<p>The Company (Direct impact)</p> <p>Employees (Direct impact)</p> <p>Suppliers (Indirect impact)</p> <p>Customers (Indirect impact)</p> <p>Shareholders (Indirect impact)</p> <p><b>Corresponding indicators</b></p> <p>GRI 2</p> <p>GRI 401</p> <p><b>Corresponding chapter</b></p> <p>5.1 Employee Overview</p>

## List of Material Topics

### | Environment and society Regulatory management

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
ASC enhances its green competitiveness in areas such as production management, process improvement, pollution prevention, and environmental performance by addressing environmental ecology, economic factors, and social regulations. The Company has established a clear mission and vision, which are cascaded into departmental operational objectives, with compliance with all relevant government regulations as a fundamental principle.	<p>Environmental regulations are becoming stricter worldwide. Companies need to improve green production technologies, adopt energy-saving and carbon reduction measures, and comply with both international and local environmental rules, including ESG disclosure requirements.</p> <p>Labor laws, workplace safety, and corporate social responsibility standards are also rising. Companies must provide safe and healthy work environments, follow work hour and wage laws, and promote good labor relations.</p> <p>Changes in global supply chains and trade policies, like tariffs, can affect business markets and costs.</p> <p>Expectations for corporate human rights responsibilities are increasing, including banning forced labor, child labor, discrimination, and ensuring labor rights compliance in the supply chain.</p>	<p>Positive Impact:</p> <p>Compliance with environmental and social regulations not only promotes environmental protection and sustainable resource use but also meets stakeholder expectations and legal requirements, thereby reducing operational impacts on the environment and society.</p> <p>Negative Impact:</p> <p>Failure to adhere to environmental and social regulatory requirements may result in legal penalties and damage stakeholders' confidence in the company's operational capabilities.</p>	<p>The Company (Cause)</p> <p>Shareholders (Enabler)</p> <p>Employees (Direct)</p> <p>Suppliers (Direct)</p> <p>Government Agencies (Direct)</p> <p>Community Residents (Direct)</p> <p>Financial Institutions (Enabler)</p> <p>Customers (Enabler)</p> <p><b>Corresponding indicators</b></p> <p>Custom Topic</p> <p><b>Corresponding chapter</b></p> <p>2.6 Strict compliance with laws and regulations</p>

### | Market Position

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
ASC has been deeply rooted in the fluoropolymer industry for many years. Leveraging outstanding technical expertise and consistent product quality, ASC has established a strong competitive position in the global market. The products manufactured by ASC are widely applied in key industries such as semiconductors, petrochemicals, and specialty chemicals. With excellent properties including high-temperature resistance, chemical corrosion resistance, easy cleaning, and processability, ASC has earned high trust from customers both domestically and internationally.	<p>Currently, ASC's product sales cover major markets including Asia, North America, and Europe, with Asia accounting for the largest share. The company holds a competitive advantage particularly in the semiconductor, electronic-grade chemicals, and precision manufacturing industries in Taiwan, Japan, and Mainland China.</p> <p>Through global strategic planning and localized operations, ASC continues to expand its international market presence and has established long-term, stable partnerships with key customers.</p>	<p>Positive Impact:</p> <p>With outstanding production capacity and technical expertise, the Company holds a leading position in the global fluorine processing industry and is one of the few suppliers in the advanced semiconductor manufacturing sector.</p>	<p>The Company (Cause)</p> <p>Customers (Cause)</p> <p>Employees (Indirect)</p> <p>Suppliers (Indirect)</p> <p>Shareholders (Indirect)</p> <p><b>Corresponding indicators</b></p> <p>GRI 201</p> <p>GRI 202</p> <p><b>Corresponding chapter</b></p> <p>2.2 Current operational status</p> <p>3.2 customer management and product quality</p>

## List of Material Topics

### | Product quality reputation

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
The Company continuously improves quality management and values maintaining open communication channels with customers. Through annual customer satisfaction surveys and regular or ad-hoc communication meetings, customer feedback is gathered to drive ongoing improvements. This enables the Company to provide better service quality and products, fostering a win-win relationship with customers.	The domestic chemical industry is a crucial part of the semiconductor supply chain. As a manufacturer in the chemical sector, the Company manages and maintains product quality to ensure the healthy development of the supply chain.	<p>Positive Impact:</p> <p>Good product quality is one of the cornerstones of business operations and helps enhance the company's brand value.</p> <p>Negative Impact:</p> <p>Failure to maintain quality may lead to hidden costs and loss of customer trust.</p> <p>Potential Risk:</p> <p>The alignment of new products with market demands requires continuous adjustment to ensure quality stability.</p>	<p>The Company (Cause)</p> <p>Employees (Indirect)</p> <p><b>Corresponding indicators</b></p> <p>GRI 417</p> <p><b>Corresponding chapter</b></p> <p>3.2 customer management and product quality</p>

### | Innovative products and technologies

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
<p>With the rapid development of the semiconductor industry and increasingly stringent environmental regulations, the Company is committed to innovating technologies to enhance semiconductor packaging applications. At the same time, the Company promotes sustainable development through wastewater and waste acid treatment as well as metal recycling.</p> <p>The Company also implements ESG (Environmental, Social, and Governance) policies, advances a circular economy to improve resource efficiency, and ensures environmental compliance and social responsibility throughout the supply chain.</p>	<p>Revenue Growth: New markets can expand sales revenue and profits. More efficient technologies can also reduce production costs and improve gross margins.</p> <p>Increased Development Costs and Risks: New products require significant capital investment and carry risks of development failure and timing delays. Failure to launch on schedule may increase external competition risks and reduce opportunities for early market positioning.</p> <p>Enhanced Market Competitiveness: Innovative technologies can differentiate the company in the market, thereby increasing added value and competitiveness.</p> <p>Brand Image and Social Responsibility: Implementing ESG policies and promoting sustainable environmental technologies can enhance social image and recognition.</p>	<p>Positive Impact:</p> <p>The development and innovation of products and technologies help enhance market competitiveness and market share, thereby driving business growth and creating greater economic value and industry advantages.</p> <p>Negative Impact:</p> <p>The development of innovative products and technologies may lead to increased resource consumption, causing adverse environmental and social impacts.</p>	<p>The Company (Cause)</p> <p>Suppliers (Direct)</p> <p>Customers (Facilitator)</p> <p>Government (Direct)</p> <p>Competitors (Indirect)</p> <p><b>Corresponding indicators</b></p> <p>GRI 201</p> <p>Custom Topic</p> <p><b>Corresponding chapter</b></p> <p>2.2 Current operational status</p> <p>3.2 customer management and product quality</p>



## List of Material Topics

### Energy

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
<p>"The 2050 net zero carbon emissions" has become a global consensus, severely impacting corporate profitability amid the spread of pandemics, energy crisis, and rapid climate change. As an island nation, Taiwan has been striving in recent years to enhance energy independence and diversification, making this aspect of the issue even more critical. ASC has been actively collaborating with the government to develop renewable energy projects. At the Changbin Plant, we have installed solar panels with the goal of reducing carbon emissions, aligning with government energy-saving policies.</p>	<p>Global energy prices remain volatile as renewable energy plans expand. Companies need to adjust their energy use strategies quickly. Domestic electricity demand keeps rising, and changes in policies and tariffs will affect operating costs. Supply chain carbon reporting requirements are increasing, so companies must meet international energy management standards to stay competitive.</p> <p>Climate change causes more extreme weather, affecting energy supply stability. Companies need stronger risk management. Although renewable energy is growing, energy storage and grid management still need improvement, which affects the ability to buy green energy.</p> <p>Carbon reduction requirements are rising, so companies must keep promoting energy-saving measures to meet global standards. Energy transition should also be fair and protect vulnerable groups from price hikes. Improving employee energy awareness through training is important.</p>	<p>Positive Impact: Implementing energy management strategies and actively promoting energy saving and carbon reduction help reduce impacts on the environment and society.</p> <p>Potential Impact: If energy is not properly managed, it may lead to energy waste, indirectly affecting the company's image and reputation.</p>	<p>The Company (results in) Suppliers (directly related) Social welfare organizations (directly related) Government organization (facilitation) Banking institutions (facilitation)</p> <p><b>Corresponding indicators</b> GRI 302 SASB RT-CH-130a.1</p> <p><b>Corresponding chapter</b> 4.3 Energy control</p>

### Employee Education and Training

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
<p>The company emphasizes talent development and training programs to foster a learning organization. It encourages continuous learning and self-improvement, supporting employees' ongoing professional development to meet the challenges of a constantly changing external environment. This approach aims to achieve a win-win outcome of "growing together and sustaining long-term business success."</p>	<p>Understanding and complying with labor laws facilitates smooth company management and operations. Conducting employee training programs enhances staff competency and professional growth, fostering a win-win workplace environment.</p> <p>Employees are encouraged to participate in various courses to promote understanding of different cultures and races, creating a non-discriminatory workplace culture.</p>	<p>Positive Impact: Cultivating employees' organizational capabilities to meet future challenges, using the Talent Quality-management System (TTQS) as a benchmark for training quality. By aligning with the company's vision and strategic goals, a diverse training system is established to uphold the philosophy that talent development is fundamental to the enterprise, supporting the company's stable growth.</p> <p>Potential Impact: If employee training programs are not well-developed, it may lead to abnormalities in product manufacturing, analysis, and other services, resulting in serious operational issues.</p>	<p>The Company (results in) Employees (direct)</p> <p><b>Corresponding indicators</b> GRI 404</p> <p><b>Corresponding chapter</b> 5.3 Talent training</p>

## List of Material Topics

### Economic performance

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
Corporate sustainability is rooted in robust financial performance. ASC adopts a long-term, steady profitability approach as its operational policy, allocating resources reasonably to ensure employees receive optimal care and fostering mutually beneficial relationships with partners. This positive cycle helps to protect shareholders' maximum interests.	Economic aspect: If the Company's revenue falls short of targets and incur losses, it could lead to cash flow issues, making it impossible to pay salaries to employees.	Positive: Consistent and stable profitability is crucial for ensuring operations and maintaining market influences. This also helps in protecting and enhancing the rights and interests of shareholders and other investors. Negative: If the Company fails to effectively deliver operational results and meet targets, it will lose the trust of shareholders, other investors, and banking institutions, along with other relevant stakeholders.	The Company (results in) Suppliers (directly related) Employees (directly related) Banking institutions (facilitation) Customers (facilitation) <b>Corresponding indicators</b> GRI 201 <b>Corresponding chapter</b> 2.2Current operational status

### Waste

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
Nowadays, environmental pollution is becoming increasingly severe, leading to significant impacts on the environment such as waste management, which has always been an important issue that businesses need to address in terms of environmental management. Due to potential regulatory penalties in the future, the Company may face challenges that could affect our sustainability efforts. Therefore, effective waste management can help reduce overall operational costs. For packaging materials and other waste, actively promoting recycling and aiming for year-on-year reduction demonstrates our commitment to corporate social responsibility.	1. Environmental aspect: Reducing waste from packaging materials can decrease the volume of incinerated garbage, improving community air quality and enhancing residents' health. 2. Economic aspect: Handling waste typically requires investment in manpower, resources, and equipment. Facing annually increasing waste costs can have a significant impact on corporate profitability. 1. Human rights aspect: Waste is closely linked to human health. Reducing waste at the source can indirectly improve the health of residents in neighboring communities and reduce conflicts.	Positive Impact: Engaging qualified waste management contractors to record, monitor, and retain relevant data ensures no social pollution occurs. By promoting recycling and reuse, waste generation is reduced. Additionally, sourcing from suppliers with environmental considerations helps prevent environmental pollution from the origin.  Negative: If the Company does not prioritize effective waste management, it will cause disturbances in the local community and even lead to penalties from competent authorities.	The Company (results in) Suppliers (directly related) Social welfare organizations (directly related) Government organization (facilitation) <b>Corresponding indicators</b> GRI 306 <b>Corresponding chapter</b> 4.6 Waste management

## List of Material Topics

### | Water and effluents

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
Due to the nature of the industry, ASC is constrained by its reliance stable water resources, making both water source and quantity crucial factors for its ongoing operations. The office area utilizes domestic water, while in our manufacturing processes, a significant amount of secondary water is monitored and recycled through a monitoring system to increase water resource efficiency. We continue to cooperate with government regulations to create a sustainable and pollution-free environment.	<p>In compliance with government monitoring in the industrial park, all discharged water meets government standard limits.</p> <p>Water shortages in the production process would cause significant decline in the industry chain. Once reservoirs enter dry periods, the company's operations will be severely impacted.</p>	<p>Positive: The company continuously promotes water-saving initiatives and utilizes an in-plant monitoring and recycling system to effectively manage water resources and comply with discharge standards.</p> <p>Negative: Failure to regularly inspect and maintain pipelines and wastewater treatment could result in untreated wastewater causing pollution.</p> <p>Potential: As the company's main production site is located near the coast, inadequate control may impact marine ecosystems.</p>	<p>The Company (results in)</p> <p>Suppliers (directly related)</p> <p>Social welfare organizations (directly related)</p> <p>Government organization (facilitation)</p> <p><b>Corresponding indicators</b></p> <p>GRI 303</p> <p><b>Corresponding chapter</b></p> <p>4.5 Water resource utilization</p>

### | Supplier social assessment and supplier environmental assessment

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
<p>To strengthen and implement sustainable supply chain management, it is essential to establish a comprehensive and effective management system. Our company's Supplier Code of Conduct encourages and expects suppliers to implement the following:</p> <ol style="list-style-type: none"> <li>1. Obtain environmental permits and submit required reports.</li> <li>2. Prevent pollution and conserve resources.</li> <li>3. Identify hazardous substances and manage solid waste.</li> <li>4. Control air emissions and materials.</li> <li>5. Manage water resources and greenhouse gas emissions.</li> </ol>	<p>By setting clear requirements for suppliers, ASC demonstrates its strong commitment to achieving social and environmental goals, providing suppliers with guidelines to follow. Without explicit demands in these areas, suppliers may overlook important regulations, which could lead to greater damages if incidents occur in the future.</p> <p>The stable operation of suppliers depends on good coordination between employees and the environment. Effective employee communication reduces costs, while proactive environmental hazard prevention supports sustainable industry development. If ASC's key concerns are not clearly communicated to suppliers, they may neglect managing their human capital, potentially leading to disputes between their workers and the company, disrupting normal operations.</p>	<p>Positive: Ensuring stable operations from suppliers depends on mutual cooperation between employees and the environment. Good employee coordination reduces communication costs, while proactive environmental hazard prevention contributes to sustainable industry development.</p> <p>Negative: If neglected to monitor suppliers' operations concerning environmental protection and social responsibility, any negative incidents that arise could indirectly impact the Company's operations and image.</p>	<p>The Company (results in)</p> <p>Suppliers (directly related)</p> <p><b>Corresponding indicators</b></p> <p>GRI 308</p> <p>GRI 414</p> <p><b>Corresponding chapter</b></p> <p>3.3 Sustainable supply chain</p>

## List of Material Topics

### Occupational health and Safety

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
<p>Occupational health and safety is a critical focus for our company. Our occupational health and safety policy includes:</p> <ol style="list-style-type: none"> <li>1. Disaster prevention and risk control</li> <li>2. Effective communication and continuous improvement</li> <li>3. Enhanced training and health promotion</li> <li>4. Compliance with regulations and sustainable operations</li> </ol>	<p>A safe working environment allows employees to work with confidence, peace of mind, and dedication. It also indirectly enhances the company's corporate image, reassuring employees' families and encouraging their support for the company.</p> <p>A safe workplace ensures stable production operations, reducing the risk of work stoppages and enabling smooth supply chain management.</p> <p>Serious occupational safety incidents, such as fires or airborne dust, can cause environmental pollution.</p> <p>Emphasizing occupational health and safety improves the company's social image, strengthens human rights protection, and reduces inequality and discrimination.</p>	<p>Positive:</p> <p>Implementing an occupational safety management system and providing training enables employees to effectively respond to workplace incidents and reduce occupational hazards, while also enhancing the company's reputation.</p> <p>Negative:</p> <p>If the company fails to properly enforce occupational safety and health management, employees may be exposed to potential risks, leading to higher turnover rates and loss of trust from employees and other stakeholders. Relevant departments or personnel may suffer financial, physical, and psychological damages due to occupational accidents, and legal liabilities may arise.</p> <p>Catastrophic occupational accidents can also negatively impact the living quality of nearby residents.</p>	<p>The Company (results in)</p> <p>Suppliers (directly related)</p> <p>Employees (directly related)</p> <p>Government organizations (directly related)</p> <p>Social welfare organizations (directly related)</p> <p>Customers (facilitation)</p> <p><b>Corresponding indicators</b></p> <p>GRI 403</p> <p><b>Corresponding chapter</b></p> <p>5.4 Occupational safety and health</p>

### Local Communities

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
<p>As a local enterprise, we are actively assisting in enhancing the operational capabilities of underprivileged groups within the community, thereby creating social impact. By integrating the Company's resources with the needs of underprivileged groups, we establish long-term cooperation mechanisms that are mutually beneficial. This approach allows us to share the Company's operational successes with the local community, benefiting more underprivileged groups and collectively creating a better future.</p>	<ol style="list-style-type: none"> <li>1. Environmental aspect: Organizing public welfare activities, inviting colleagues and their families to participate in maintaining the surrounding environment, thereby promoting the concept of environmental sustainability.</li> <li>2. Human rights: Prioritizing corporate social responsibility by fostering mutualistic relationships with the local communities through reciprocal assistance.</li> </ol>	<p>Positive: Effectively implementing corporate social responsibility initiatives can enhance the Company's operational image and efficiency.</p> <p>Negative: Violating relevant labor and environmental regulations can potentially affect local residents' rights to fair housing and safety.</p>	<p>The Company (results in)</p> <p>Social welfare organizations (directly related)</p> <p>Government organization (facilitation)</p> <p><b>Corresponding indicators</b></p> <p>GRI 413</p> <p><b>Corresponding chapter</b></p> <p>6.1 Participation in social welfare</p>



## List of Material Topics

### Customer service management

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
ASC values maintaining open communication channels with customers. Through annual customer satisfaction surveys and regular/occasional communication meetings, we continuously improve based on customer feedback, striving to provide better service quality and products, and creating a win-win situation with our customers.	<ol style="list-style-type: none"> <li>1. Economic aspect: Good customer service management can help improve customer loyalty and satisfaction, Leading to stable growth of the Company's operational performance.</li> <li>2. Environmental aspect: Effective customer service management can help the Company improve operational efficiency, reduce resource waste, and minimize negative environmental impacts, aligning with the requirements of sustainable development.</li> <li>3. Human rights aspect: Improve customer services and meet customer needs to protect the rights and interests of customers and stakeholders.</li> </ol>	<p>Positive: Establishing effective customer service management can effectively protect customer rights and generate more customer sources, thereby enhancing the Company's operational performance.</p> <p>Negative: If customer service management is improper, it may lead to rights of customers or employees being compromised. For example, ignoring product safety issues or providing insufficient safety training for personnel can result in potential legal risks and negative public perception.</p>	<p>The Company (results in)</p> <p>Suppliers (directly related)</p> <p>Customers (directly related)</p> <p><b>Corresponding indicators</b></p> <p>Custom Topic</p> <p><b>Corresponding chapter</b></p> <p>3.1 Customer service management</p>

### Emissions

Descriptions of organizational material topics related to policies or commitments	Describe the impact	Actual/Potential Positive/Negative	Organizations primarily affected
Due to rapid climate change and global warming, ASC actively cooperates with government regulations to control greenhouse gas and other pollutant emissions. The company conducts greenhouse gas inventories and actively invests in solar energy installations. Additionally, ASC reports air pollution and monitors wastewater from production processes to reduce emissions, thereby minimizing the environmental impact of its operations.	Emissions from the chemical industry can lead to environmental pollution, and subsequent environmental remediation costs are often significant. ASC actively promotes greenhouse gas inventory and reduction efforts, adopting green and recycling practices to create added value. Reducing emissions helps protect our right to live and work, while factory emissions may directly or indirectly impact the health of employees and local residents.	<p>Positive:</p> <p>The company's compliance with laws and regulations is closely monitored by stakeholders and investors. Operating in accordance with relevant regulations allows the company to demonstrate good performance externally, thereby increasing opportunities for investment in ASC.</p> <p>Negative:</p> <p>Continued high energy consumption without implementing energy-saving measures, combined with increasingly strict regulations, may result in the company facing regulatory constraints or fines in the future.</p> <p>Customers' industries may be required by regulations to ensure that ASC also complies, which could increase the company's improvement costs.</p>	<p>The Company (Cause)</p> <p>Suppliers (Direct)</p> <p>Local Community Residents (Direct)</p> <p>Government (Direct)</p> <p>Banking Institutions (Facilitator)</p> <p><b>Corresponding indicators</b></p> <p>GRI 305</p> <p><b>Corresponding chapter</b></p> <p>4.4 Emission Mitigation</p>

## II. Ethical governance

### 2.1 About ASC

ASC was founded in 1981 by Mr. Shih-Lu Chen and Mr. Sheng-Kuo Hsieh. To this day, ASC continues to uphold the founder's philosophy, adhering to principles of fairness, integrity, and transparency. With a management style that recognizes talents and grants full empowerment, the company has cultivated a lean and efficient management team. ASC has evolved from specializing in early-stage Teflon coatings, spraying OEM, and processed products to diversifying fluoropolymer resin products. We cater to customized demands, enhancing production process technology. From fluoropolymer resin materials to diversified material application technologies and integrated equipment engineering methods, we provide comprehensive services in Taiwan. These are applied across chemical, pharmaceutical, panel, and semiconductor industry chains. Through the relentless efforts of its founders in innovation, R&D of fluoropolymer resin product characteristics, patent applications, and development of new engineering methods, ASC's products have earned customer appreciation, recognition, and recommendations. Whether in domestic or international markets, the Company enjoys a strong reputation for quality and technology.

ASC's products are not only supplied to industries in Taiwan and Mainland China but are also gradually expanding into international markets such as the United States, Japan, and South Korea. The Company established the Semiconductor Industry Division in 2000, providing Taiwan's semiconductor chemical industry chain, which traditionally relied heavily on high-purity semiconductor chemicals, production, storage, and transportation equipment from Japan, with local and fully integrated supply service option. This also contributed to significant expansion in ASC's operations, laying the foundation for its indispensable position in the global fluoropolymer processing industry. Capable of using new fluoropolymer raw material consistently and attaining the advantage of production autonomy, ASC is able to supply the latest fluoropolymer application products and full-fledged services to its global customers.

After years of development, ASC has established a number of sales locations and manufacturing centers in Taiwan and Mainland China to provide customers worldwide with high-quality products and services and to pursue long-term harmonious development between enterprise and society.

Company Overview	
Company name	Allied Supreme Corporation
Date of establishment	October 19, 1981
Industry category	Chemical industry
Market category	Listed
Location of corporate headquarters	Headquarters/Taipei Office Address: (10461) 4F., No. 12, Minzu E. Rd., Taipei City

### Other operational sites of the Company



**China**

**ASC 上品兴业氟塑料(嘉兴)有限公司**  
ALLIED SUPREME/JIA XING CORP.

**Jiaxing Factory**  
Address: (314001) No. 197, Tiandaigao Rd., Chennan St., Jiaxing E&Zone, Zhejiang Prov., China



**Taiwan**

**ASC 上品綜合工業股份有限公司**  
ALLIED SUPREME CORP.

**Headquarters/Taipei Office**  
Address: (10461) 4F., No. 12, Minzu E. Rd., Taipei City

**Changhua Factory**  
Address: (50741) No. 20, Xiangong S. 2nd Rd., Xianxi Township, Changhua County

**Tainan Office**  
Address: (74442) No. 184, Zhongshan Rd., Xinshi Dist., Tainan City

**Hsinchu Office**  
Address: (302052) No. 30, Jiafeng 8th St., Zhubei City, Hsinchu County

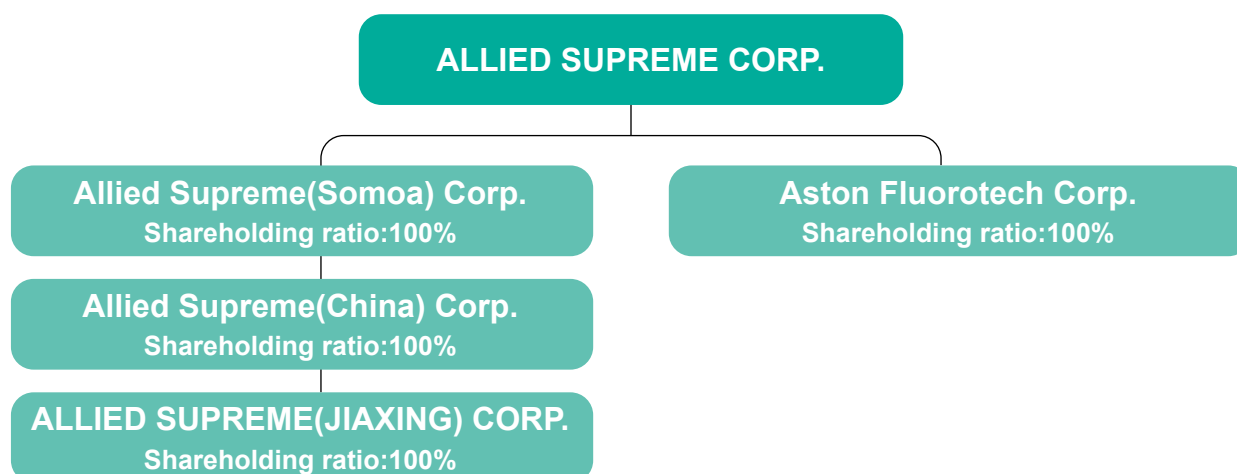


**U.S.A.**

**AFTC ASTON FLUOROTECH CORP.**

**United States Office**  
Address: 19013 S 211th Place, Queen Creek, AZ 85142

### Affiliated enterprise organizational chart



Company Name	Date of establishment	Address	Paid-in capital	Main business or products
Allied Supreme(Somoa) Corp.	2006/6/14	Samoa	373,284	Overseas investment holding
Allied Supreme(China) Corp.	2006/6/14	Samoa	373,284	Overseas investment holding
Allied Supreme Corporation (Jiaxing Factory)	2007/1/31	Z h e j i a n g Province, China Jiaxing City	604,005	Manufacturing and sales of special functional composite materials and products
Aston Fluorotech Corp.	2019/1/7	U.S.A.	18,537	Trading of special functional composite materials and products

### External association participation

The Company actively participates in major associations, unions, and other industry organizations. Apart from leveraging these platforms for exchanging operational experiences and networking with peers, we engage in various seminars and international conferences. This enables us to exchange the latest market trends, supply and demand changes, and technical information with the industry, aiming to grasp market dynamics and contribute to the overall industry. Below are the qualifications and memberships that ASC effectived in 2024:

Name of public association	Association characteristics
<b>The Allied Association for Science Park Industries</b>	Serving as a bridge for the government policy dissemination and communication of industry opinions, facilitating integration of industry perspectives.
<b>Taiwan Electronic Manufacturing Equipment Industry Association</b>	Promote the development of Taiwan's electronic manufacturing equipment industry by enhancing the domestic supply chain system. The focus is on the supply chains of semiconductor manufacturing, packaging and testing, compound semiconductors, new energy, optoelectronics, and display technologies. Efforts are made to advance the localization of equipment, materials, components, and key modules, while strengthening international cooperation and overseas market expansion, thereby facilitating industrial transformation and upgrading and creating new business opportunities.
<b>Taiwan High-Tech Factory Facilities Association</b>	To become a globally leading organization specializing in key technologies for high-tech facility infrastructure.
<b>Changhua County Changbin Industrial Park Factories Association</b>	Thriving industrial zones, proactive innovation coordination, and collaboration with various manufacturers towards new emerging developments.
<b>SEMI International Semiconductor Industry Association</b>	The Global Semiconductor Industry Association assists the Company in expanding market operations and addressing industry challenges.
<b>Computer Audit Association</b>	Assist in academic R&D in enterprise computer audit and system control security, as well as related technology exchanges.
<b>The Institute of Internal Auditors-Chinese Taiwan</b>	Promotes the development of internal control and audit professional field through professional consulting and knowledge exchange.
<b>Taiwan Investor Relations Institute</b>	TIRI is an association that promotes the investor relations practices in Taiwan and facilitates integration into the international market.
<b>Taiwan External Trade Development Council</b>	Facilitates the expansion of foreign trade for various industries.

## Main products and services

ASC operates in the chemical industry, specializing in the manufacturing, processing, and trading of fluoropolymer resin application materials, fluoropolymer resin lining equipment, as well as the design and manufacturing of various chemical storage tanks, transportation pipelines, and conveying equipment for system engineering. Our main products are fluoropolymer resin materials, fluoropolymer resin coating, and fluoropolymer resin linings. These products are widely used in semiconductor equipment, biochemical technology, and precision chemistry industries that require high purity and high quality. The Company's customers include manufacturers in fluoropolymer resin

processing applications across industries such as semiconductor, pharmaceuticals, electronic chemicals, panels, biochemicals, petrochemicals, and traditional chemical industries.

ASC formulates product sales strategies and core offerings in alignment with market trends and regional demand across global markets. In regions such as Northeast Asia, Japan, and South Korea, the main products sold are fluoropolymer materials (sheets and tubes). In contrast, in Taiwan, China, the United States, Southeast Asia, and other regions, the focus is on the sales of fluoropolymer equipment and engineering services.

Products/Services				
Products or services	Sales region	Customer type	Sales volume	Sales volume unit
Fluorine lining equipment	Taiwan, China, USA, Europe, Southeast Asia	Electronics and petrochemical industries	4,644,264	NTD thousand
Fluorine lining pipe fittings	Taiwan, China, USA, Europe, Southeast Asia	Electronics and petrochemical industries	562,980	
Fluorine application materials	Taiwan, South Korea, USA, Europe	Electronics, petrochemicals, material industry	897,228	
Fluorine engineering revenue	Taiwan, China, USA, Europe, Southeast Asia	Electronics and petrochemical industries	352,927	

ASC operates in the midstream of the industry chain. Our main supplier categories include raw materials, barrels (iron barrels), iron materials, auxiliary materials (plastic, fiber cloth, pipe fittings, valves, fasteners, solvents, industrial machinery, packaging equipment), consumables (gases, metal hardware, mechanical components, hardware products, metal tools, electrical equipment), fixed assets (molds and fixtures, repair services), system engineering, and general expenses (labor insurance and office supplies, other expenses). The main raw materials most directly related to the production and manufacturing of ASC's products are PTFE and iron materials. Iron materials include barrels, flanges and pipe fittings. Due to origin and technical issues, bulk raw materials are difficult to obtain domestically and are mostly supplied from abroad. Secondary raw materials (auxiliaries) include plastics, valves, and fittings, with suppliers located both domestically and internationally.





## 2.2 Current operational status

Material Topic: Economic Performance	
<b>Material reasons for the topic</b>	Corporate sustainability is rooted in robust financial performance. ASC adopts a long-term and steady profitability approach as its operational policy, allocating resources reasonably to ensure employees receive optimal care and fostering mutually beneficial relationships with partners. This positive cycle helps to protect shareholders' maximum interests.
<b>Influence and impact</b>	<p>[Economic aspect]</p> <ul style="list-style-type: none"> <li>• Positive affect: Consistent and stable profitability is crucial for ensuring operations and maintaining market influences. This also helps in protecting and enhancing the rights and interests of shareholders and other investors.</li> <li>• Negative impact: If the Company fails to effectively deliver operational results and meet targets, it will lose the trust of shareholders, other investors, and banking institutions, along with other relevant stakeholders.</li> </ul>
<b>Policy/Strategy</b>	Review the Company's overall operational status to ensure alignment with our goals, making timely adjustments and improvements for continuous progress. We actively seek to acquire new domestic and international customers while strengthening relationships with existing ones to boost performance. In addition, the Finance and Accounting Department regularly reviews various financial indicators to achieve the goal of stable growth.
<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>• Short-term goals: <ul style="list-style-type: none"> <li>Monthly management meetings are held to track and discuss the operational status, allowing us to promptly understand the economic environment. We closely coordinate production and sales for integrated operations.</li> </ul> </li> <li>• Mid-term goals: <ol style="list-style-type: none"> <li>1. Prudent and steady capital expenditure investments are made to gradually enhance the ROE.</li> <li>2. Enhance global operational capabilities, strengthen strategic partnerships, and gradually expand overseas markets.</li> </ol> </li> <li>• Long-term goals: <ol style="list-style-type: none"> <li>1. Continuously develop and apply new fluorine products to maintain market competitiveness and drive future growth.</li> <li>2. Integrate the Group's resource allocation, continuously review investments in subsidiary businesses, and leverage the synergies of group operations.</li> </ol> </li> </ul>
<b>Management evaluation mechanism</b>	<ol style="list-style-type: none"> <li>1. Hold monthly management meetings, quality meetings, and production and sales meetings.</li> <li>2. The Audit Committee of the Company regularly reviews the financial statements for evaluation of operational performance during Board of Directors meetings.</li> <li>3. Regularly hold board meetings to report operational performance to directors.</li> <li>4. Track the operational performance of reinvested companies.</li> </ol>
<b>Performance and adjustment</b>	<ol style="list-style-type: none"> <li>1. Meetings were convened and performance reviews were conducted with a 100% completion rate.</li> <li>2. In 2024, the Company recorded a net income after tax of NT\$1,732,764 thousand, with earnings per share (EPS) of NT\$21.68. The earnings distribution ratio for 2024 was 55.35%. The Company remains committed to a stable dividend policy and aims to generate long-term investment value for shareholders.</li> </ol>
<b>Preventive or remedial measures</b>	<p>The Company holds monthly senior management meetings to review the overall operational status from the perspectives of finance, sales, production, quality, procurement, and R&amp;D. We assess alignment with our goals and make timely adjustments to set and improve targets, aiming for continuous progress.</p> <p>Grievance system: We value shareholders' opinions, and adhere to our corporate governance practices by implementing a spokesperson system and maintaining a contact person for investor relations. This ensures the protection of investor rights. Stakeholders can give feedback via phone, email, the Company's website, or the external complaints channel. The Company has set up a contact channel for the spokesperson: CFO Yen-Chih Liu (04) 758-2827 or the stakeholder email: IR@alliedsupreme.com.</p>

## Performance

As we enter the post-pandemic era amidst economic recovery, ASC maintains a steady and cautious approach, balancing profitability with a commitment to sustainable development. In 2024, the Company's operating net revenue was NTD 6,457,399 thousand, which represents a slight decrease compared to the previous year's of NTD 5,692,353 thousand. The slight increase in

net operating income compared to the previous year is mainly due to unfavorable factors such as the liquidation of global terminal electronic consumer product inventories, downward revisions to semiconductor equipment capital expenditures, and delayed plant construction progress, which has led to a relatively flat overall demand in the semiconductor industry compared to previous years.

Economic performance in the past three years			
Item/Year	2022	2023	2024
Operating revenue (NTD thousand)	6,138,088	5,692,353	6,457,399
Gross profit (NTD thousand)	2,765,339	2,643,996	2,629,932
Operating profit/loss (NTD thousand)	2,132,205	2,002,947	2,004,098
Non-operating income and expenses (NTD thousand)	49,511	78,177	130,287
Net income before tax (NTD thousand)	2,181,716	2,081,124	2,134,385
Net profit after tax of the current period (NTD thousand)	1,776,017	1,683,253	1,732,764
Total comprehensive income for the current period (NTD thousand)	1,799,422	1,635,260	1,855,117
EPS (NTD)	22.54	21.22	21.68
Amount of employee benefits (NTD thousand)	820,733	830,055	850,890
Dividends (NTD thousand)	948,444	959,712	959,712
Payments to the government (NTD thousand)	451,103	836,790	580,424
Community investment (NTD thousand)	60	165	1,100

Note:

1. Payments to the government refer to all taxes (including business tax, income tax, and property tax) and fines.
2. "Employee welfare expenses" refer to the total amount allocated by the Company for salaries, labor and health insurance, retirement pensions, meal allowances, training expenses, and employment stabilization funds. This category also includes funds allocated to welfare committees for employee benefits, used for purposes such as cultural purchases, employee trips, birthday celebrations, holiday bonuses, etc., encompassing the total cost of benefits provided to employees.
3. Community investment refers to donations of funds or supplies.
4. The currency is NTD.

## Government financial subsidies

In 2024, ASC adhered to government-established subsidy conditions and secured 5 subsidies from various sources including the Workforce Development Agency, Ministry of Labor, Taichung-Changhua-Nantou Regional Branch, Bureau of Labor Insurance, Ministry of Labor, Industrial Technology Research Institute, Workforce Development Agency, Ministry of Labor, and Importers and Exporters Association of Taipei. These subsidies were used to enhance employee welfare and improve corporate operations.

Item	Subsidized unit	Amount of subsidy (NTD)
Youth Employment Ultimate Program subsidy	Workforce Development Agency, Ministry of Labor, Taichung-Changhua-Nantou Regional Branch	310,333
Human resources improvement plan subsidy	Workforce Development Agency, Ministry of Labor	63,714
Pay subsidy for maternity examinations and paternity leave	Bureau of Labor Insurance, Ministry of Labor	21,328
Appropriation of subsidies by the International Trade Administration, Ministry of Economic Affairs	Importers and Exporters Association of Taipei	40,000
Total		435,375

A sound democratic society not only upholds the right of individuals to freely express their opinions, but also encourages active civic and political participation. The Company maintains a proactive and responsible stance on this matter. In 2024, the Company did not engage in any political contributions, in full recognition of and compliance with relevant laws and regulations. Should any political contributions be made in the future, they will adhere to the principles of transparency and openness to ensure all actions are properly disclosed and accountable.

## Tax policy

In recent years, both domestically and internationally, there has been increasing focus on corporate tax transparency and disclosure. The Company has established a “tax policy” that outlines the formulation and implementation of tax decisions, assessment of related risks, and adoption of appropriate strategies. This policy reflects our commitment to integrity and prudence, core principles that guide our business expansion strategies. This also aligns with our vision of practicing corporate social responsibility through responsible tax practices, aiming for mutual prosperity with society. We adhere to international policies to fulfill our tax responsibilities, effectively manage tax risks, and create long-term value for the Company.

ASC adheres to local tax regulations and legislative principles, ensuring accurate calculations of tax liabilities and timely filing and payment within statutory deadlines. Conduct comprehensive assessments of both local and international tax regulations changes, evaluating their impact and swiftly formulate corresponding decisions. The Company regularly discloses tax information to stakeholders through public channels such as financial statements and annual reports, ensuring information transparency. We maintain open and honest communication with national tax collection authorities, providing industry insights and perspectives to assist in improving the tax environment and systems. The Company adopts a legal and transparent tax incentive policies internally, ensuring compliance with legal principles and eligibility for tax reductions legitimately. The corporate structure and transactions are both designed in accordance with commercial substance, and not solely or primarily for the purpose of reducing tax liabilities.

The Company's Finance and Accounting Department is responsible for the overall taxation of the Company. For information regarding ASC's revenue report, AGM report, and corporate governance information, please refer to the “Investor Section” on the ASC website: <https://www.alliedsupreme.com/tw/investor-8>.



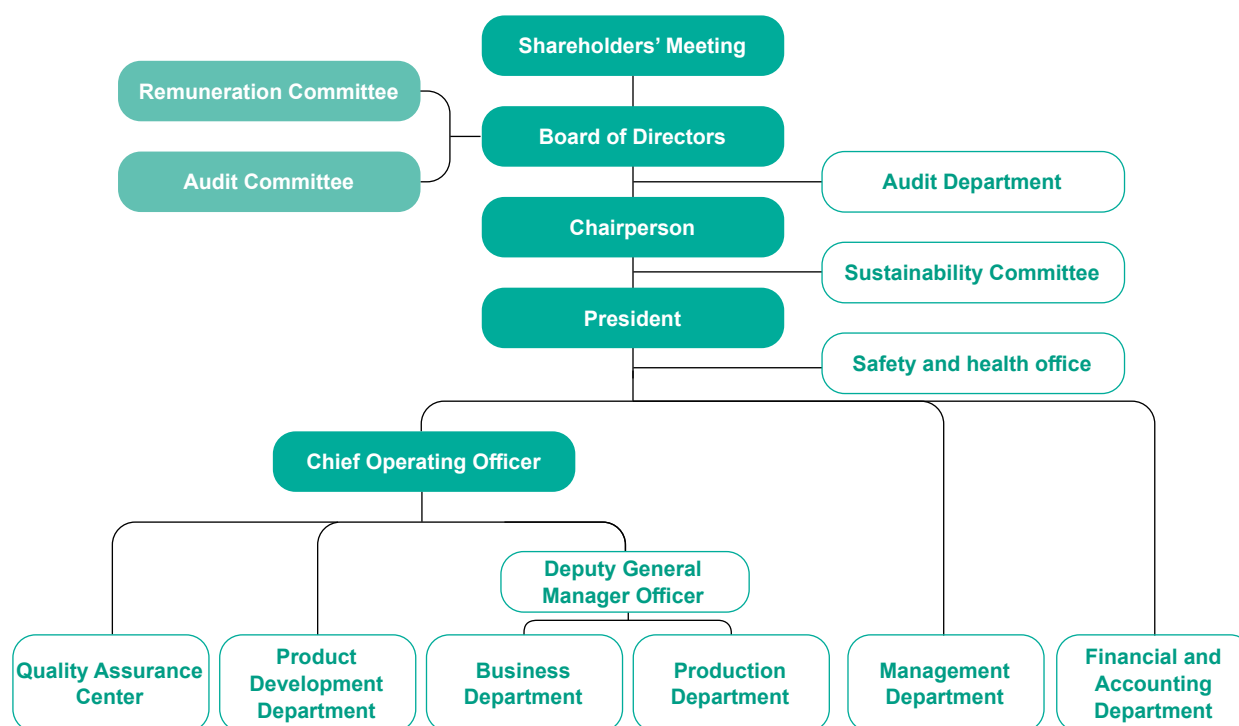
## 2.3 Focus on governance

### Corporate structure

ASC has formulated the "Corporate Governance Best Practice Principles" with reference to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and by considering the practical operations of the Company, and has disclosed a variety of information in accordance with the relevant laws and regulations to protect the rights and interests of investors, stakeholders

and employees. To establish a sound corporate governance system, the Company has set up functional committees under the Board of Directors, including the Remuneration Committee and the Audit Committee. In addition, within the Company, we have established committees such as the Sustainability Committee, the Employee Welfare Committee, and the Occupational Safety and Health Committee to oversee operations.

### Organizational chart of the Company



Functional Committees	Operational status of the committees
<b>Remuneration Committee</b>	<p>The Company's Remuneration Committee consists of a total of 3 members, all of whom are independent directors. The term of the current committee is from May 31, 2022 to May 30, 2025. The Remuneration Committee held 3 meeting in 2024. The Company has established Remuneration Committee. The number of committee members shall not be lower than three persons, and more than half of the members shall be assumed by independent directors. The Remuneration According to the Remuneration Committee's organizational charter, it must hold at least twice a year and may hold meetings at any time as needed. When necessary, the committee may also convene a meeting. The purpose of the committee is to assist the Board of Directors in assessing the connection between the remuneration standard of directors and managers, and the business performance of the Company. By fulfilling the following duties, the committee submits its proposal to the Board for discussion:</p> <ol style="list-style-type: none"> <li>1. Regularly review and propose amendments to the "Remuneration Committee Charter".</li> <li>2. Establish and regularly review the performance evaluation standards, annual and long-term performance targets, and policies, systems, standards and structures for remuneration of directors and managers of the Company.</li> <li>3. Regularly evaluate the achievement of the performance targets of the Company's directors and managers, and determine the contents and amount of their individual remuneration based on the evaluation results by the performance evaluation standards.</li> </ol>
<b>Audit Committee</b>	<p>The Company's Audit Committee is composed of four members, all of whom are independent directors. The current term of the committee members is from May 31, 2022 to May 30, 2025. In 2024, the Audit Committee convened 6 meetings.</p> <p>The Company has established an Audit Committee composed exclusively of independent directors as required by regulations. According to the Audit Committee Charter, the Committee shall convene at least once per quarter and may hold additional meetings as needed. The Audit Committee is responsible for overseeing the fair representation of the Company's financial statements, the appointment (termination) of CPAs and their performance, effective implementation of internal control, legal compliance and the control of existing or potential risks. Apart from submitting audit reports to independent directors for review every month by the Internal Audit Department, the Head of Internal Audit shall also report any major findings pertaining to internal control to the committee members and directors during Audit Committee and Board meetings. Furthermore, each quarter, independent directors shall hold at least one communication session with the Head of Internal Audit discussing major findings regarding internal control, as well as with the CPAs discussing the audit of consolidated financial statements (annual reports, including parent company only financial statements) or review of governance issues. The communication, including the method, issues and results shall be disclosed on the Company website under "Communications between independent directors and internal auditors and CPAs".</p>



In addition to the functional committees, the Company has established other internal operational committees:

Other committees within the Company	Participation status
Sustainability Committee	<p>The Company has established the Social Responsibility Committee in 2021. To align with government regulatory requirements for ESG sustainable management of listed companies, we renamed the committee to “Sustainability Committee” in 2022. Additionally, the “Corporate Social Responsibility Practices” we were renamed to “Sustainable Development Best Practice Principles”. This committee reports directly to the office of the Chairperson, with the Chairperson concurrently serves as the Chairperson of the Committee. The Committee includes senior executives from various fields to collectively assess the Company’s core operational capabilities, lead departments towards sustainable development, and present an annual report to the Board of Directors. The Committee is a continuation of the functions of the former CSR Team, established under the Office of the Chairperson on March 14, 2022. The Board of Directors authorized the Chairperson to concurrently serve as the Chairperson of the Committee, with the head of the Management Department as the secretary-general to manage and promote its activities.</p> <ol style="list-style-type: none"> <li>1. The Committee was formed as an extension of the original Corporate Social Responsibility (CSR) team and operates under the Office of the Chairman. It was established on March 14, 2022, with the Chairman authorized by the Board of Directors to serve as the Chief Commissioner, leading department heads in the implementation and promotion of sustainability management.</li> <li>2. The ESG Task Force is composed of cross-functional teams responsible for implementation, operations, and execution of sustainability initiatives each year. The Committee reports to the Board of Directors at least once annually on ESG performance and outcomes.</li> </ol> <p>In 2024, to enhance the effectiveness and breadth of ESG implementation, an Integrated Execution Team was newly established, forming the ESG, Environmental, and Occupational Safety Office. This office is responsible for coordinating efforts related to ESG, environmental issues, and human rights-related safety, while maintaining effective communication and project collaboration with all departments.</p>

### Occupational Safety and Health Committee

In accordance with the Occupational Safety and Health Management Regulations, the Company has established an Occupational Safety and Health Committee. The composition of the Committee complies with regulatory requirements, and meetings are held quarterly. In 2024, the implementation rate reached 100%.

Meeting date	Meeting topic
2024/1/15	<ol style="list-style-type: none"> <li>Enhanced promotion of workplace environment improvement and 5S practices.</li> <li>Reporting and recognition of 5S evaluation and competition results.</li> <li>Announcement of the annual safety education and training schedule.</li> </ol>
2024/4/1	<ol style="list-style-type: none"> <li>Promotion of examples of daily safety practices.</li> <li>Safety promotion for shipping and handling operations.</li> <li>Awareness campaign on proper chemical storage.</li> </ol>
2024/7/1	<ol style="list-style-type: none"> <li>Promotion of explosion-proof cabinet installation and usage.</li> <li>Safety promotion for daily production operations.</li> <li>Daily 6S promotion and improvement recommendations.</li> </ol>
2024/9/30	<ol style="list-style-type: none"> <li>Crane inspection and safety promotion.</li> <li>Safety promotion for product shipping and transportation.</li> <li>6S requirements for employee attire cleanliness.</li> </ol>

- Make recommendations for the occupational safety and health policies to be formulated by the employer.
- Occupational safety and health management plan.
- Safety and health education and training implementation plan.
- Operational environment monitoring plan, monitoring results, and measures taken.
- Health management, occupational disease prevention, and health promotion matters.
- Business unit self-inspection and safety and health audit matters.
- Review the investigation reports of occupational hazards.
- Undertake safety and health management matters.
- Other matters related to occupational safety and health management.

## Board members and diversity

ASC's highest governing body is the Board of Directors, responsible for the overall operation of the Company. They convene regular meetings to oversee the implementation of policies by management. The Board of Directors shall consist of 10 seats (including four independent directors). Members of the Board of Directors are generally required to possess the necessary knowledge, skills, qualities, and represent diversity within the Board. There is also consideration for gender diversity among members, with the inclusion of at least one director from a different gender to achieve gender diversity goals in accordance with regulatory policies. Members of the Board of Directors are appointed for a term of three years.

The current term of office is from May 31, 2022 to May 30, 2025. A total of 9 board meetings were held in 2024, with an average attendance rate of all directors reaching 97.5%.

The independent operation and transparency of the Board of Directors should be emphasized, and directors and independent directors are all independent individuals who exercise their respective duties and responsibilities independently. ASC has established a performance evaluation system of the Board of Directors to enhance the efficiency of the operations of the Board of Directors and to improve the functions of the Board of Directors. Board members and their competencies are as follows:

Information on board members						
Job title	Name	Gender	Age (years)	Date of initial election to office	Key work and academic experience	Currently holding concurrent positions in the Company and other companies
Chairperson	Chiao-Sheng Ho	Male	61 to 70 years old	1994.11.30	<ul style="list-style-type: none"> <li>Department of Mechanical Engineering, National Taipei Institute of Technology</li> <li>President of ASC</li> </ul>	<ul style="list-style-type: none"> <li>Chairperson of Allied Supreme Corporation (Jiaxing), legal representative of Allied Supreme (Samoa) Corp., legal representative of Allied Supreme (China) Corp.</li> <li>Director of Yung Ching Investment Co., Ltd.</li> </ul>
Director	Sheng-Kuo Hsieh	Male	Above 71 years old	1994.11.30	<ul style="list-style-type: none"> <li>Department of Chemistry, Tamkang University</li> <li>Vice President of ASC</li> <li>Supervisor of Allied Supreme Corporation (Jiaxing) Limited</li> </ul>	<ul style="list-style-type: none"> <li>Supervisor of Allied Supreme Corporation (Jiaxing Factory)</li> </ul>
Director	Representative of Shang He Investment Co., Ltd.: Shih-Ling Chen	Female	Above 71 years old	2016.11.28	<ul style="list-style-type: none"> <li>Bei-men Senior High School</li> <li>Chairperson of Shang He Investment Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Chairperson of Shang He Investment Co., Ltd.</li> <li>Chairperson of Lu He Investment Co., Ltd.</li> <li>Chairperson of Lu Cheng Investment Co., Ltd.</li> </ul>
Director	Representative of Ying Sheng Investment Co., Ltd.: Ming-Sheng Su	Male	Above 71 years old	2020.5.22	<ul style="list-style-type: none"> <li>M.B.A., University of California, U.S.A.</li> <li>Chairperson of Ying Sheng Investment Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Chairperson of Ying Sheng Investment Co., Ltd.</li> <li>Chairperson of Xing Ying Investment Co., Ltd.</li> <li>Chairperson of Heng Yao Investment Co., Ltd.</li> </ul>

## Information on board members

Job title	Name	Gender	Age (years)	Date of initial election to office	Key work and academic experience	Currently holding concurrent positions in the Company and other companies
Director	Ming-Yuan Wu	Male	Above 71 years old	2000.9.15	<ul style="list-style-type: none"> <li>Department of Electrical Engineering, Tamkang University</li> <li>Supervisor of ASC</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>
Director	Yuan-Chung Lee	Male	61 to 70 years old	2015.8.28	<ul style="list-style-type: none"> <li>Department of Chemical Engineering, National Cheng Kung University</li> <li>Vice President of ASC</li> </ul>	<ul style="list-style-type: none"> <li>COO of ASC</li> <li>President of Allied Supreme Corporation (Jiaxing), legal representative and President of Aston FluoroTech Corp.</li> </ul>
Independent Director	Chien-Rong Lu	Male	Above 71 years old	2020.9.2	<ul style="list-style-type: none"> <li>Department of Industrial Chemistry, National Tsing Hua University</li> <li>Vice President of Formosa Plastics Corporation (Mai Liao subsidiary)</li> <li>President of San Jia Development Construction Co., Ltd.</li> <li>President of Management Department, SanDi Group</li> <li>Legal representative, director of</li> </ul>	<ul style="list-style-type: none"> <li>Director of the Atmospheric Protection Association of the Republic of China</li> <li>Honorary Director of the Industrial Safety Association of the Republic of China and Chairman of PSM</li> <li>Supervisor of Industrial Safety and Health Association of the R.O.C.</li> <li>Florine chemical technical consultant of GFCL EV Products Limited</li> </ul>
Independent Director	Kuei-Ching Wang	Male	Above 71 years old	2020.9.2	<ul style="list-style-type: none"> <li>Michigan State University</li> <li>M.B.A.</li> <li>Bachelor of Economics, National Taiwan University</li> <li>CFO of Ting Hsin (Cayman Island) Holding Corp.</li> <li>CFO of Ho Tung Chemical Corp.</li> <li>Partner of Baring Private Equity Asia Group</li> </ul>	<ul style="list-style-type: none"> <li>Independent Director of Handa Pharmaceuticals Inc.</li> <li>Director of Artintel Investment Corp.</li> </ul>
Independent Director	Yu-Kuo Chien	Male	51 to 60 years old	2020.9.2	<ul style="list-style-type: none"> <li>Bachelor of Law, National Taiwan University</li> <li>Legal consultant of Unitech Printed Circuit Board Corp.</li> <li>Legal consultant of Abocom Co., Ltd.</li> <li>Legal consultant of Yi Hsin Construction Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>President and presiding attorney of ForeFront Intl Law Office.</li> </ul>
Independent Director	Yun-Zhang Chen	Male	61 to 70 years old	2023.5.26	<ul style="list-style-type: none"> <li>Bachelor of Chemical Engineering, National Cheng Kung University</li> <li>Chairperson of The Chemours (Taiwan) Company Limited</li> <li>Director/President, Titanium Technology, China Region, Chemours Chemical (Shanghai)</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>

## Information on board members

Job title	Name	Industry experience						Professional competence		
		Chemical industry	Machinery manufacturing	Marketing service	Purchasing and supply	Treasury and finance	Information technology	Legal affairs	Accounting	Risk Management
Chairperson	Chiao-Sheng Ho	●	●	●	●	○				●
Director	Sheng-Kuo Hsieh	●	●	●	●					●
Director	Representative of Shang He Investment Co., Ltd.: Shih-Ling Chen			●	●	○				○
Director	Representative of Ying Sheng Investment Co., Ltd.: Ming-Sheng Su			●	●	●			●	○
Director	Ming-Yuan Wu		●				○			○
Director	Yuan-Chung Lee	●	●	●	●	○		○		●
Independent Director	Chien-Rong Lu	●	●	●	●	○	○	○		●
Independent Director	Kuei-Ching Wang			●	●	●	○	○	●	●
Independent Director	Yu-Kuo Chien					○		●		○
Independent Director	Yun-Zhang Chen	●	●	●	●	○	○	○		●

Note 1: ● means capable, ○ means partially capable.

Note 2: one members of the Board of Directors are aged 51 to 60, three members are aged 61 to 70, and six members are above 71 years old.



## Board independence and recusal of conflict of interest

The Company established the "Procedures for Election of Directors" stipulating that the election of directors and independent directors shall be based on a cumulative voting system and a candidate nomination system, whereby shareholders holding above a certain number of shares may propose a list of candidates, with fair and transparent accepting process to enhance the opportunities for small shareholders to participate and protect the interests of investors, while avoiding monopoly of nomination rights or excessive floating. In addition, a by-election procedure for director vacancies is added to prevent the partial or total dismissal of directors and independent directors from affecting the execution and supervision of the Company's business.

Chairperson Chiao-Sheng Hou concurrently serves as the Company's President. Together with CEO Yuan-Chung Lee and the Board of Directors, they lead the operation and development of ASC. The Company's Chairperson of the Board of Directors concurrently serves as the President to enhance operational efficiency and decision-making execution. However, to strengthen the independence of the Board of Directors, the Chairperson closely communicates with all directors regarding the Company's current operations and

planning strategies to ensure effective corporate governance. And on May 26, 2023, at the AGM, an additional independent director was appointed to enhance the functions of the Board of Directors and strengthen its supervisory function.

Directors should uphold a high degree of self-discipline. For any motion listed by the Board of Directors in which a director of the legal entity they represent has an interest, the director should explain the significant content of the interest at the meeting. If there is a risk of harm to the Company's interests, the director should not participate in the discussions and voting, should recuse themselves from the discussions and voting, and should not proxy for others in exercising their voting rights. Directors should also practice self-discipline and avoid mutual support. If a director's spouse, second degree relative by blood, or a company controlled by or subordinate to the director has an interest in a matter on the meeting agenda, it is considered that the director has a personal interest in that matter. If a director violates the recusal provisions and participates in the vote, their voting rights are invalid. The resolutions of the Board of Directors shall not include the voting rights of directors who are not allowed to exercise their voting rights in the count of the votes of attending directors.

Items recused by ASC for 2024 are as follows:

Motion content	Name of Director	Reason for recusal of conflict of interest	Voting participation status
<b>2023 Motion of the insider remuneration distribution</b>	Chiao-Sheng Ho and Yuan-Chung Lee	Managers of the Company	Except for 2 directors who recused themselves from the voting in accordance with the law, the motion was approved as proposed by the acting Chairperson after consulting the other 8 directors present.
<b>Motion to adjust the salary of the managers of the Company and the Company's subsidiary, Allied Supreme Corporation (Jiaxing) for 2025</b>	Chiao-Sheng Ho and Yuan-Chung Lee Sheng-Kuo Hsieh	Managers of the Company and its subsidiaries	Except for 3 directors who recused themselves from the discussion and voting in accordance with the law, the motion was approved as proposed by the acting Chairperson after consulting the other 6 directors present.

## Functional Committees - Audit Committee

To strengthen corporate governance and supervisory management mechanisms, ASC, in accordance with “Article 14-4 of the Securities Exchange Act”, established the “Audit Committee”. Pursuant to the “Regulations Governing the Exercise of Powers by Audit Committee of Public Companies”, the Board of Directors approved the Company’s “Audit Committee Organizational Charter” on September 2, 2020. The committee is responsible for the following duties:

1. Establishment or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. Evaluation of the effectiveness of the internal control system.
3. Establish or amend the procedures for handling significant financial transactions involving the acquisition or disposal of assets, derivative transactions, lending of funds to others, or endorsement or guarantee for others in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters involving directors' own interests.
5. Significant asset or derivative transactions.
6. Significant lending of funds, endorsements or guarantees
7. The raising, issuance or private placement of marketable securities of an equity nature.
8. The appointment, dismissal or compensation of attesting CPAs
9. Appointment or removal of heads of finance, accounting or internal audit.
10. Annual financial reports signed or sealed by the Chairperson, managers, and head of accounting, as well as financial reports of Q2 that require CPA audit and certification.
11. Other significant matters stipulated by the Company or the competent authorities.

### Table of Audit Committee members

Title	Name
Convener	Kuei-Ching Wang
Committee member	Chien-Rong Lu, Yu-Kuo Chien, Yun-Zhang Chen

In 2024, a total of 6 Audit Committee meetings were held.

### Meetings status of members of the Audit Committee

Title	Name	Attendance in person	Number of attendance by proxy	Actual attendance rate (%)	Note
Independent Director	Kuei-Ching Wang	6	0	100	-
Independent Director	Yu-Kuo Chien	5	0	83.33	-
Independent Director	Chien-Rong Lu	6	0	100	-
Independent Director	Yun-Zhang Chen	6	0	100	-

## Remuneration Committee

To establish a sound compensation system for the Company's directors and managerial officers, the Board of Directors adopted the "Compensation Committee Charter" in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter." Accordingly, the Company has established a Compensation Committee.

1. Regularly review the charters and propose amendments.
2. Establish and regularly review the performance evaluation standards, annual and long-term performance targets, and policies, systems, standards and structures for remuneration of directors and managers of the Company, and disclose the content of the performance evaluation standards in the annual report.
3. Regularly evaluate the achievement of the performance targets of the Company's directors and managers, and determine the contents and amount of their individual remuneration based on the evaluation results by the performance evaluation standards. In the annual report, individual performance evaluation results of directors and managers should be disclosed, along with details of individual remuneration, including the relationship and reasonableness of the amounts with respect to performance evaluation results, which should be included in the shareholders meeting report.

**Table of Remuneration Committee members**

Title	Name
Convener	Yu-Kuo Chien
Committee member	Chien-Rong Lu and Kuei-Ching Wang

In 2024, a total of 3 Remuneration Committee meetings were held.

**Meetings status of members of the Remuneration Committee**

Title	Name	Attendance in person	Number of attendance by proxy	Actual attendance rate (%)
Independent Director	Kuei-Ching Wang	3	0	100
Independent Director	Yu-Kuo Chien	2	0	66.67
Independent Director	Chien-Rong Lu	3	0	100

The following are the resolution matters of ASC's Remuneration Committee in 2024:

Date	Resolution matters	Resolution result
2024/3/8	Motion of the distribution of employee and director remuneration for 2023 of the Company.	The motion was approved following the Chairperson's consultation and unanimous consent of all attending committee members.
2024/4/9	2023 Motion of the insider remuneration distribution.	The motion was approved following the Chairperson's consultation and unanimous consent of all attending committee members.
2024/12/25	Motion to adjust the salary of the managers of the Company and the Company's subsidiary, Allied Supreme Corporation (Jiaxing) for 2025.	The motion was approved following the Chairperson's consultation and unanimous consent of all attending committee members.

## Remuneration policy and review process

The remuneration of the Company's directors and other key management personnel is determined by the Remuneration Committee based on individual performance and market trends. The Company's

remuneration policy for directors is based on the Company Act and the Company's Articles of Incorporation. The Company may pay director remuneration for the current year within a limit not exceeding 3% of the annual profit.

In accordance with the Company's "Procedures for the Setup of Remuneration and Retirement Management for Directors, Supervisors and Managers", remuneration for directors is proposed considering factors such as the Company's strategic direction, profitability, future development, industry environment, and individual directors' contributions to the Company's operations (such as serving on functional committees or attending important business meetings upon invitation). Recommendations for reasonable remuneration are put forward and implemented after approval by the Board of Directors.

To ensure a close connection between managers' performance and company strategies, and to maintain competitive overall remuneration, the Company has established the "Procedures for the Setup of Remuneration and Retirement Management for Directors, Supervisors and Managers". Managers' remuneration includes salary and bonuses. Salaries are determined based on company strategy, profitability, and considerations of the managers' professional capabilities, job responsibilities, and market competitiveness. Bonuses are contingent upon individual performance, and the reasonable connection to future risks. However, in the event of material risks matters affecting the Company's reputation, internal mismanagement, misconduct, or other such risks, bonuses may be reduced or withheld.

To ensure a close connection between managers' performance and company strategies, and to maintain competitive overall remuneration, the Company has established the "Procedures for the Setup of Remuneration and Retirement Management for Directors, Supervisors and Managers". This framework serves as the basis for assessing manager performance and determining remuneration, including policies, systems, standards, and structures for performance

## Head of Corporate Governance

To implement and strengthen corporate governance, at the Board of Directors meeting on July 10, 2022, it was approved to appoint CFO Yen-Chih Liu as the Head of Corporate Governance. He will be responsible for overseeing corporate governance matters, under the supervision of the Chairperson of the Board of Directors. The CFO, Yen-Chih Liu serves as the Head of Accounting of the Company. He has work experience serving as the Head of Financial Accounting or Audit in a public listed company for over three years, satisfying the position as Head of Corporate Governance of the Company. The main duties and business execution status are as follows:

1	Provided information for the directors to perform their duties and arranged the directors' continuing education.
2	Provided information concerning the latest regulation development for the directors to perform their duties, so as to assist them in legal compliance matters.
3	Planned for the appropriate corporate systems and organizational structure to promote the independence, transparency, and legal compliance of the Board of Directors.
4	The Board of Directors first consulted with its members pertaining to the planning before preparing the agenda. All Board members were notified at least seven days before the Board meeting. Furthermore, sufficient information of the meeting and a description of each motion was provided to facilitate the directors' understanding regarding the motions. The minutes were completed 20 days after the Board meeting.
5	Each year, the date of the AGM shall be registered within the time period required by law. The meeting notice, meeting handbook and meeting agenda shall be prepared and applied for before the time period. After amendments made to Articles of Incorporation or the Board of Directors are re-elected, a change of registration shall be submitted.
6	In accordance with the performance indicators of the corporate governance evaluation system, the information on corporate governance was improved.
7	Paid attention to information transparency and symmetry to ensure shareholders' interest.

## Continuing education of corporate governance personnel

In 2024, the Head of Corporate Governance completed a total of 15 hours of continuing education courses. The contents of the courses are as follows:

NO	Date	Organizer	Course Name	Training Hours
1	2024/10/4	Taiwan Corporate Governance Association	Climate Risk Identification Workshop and Net-Zero Carbon Emissions Awareness Session – Taichung Session	9 hours
2	2024/11/1	Securities and Futures Institute	1. Strategic Transformation Required After a Company Goes Public 2. Corporate ESG and Sustainability Governance: Understanding the Global Net-Zero Trend and Corporate Response Strategies	6 hours

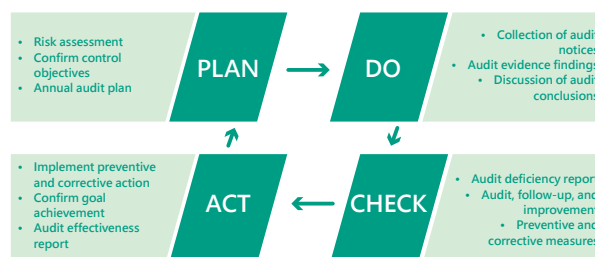
## Organization and operation status of internal audit

The Audit Department is an independent unit under the Board of Directors. The appointment and dismissal of the Head of Internal Audit must be approved by the Board of Directors. The appointment, dismissal, evaluation, and remuneration of internal auditors shall be signed by the Head of Audit and reported to the Chairperson for approval. The Company currently have qualified and dedicated internal auditors in place, along with designated proxy to act in their absence. We regularly submit reports in accordance with regulatory requirements to the competent authorities for record-keeping. Furthermore, the Company's internal audit personnel meet the statutory qualification requirements, and they continuously enhance their professional knowledge and skills through continuous education and training.

The purpose of the audit is to assist the Board of Directors and managers in inspecting and reviewing the deficiencies of the internal control system, measuring the effectiveness and efficiency of operations, and providing improvement suggestions in a timely manner to ensure the continuous and effective implementation of the internal control system. The Head of Audit regularly reports on audit operations to the Audit Committee and attends the Board of Directors meetings to provide reports. Internal auditors shall report all

audit tasks to the competent authorities before the statutory deadline.

The internal audit process of ASC is as follows:



## Board of Directors performance evaluation

The "Procedures for the Board of Directors and Functional Committees Performance Evaluation" formulated by the ASC was implemented after the approval of the Board of Directors on December 22, 2020. The Company conducts an internal self-evaluation of the Board of Directors and Board members once a year, and commissions an external professional independent institution or a team of external experts to conduct an external performance evaluation every three years. The evaluation results will be used as an important consideration when selecting or nominating directors. The performance evaluation results of individual directors will also be the reference for determining their individual remuneration.



## Board of Directors performance evaluation results

Board of Directors performance evaluation includes separate completion of the “Board of Directors performance self-evaluation questionnaire” by board members and functional committee members, as well as the “Functional Committee performance self-evaluation questionnaire”. This internal performance evaluation measures information related to the evaluation standards for board members internal evaluation.

Performance unit	Performance evaluation items
Board of Directors	<ol style="list-style-type: none"> <li>1. Participation in the Company's operations</li> <li>2. Enhancement of the decision-making quality of the Board of Directors</li> <li>3. Composition and structure of the Board of Directors</li> <li>4. Selection and continuing education of directors</li> <li>5. Internal control</li> </ol>
Individual board member	<ol style="list-style-type: none"> <li>1. Alignment of the Company's objectives and missions</li> <li>2. Directors' awareness of their duties</li> <li>3. Participation in the Company's operations</li> <li>4. Management of internal relationship and communication</li> <li>5. The director's professionalism and continuing education</li> </ol>
Functional Committees (Audit Committee, Remuneration Committee)	<ol style="list-style-type: none"> <li>1. Internal control</li> <li>2. Participation in the Company's operations</li> <li>3. Awareness of the duties of the functional committee</li> <li>4. Enhancement of decision-making quality of the functional committee</li> <li>5. Composition of functional committees and members selection</li> <li>6. Internal control</li> </ol>

After the directors and functional committees have completed the questionnaires, the executive unit of the Board of Directors will collect and tally the scores. The internal evaluation for 2024 has been completed, and the scores of the Board of Directors, individual board members and functional committees are all above 93, and the performance has been evaluated as good with no necessity for improvement. The evaluation results were reported to the Board of Directors on March 7, 2025.

## Continuing education for directors

The composition of the Company's Board of Directors is diverse, with each director and independent director possessing comprehensive and rich academic and professional backgrounds. This diversity meets the development needs of the Company, enabling the Board of Directors to exercise effective management decision-making and oversight capabilities. The Company requires that each board member accumulate 6 hours of coursework annually. In 2024, all members of the board and the Head of Corporate Governance adhered to this requirement.

Title	Name	Date of education	Continuing education course organizer	Training course	Total number of training hours
Chairperson	Chiao-Sheng Ho	2024/11/14	Securities and Futures Institute	1. Strategic Transformation Required for Companies After Going Public 2. Understanding ESG and Corporate Sustainability Governance: Global Net-Zero Emission Trends and Corporate Response Strategies	6 hours
Director	Yuan-Chung Lee	2024/11/14			
Director	Sheng-Kuo Hsieh	2024/11/14			
Director	Ming-Sheng Su	2024/11/14			
Director	Shih-Ling Chen	2024/11/14			
Director	Ming-Yuan Wu	2024/11/14			
Independent Director	Chien-Rong Lu	2024/11/14			
Independent Director	Yun-Zhang Chen	2024/11/14			
Independent Director	Yu-Kuo Chien	2024/11/14			
Independent Director	Kuei-Ching Wang	2024/5/10 2024/11/12	China Corporate Governance Association	1. What Are Investors Thinking? — Exploring Corporate Sustainability Transformation through ESG Investment and Financing 2. Material Information Disclosure and Responsibilities of Directors and Supervisors	6 hours

## 2.4 Honesty and ethics

### Human rights due diligence

The Company supports and abides by international basic human rights principles such as the "United Nations Universal Declaration of Human Rights", the "International Covenants of Human Rights", the "United Nations Global Compact", and the International Labor Organization's "Declaration of Fundamental Principles and Rights at Work". We have established a "Human Rights Policy" to protect the human rights and interests of all employees and to ensure that all our operational sites comply with legal regulations.

The Company announced the human rights policy to all employees and disclosed on the Company's website. New employees are also briefed on the policy upon joining, and regular announcements are made occasionally to reinforce awareness. Regarding external vendors, in the first half of 2023, the Company adopted the Responsible Business Alliance (RBA) Code of Conduct as the basis for providing our partners with a "Supplier Code of Conduct" manual. Through the Supplier Social Responsibility Assessment Questionnaire, a total of 37 participating companies were evaluated in 2024, resulting in the addition of 201 new suppliers, which accounted for 18.4% of the total newly added suppliers for the year. The assessment primarily focused on labor rights, labor law compliance, and the current operational status of the companies, while also gaining deeper insights into suppliers' progress in environmental management and pollution control measures.

To establish a supply chain that protects the environment, human rights, safety, health, and sustainability, the Company adheres to the "Supplier Code of Conduct" and the "Supplier Selection Management Procedures". We investigate and understand the supply chain situation, and manage suppliers to prevent, address, remedy, or control potential and adverse sustainability impacts.

We carefully select suppliers that meet the quality standards in accordance with the "Supplier Code of Conduct" and the "Supplier Evaluation Form", and only cooperate with suppliers who comply with local laws and regulations and have signed the "Supplier Social Responsibility Commitment". The Commitment clearly states that suppliers pledge to conduct transactions in an open and transparent manner based on the principles of ethical corporate

management. While pursuing corporate profits and sustainable operations, suppliers are expected to fulfill their corporate social responsibilities, which include complying with relevant laws and regulations on labor rights, human rights, environmental protection, and ethical corporate management. Additionally, suppliers should proactively address issues related to environmental protection, safety, and health to promote a balanced and sustainable development of the economy, society, and environmental ecosystems.

The Company hereby declares to duly fulfill corporate social responsibility with its best efforts. If there is any violation of the abovementioned laws and regulations, it will cooperate with the requirements of the competent authority or other relevant companies affecting the Company, and make improvements within the prescribed period. We will also regularly provide updates on the improvement measures to facilitate tracking and review until the issues are resolved.

In terms of environmental protection, in response to the increasingly severe impact of climate change on the environment, the Company implemented the ISO 14064-1: 2018 GHG inventory standard for the second consecutive year to reduce greenhouse gas effects on the climate. We continuously improve the effectiveness of our GHG inventory to identify the company's emission sources. While addressing these emission sources, we also enhance the efficiency of machinery and equipment production to reduce energy and raw material consumption. Additionally, we have increased education and training for employees to improve their professional skills and optimize the use of various raw materials, thereby reducing general industrial waste generation. We strive to understand and achieve our carbon reduction targets. In 2024, we actively cultivate carbon inventory capabilities and steadily strengthen employees' awareness of environmental and energy issues to build a solid foundation and avoid accusations of greenwashing.

Course Title	Training hours
Sustainable Elite Training Course	12 hours
Greenhouse Gas Carbon Inventory 1-Day Experience Class	12 hours
Carbon Footprint Analysis and Practice Advanced Course	12 hours
ISO 14064-1 Internal Auditor Training	88 hours

In terms of human rights, the Company has formulated a human rights policy to protect current employees (including contract and temporary personnel, interns, etc.) We also expect our suppliers and contractors to adhere diligently to the following principles to uphold human rights:

1	Comply with local labor and environmental regulations at operational sites to ensure employees have reasonable working conditions and a safe, healthy working environment.
2	We are committed to creating a working environment that promotes equal employment opportunities and is free from discrimination and harassment based on race, nationality, age, gender, marital status, political stance, religion, etc.
3	No forced labor and child labor.
4	Respect for privacy and the right of employees to freedom of association.
5	Establishing effective channels for labor-management communication and providing grievance mechanisms. In cases involving human rights violations, initiating investigation procedures and implementing remedial and improvement measures promptly.
6	Regularly review and evaluate relevant human rights systems and practices.

In ASC's "Sustainable Development Best Practice Principles", it explicitly states that the Company strives to uphold social welfare by adhering to relevant labor regulations and international human rights conventions, including principles of gender equality, labor rights, and non-discrimination. According to the Company's "Procedures of Recruitment and Employment Management", it is clearly stipulated that recruitment processes and decisions are not influenced by any reasons such as race, religion, beliefs, gender, marital or parental status, age, political background, nationality, disability, zodiac sign, or blood type, etc.

The Company has also formulated the "Attendance Management Method" and "Work Rules", which clearly outline work hours and overtime limits, in compliance with relevant local government laws such as Labor Standards Act, Gender Equality in Employment Act, Employment Service Act, Occupational Safety and Health Act, Labor Occupational Accident Insurance and Protection Act, Employment Insurance Act, Act for Worker Protection of Mass Redundancy, and Labor Inspection Act. Furthermore, we strictly prohibit any form of slavery or coercion, ensuring that employees do not engage in involuntary labor. In 2024, there was no occurrence of any discrimination incidents. In 2024, ASC had no occurrences of any discrimination incidents.

Employees who encounter issues related to their rights at work can utilize the Company's "Employee Feedback and Complaint Management Procedures" for resolution. Official website: <https://www.alliedsupreme.com/tw/csr-29>



## Ethical corporate management and anti-corruption prevention

Aligned with principles of fairness, honesty, trustworthiness, and transparency in our business operations, ASC is committed to ethical corporate management in its business practices. To uphold this commitment, we have established the “Ethical Corporate Management Operating Procedures and Code of Conduct”, which provides clear guidelines for all personnel on conducting business activities with integrity and preventing unethical behavior.

The Company requires its directors and senior management to issue declarations of compliance with the integrity management policy. All employees are also required, as a condition of employment, to adhere to the same policy. Integrity is incorporated into employee performance evaluations and human resource policies, supported by a clear and effective system of rewards, penalties, and grievance procedures.

The integrity management policy is disclosed through internal regulations, the annual report, the Company's website, and other communications. Furthermore, the policy is actively promoted during product launches, investor conferences, and other external events to ensure that suppliers, customers, and all business partners clearly understand the Company's commitment to ethical conduct and integrity standards.

In 2024, the Company reported no violations related to integrity management or incidents of corruption.

## Anti-Corruption Prevention and Measures

Keypoint step	Additional Notes
Reporting Procedures	<ol style="list-style-type: none"> <li>1. The Company has established the “Reporting Guidelines for Unlawful or Unethical Conduct by Internal and External Parties.” If the reported individual is found to have violated relevant laws or the Company's Code of Ethical Conduct, they shall be immediately required to cease the misconduct.</li> <li>2. The dedicated unit responsible for ethical conduct is the Administration Department, which shall promptly investigate the facts in coordination with the supervisor or personnel receiving the report. Assistance from the Legal Compliance or other relevant departments may be provided if necessary.</li> <li>3. Reports involving general employees shall be escalated to the Chairperson. Reports involving directors or senior executives shall be submitted to the Independent Directors or Supervisors.</li> </ol>
Treatment measures	<ol style="list-style-type: none"> <li>1. Written documentation of the whistleblowing acceptance, investigation process, and investigation results must be retained for five years, and may be stored electronically. If a lawsuit related to the whistleblowing content arises before the retention period expires, the relevant information shall be retained until the conclusion of the litigation.</li> <li>2. If the reported matter is verified as true, the responsible departments shall be required to review the relevant internal control systems and operational procedures. Legal liability shall be pursued, and corrective actions must be proposed to prevent recurrence of similar incidents.</li> <li>3. Legal action may be taken, if necessary, to seek compensation for damages in order to protect the Company's reputation and rights.</li> </ol>
Improvement work	<ol style="list-style-type: none"> <li>1. If the investigation reveals a major violation or a potential significant harm to the Company, a report shall be prepared immediately and submitted in writing to the Independent Directors or Supervisors.</li> <li>2. The whistleblowing case, handling process, and proposed corrective and improvement measures shall be reported to the Board of Directors.</li> </ol>



According to the Company's risk management procedures, although anti-corruption measures are not currently directly included in the assessment scope or units evaluated, we have established an "Code of Ethics" to guide the behavior of our directors and managers (including the President and equivalent levels, Vice Presidents, managers and equivalent levels, department heads of fi and accounting, and others who manage company affairs and have signing authority) to ensure they adhere to ethical standards. This initiative aims to enhance stakeholders' understanding of our ethical standards and to ensure that the conduct of all ASC's personnel aligns with these standards, thereby promoting the Company's legitimate interests. The Code of Ethics stipulated by ASC includes the following eight items:

- 01 Prevention of conflicts of interest
- 02 Opportunities to avoid seeking personal gain
- 03 Confidentiality obligation
- 04 Fair trade
- 05 Protection and appropriate use of company assets
- 06 Compliance with laws and regulations
- 07 Encouragement to report any behaviors that are illegal or in violation to the Code of Ethical Conduct
- 08 Disciplinary Measures

In addition, the Company provides new employees with education and training related to ethical behavior and anti-corruption. In 2024, a total of 52 individuals received training, accumulating a total of 26 hours of training. If misconduct related to ethical corporate management, ethical behavior, corruption, or other significant violations is discovered within the Company, or if there is a risk of significant damage to the Company, it should be promptly reported. A written report should be prepared and communicated to the independent directors. This report should include details of the incident, how it was handled, and proposed follow-up measures for review and improvement, to be presented in a report to the Board of Directors.

### ASC's Corruption incidents report channel

Acceptance Unit	Management Department, Human Resources Section
Mailing address	No. 20, Xiangong S. 2nd Rd., Xianxi Township, Changhua County
Reporting hotline	04-7582827 ext. 2201, 2001
Reporting Mailbox	accusation@alliedsupreme.com

## 2.5 Risk control and management

Comprehensive risk management is a key focus for sustainable business operations at ASC. Therefore, we have established a dedicated “Risk Management Organization” and formulated the “Risk Management Procedures”. The Board of Directors serves as the highest governing body in risk management oversight. The internal audits are conducted by the Audit Department. The President Office oversees operational decision-making risk assessments and the execution of response strategies, while the President acts as the convener, coordinating the implementation and operation of the risk management plan. Department managers and staff are actively involved in executing and promoting these initiatives.

Material topic: Risk Assessment and Control	
<b>Material reasons for the topic</b>	Risk management serves as a fundamental basis for sound business operations and sustainable development. Through systematic risk identification, assessment, and control, companies can proactively detect potential risks that may impact operations, finance, regulatory compliance, reputation, and stakeholder relationships, thereby effectively minimizing the impact of unforeseen events on the organization.
<b>Influence and impact</b>	<p>[Economic]</p> <ul style="list-style-type: none"> <li>Positive Impact: Effective risk prevention helps reduce unnecessary costs and indirectly enhances operational efficiency. All company contracts are reviewed by relevant departments and, depending on their significance, are further examined by legal experts.</li> <li>Negative impact: If risks are not prevented from occurring, future costs will increase.</li> </ul> <p>[Environmental]</p> <ul style="list-style-type: none"> <li>Positive Impact: Natural disaster drills and preparedness can reduce the need for recovery and repair after typhoons, and planned emissions treatment will help companies build good relationships with communities, governments, customers and other stakeholders.</li> <li>Negative impact: ASC relies on factories to manufacture its products. The factory is located in the Changbin Industrial Zone. Currently, it does not directly harm the lives of local residents and the environment. If it fails to comply with laws and regulations, it may further affect the environmental pollution and housing justice of local community residents.</li> </ul> <p>[Human Rights]</p> <ul style="list-style-type: none"> <li>Positive Impact: Establishing good human rights protection for employees and reducing the risk of human rights violations will improve employee satisfaction.</li> <li>Negative impact: The company's main employees are located in Xianxi Zhangbin Plant. Due to the nature of the industry, most of the employees are male, resulting in an uneven gender ratio. We focus on the establishment of maternal protection facilities to avoid gender inequality.</li> </ul>
<b>Policy/Strategy</b>	The risk management policies of the Company and its subsidiaries are formulated in alignment with overall business strategies. Various types of risks are defined, and mechanisms are established to enable early identification, accurate assessment, effective monitoring, and strict control—aiming to prevent potential losses within acceptable risk levels. The Company continuously reviews and adjusts its risk management practices in response to changes in internal and external environments, in order to protect the interests of employees, shareholders, business partners, and customers, and to achieve optimal allocation of corporate resources.
<b>Goals and targets</b>	<p>In accordance with the risk management method, each department of the company conducts risk assessment at the end of each year. Each department conducts risk assessments of hazards, operational risks, financial risks, strategic risks, contract risks, information security risks and other risks every year, comprehensively identifies and analyzes risks related to operations, and pays attention to various risks. The results of the risk assessment of each department are summarized by the management department for the risk assessment of the entire company and submitted to the board of directors for annual reporting to ensure the effectiveness and timely adjustment of risk management strategies and control measures. Through this mechanism, the company continues to strengthen internal control, improve operational transparency, implement corporate integrity governance, and ensure the achievement of sustainable development goals.</p> <ul style="list-style-type: none"> <li>Short-term goals: Reduce and improve the total annual risk by 1.</li> <li>Mid-term goals: Reduce and improve the total annual risk by 2.</li> <li>Long-term goals: Respond to risks efficiently.</li> </ul>

<b>Management evaluation mechanism</b>	Reports are submitted to the board of directors regularly every year, and the board of directors and independent directors provide guidance and suggestions for improvement and optimization.
<b>Performance and adjustment</b>	<ol style="list-style-type: none"> <li>1. No serious losses due to disasters occurred this year</li> <li>2. No serious leakage incidents occurred this year</li> </ol>
<b>Preventive or remedial measures</b>	<ol style="list-style-type: none"> <li>1. Preventive Measures for Potential Risks: The Company conducts drills and simulations to prepare for potential risks before they occur, such as disaster response drills and cybersecurity exercises.</li> <li>2. Remedial Measures for Actualized Risks: In the event of a risk occurrence, the Company implements immediate corrective actions based on the severity of the risk, and reports to the corresponding level of authority, including the Board of Directors, as appropriate.</li> </ol>

The Company has been actively implementing a risk management framework. Each department conducts annual assessments on hazard risks, operational risks, financial risks, strategic risks, contract risks, information security risks, etc. Regular reports on these operations are submitted to the Board of Directors.

In addition, the Company incorporates supply chain risks into its overall risk management assessments. A Supplier Code of Conduct has been established, requiring all suppliers to adhere to principles of integrity, environmental protection, labor rights, and corporate social responsibility. The Company regularly reviews supplier compliance and sustainability performance through audits, evaluations, and guidance mechanisms to ensure supply chain stability and responsible operations. By collaborating with and overseeing suppliers, the Company aims to build a responsible and sustainable supply chain that enhances overall corporate social value.

### Duties of the Risk Management Organization

Department	Duties and responsibilities
<b>Board of Directors</b>	The Board of Directors of the Company is the highest governing body for risk management, aiming to comply with laws, promote and implement overall risk management goals. They clearly understand the risks faced by the Company's operations to ensure the effectiveness of risk management, and bear ultimate responsibility for risk management.
<b>Audit Department</b>	The Company's Audit Department is an independent department under the Board of Directors, responsible for conducting internal audits. The role of the Audit Department is to assist the Board of Directors and managers in inspecting and reviewing deficiencies in internal control systems, assessing operational effectiveness and efficiency, and providing timely improvement recommendations. This ensures the continuous and effective implementation of internal control systems and serves as the basis for reviewing and revising internal control systems.
<b>President Office</b>	The President's Office of the Company is responsible for assessing risks in operational decision-making and implementing response strategies.
<b>CEO's Office</b>	Media public relations and external liaison matters.
<b>Management Department</b>	Allocation and response of human resources.
<b>Financial and Accounting Department</b>	The Finance and Accounting Department of the Company is responsible for assessing financial risks.
<b>Departments and Units</b>	The heads of all departments and units should conduct risk assessments and controls in the daily management operations, emphasizing comprehensive risk control by all employees, and regular implementation of layer-by-layer prevention to ensure effective risk management.

The risk management process of ASC is as follows:

Risk Management Process																	
I. Risk identification	Overall, the risks faced by the Company are divided into seven major categories, as follows:																
	<table><tr><th>Risk type</th><th>Risk details</th></tr><tr><td>Hazards risk</td><td>Safety protection and emergency response refer to the probability of occurrence of major hazardous events and the risk of loss.</td></tr><tr><td>Operational risk</td><td>Risk related to concentration of sales and procurement, intellectual property protection, legal compliance, talent recruitment and retention, and the shaping and maintenance of corporate image.</td></tr><tr><td>Financial risk</td><td>Market risk, credit risk, liquidity risk, and operational risk.</td></tr><tr><td>Strategic risk</td><td>Including over-concentration in a single region, customer concentration/impact of major customers, concentration of agency lines/impact of major product lines, industry concentration, and mergers and acquisitions.</td></tr><tr><td>Contractual risk</td><td>Possible losses caused by failure to comply with the relevant laws and regulations of competent authorities. Contractual risk refers to potential losses caused by the lack of legal effect of the contract itself, acts beyond authority, clause omissions, inadequate regulations, or other issues that render the contract invalid.</td></tr><tr><td>Information security</td><td>An enterprise's information assets may be exposed to intolerable risks, leading to the inability to ensure the confidentiality, integrity, and availability of information. This includes unauthorized access to information, failure to ensure the accuracy and completeness of information content and processing methods, and the inability of authorized users to access and use relevant assets in a timely manner when needed, resulting in potential losses.</td></tr><tr><td>Other risks</td><td>Materiality-Based Risk Identification: Risks related to environmental, social, and corporate governance (ESG) issues are identified based on the principle of materiality and their relevance to the Company's operations.  1. Climate Risk: In response to climate change and the occurrence of four typhoons in 2024, the Company has conducted deep reflections on the operational impact of such disasters and taken proactive measures to prevent severe consequences.  2. Social Risk: The impact of the pandemic not only influenced market trends but also affected employment rights in society. The Company is committed to protecting employees' job security and workplace environment. In 2024, there were no incidents of business downturn or unpaid leave. Workplace safety awareness was enhanced as part of strengthening social risk evaluation.  3. Other Risks:In addition to the above, any other potential risks shall be managed by establishing appropriate risk control and mitigation procedures, based on the nature and severity of the risk.</td></tr></table>	Risk type	Risk details	Hazards risk	Safety protection and emergency response refer to the probability of occurrence of major hazardous events and the risk of loss.	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	Contractual risk	Possible losses caused by failure to comply with the relevant laws and regulations of competent authorities. Contractual risk refers to potential losses caused by the lack of legal effect of the contract itself, acts beyond authority, clause omissions, inadequate regulations, or other issues that render the contract invalid.															
	Information security	An enterprise's information assets may be exposed to intolerable risks, leading to the inability to ensure the confidentiality, integrity, and availability of information. This includes unauthorized access to information, failure to ensure the accuracy and completeness of information content and processing methods, and the inability of authorized users to access and use relevant assets in a timely manner when needed, resulting in potential losses.															
Other risks	Materiality-Based Risk Identification: Risks related to environmental, social, and corporate governance (ESG) issues are identified based on the principle of materiality and their relevance to the Company's operations.  1. Climate Risk: In response to climate change and the occurrence of four typhoons in 2024, the Company has conducted deep reflections on the operational impact of such disasters and taken proactive measures to prevent severe consequences.  2. Social Risk: The impact of the pandemic not only influenced market trends but also affected employment rights in society. The Company is committed to protecting employees' job security and workplace environment. In 2024, there were no incidents of business downturn or unpaid leave. Workplace safety awareness was enhanced as part of strengthening social risk evaluation.  3. Other Risks:In addition to the above, any other potential risks shall be managed by establishing appropriate risk control and mitigation procedures, based on the nature and severity of the risk.																
After identifying the types of risks they may face, each functional unit of the Company should establish appropriate measurement methods to serve as the basis for risk management.																	
1. Risk measurement includes risk analysis and evaluation of risks by assessing the likelihood of risk events occurring and analyzing the potential negative impacts if they occur. This evaluation assesses the impact of risks on the Company, serving as a basis for prioritizing risk management and selecting response measures.																	
2. For quantifiable risks, rigorous statistical analysis methods and techniques should be adopted for analysis and management.																	
3. Other risks that are currently more difficult to quantify are measured in a qualitative way. Qualitative risk assessment refers to describing the likelihood of risk occurrence and the extent of its impact through textual description.																	

## Risk Management Process

<b>III. Risk monitoring</b>	Each functional department should monitor the risks associated with its business. When the exposure exceeds its risk tolerance threshold, the relevant department should propose response strategies and report the risks and response measures to senior management.
<b>IV. Risk reporting and disclosure</b>	In order to fully document the risk management process and their implementation results, the Company regularly reports the risk status to the Board of Directors for management reference.
<b>V. Risk response</b>	After assessing and summarizing the risks, each functional department should take appropriate response measures to address the identified risks.

At the Board of Directors meeting held on December 25, 2024, the Company identified a Level 3 risk for 2025, classified as a material risk. The corresponding response measures were proposed and will be guided and overseen by the Board of Directors and Independent Directors.

Risk type	Proposed by	Description	Countermeasures
<b>Operational risk (Tied 2nd and 3rd level)</b>	Business Department	<b>Talent cultivation and development</b> With the Company's growth, there is a need to increase investment in sustainable operations and focus on overseas markets. The transfer of talent and experience in Taiwan's advanced semiconductor and chemical manufacturing is also crucial for the Company's continuous development.	<ol style="list-style-type: none"> <li>1. Bonus system</li> <li>2. Comprehensive welfare, education and training system</li> <li>3. Open and transparent promotion channel</li> </ol>
<b>Operational risk (Tied 2nd and 3rd level)</b>	Business Department	<b>Excessive reliance on fluoroplastics products from a single region or industry</b> Extensively applied, the allocation of limited manpower and resources focuses on optimizing the Company's future development in key regions and industries. Resources and development directions are adjusted promptly based on market developments.	<ol style="list-style-type: none"> <li>1. Gathering and mastering market information</li> <li>2. Select target customers and markets, and formulate marketing and pricing strategies</li> <li>3. Attention should be paid to other industries.</li> </ol>
<b>Operational risk</b>	Production Department	<b>Inventory and sales targets, raw material cost control</b> <b>Fluorine raw material supply control</b> Product manufacturing cost control Production project tracking, execution, and promotion	<ol style="list-style-type: none"> <li>4. In accordance with orders, update/track raw material supply status monthly and maintain inventory control at 1.5 to 2 months' safety stock.</li> <li>5. All product costs must be controlled through cost centers, and order status tracked accordingly.</li> <li>6. Hold a weekly fixed meeting to review and track the progress of project implementation.</li> </ol>

## Intellectual property management plan

ASC recognizes that in today's knowledge-based economy, intellectual property (IP) has become one of the core assets driving corporate innovation and competitiveness. In addition to emphasizing the protection of its own IP rights, the Company's fundamental IP policy is to properly manage and safeguard its information, intellectual property, and assets, while also respecting the IP rights of third parties—including customers and suppliers—to avoid any acts of infringement.

## Management and protection of intellectual property rights

The Company actively applies for intellectual property rights, including patents, trademarks, and copyrights, to protect our innovative products and technologies, and to safeguard our brand image from infringement. Regular reviews and renewals of intellectual property and trademarks are conducted to ensure that all innovative achievements are legally registered and protected through valid patents and trademarks.

- 01 In order to improve the quality and added value of products to create higher profitability, ASC actively engages in R&D of various technologies and products to strategically plan patent deployment.
- 02 Engaging in professional patent law firm to assist in conducting searches for relevant technology patents, mitigating infringement risks, reviewing and preparing intellectual property application documents aims to enhance the approval rate from the Intellectual Property Office.
- 03 Employees of ASC all signed an "Employment Contract" that clearly defines the management and protection of intellectual property rights and trade secrets.
- 04 To encourage employees to actively innovate, ASC has established the "Patent Reward Management Procedures". Through a comprehensive reward system and clear channels for innovative proposals, coupled with the strategic use of company intellectual property, we aim to create highly valuable intellectual assets for the Company.

## Connection between operational goals and intellectual property rights

Motivation	To provide higher-quality products and respond to forward-looking product needs in the market, actively invest in R&D activities.
Management and protection	Engaging in professional patent law firm to assist in conducting searches for relevant technology patents, mitigating infringement risks, reviewing and preparing intellectual property application documents aims to enhance the approval rate from the Intellectual Property Office.
Utilize	R&D products → commercialization → mass production to generate revenue for the Company to achieve operational goals.
Investment	The Company makes profits and allocates funds to support R&D activities, forming a sustainable development cycle.





## Information security risk management

To ensure the security of the Company's and customer partners' information assets, in view of information security risk assessment, and to protect the rights and interests of the Company and its stakeholders, the Information Security Department is designated as the authority for the information security at ASC. This department is responsible for planning, implementing, and promoting information security management measures, as well as raising information security awareness. The Company's Audit Department serves as the auditing unit for information security. If any deficiencies are identified during audits, the audited unit is promptly required to propose relevant improvement plans and regular follow-ups on the effectiveness of these improvements are conducted to reduce internal information security risks. The results of relevant information risk assessments should be submitted to the responsible authorities for review and approval.



## Information security policy

The Company is committed to the corporate mission and philosophy of integrity and sustainable development, and hereby promulgates this information security management policy. Ensuring the effective operations of the Company's internal information systems, maintaining confidentiality, integrity, and availability.

This policy aims to provide clear guidelines for employees in their daily work. All employees are obliged to actively participate and cooperate in promoting the information security management policy to ensure the secure operation of the Company's personnel, data, information systems, equipment, and networks. All employees are expected to understand, implement, and maintain these guidelines to achieve the goal of continuous information operations.



### Current Implementation

- Enhanced computer access management
- Account privilege inventory
- Off-site data backup
- High availability master system architecture
- Regular information security audit mechanism
- Implementing recovery drills
- DRM file protection software

### Medium- to Long-term Goals

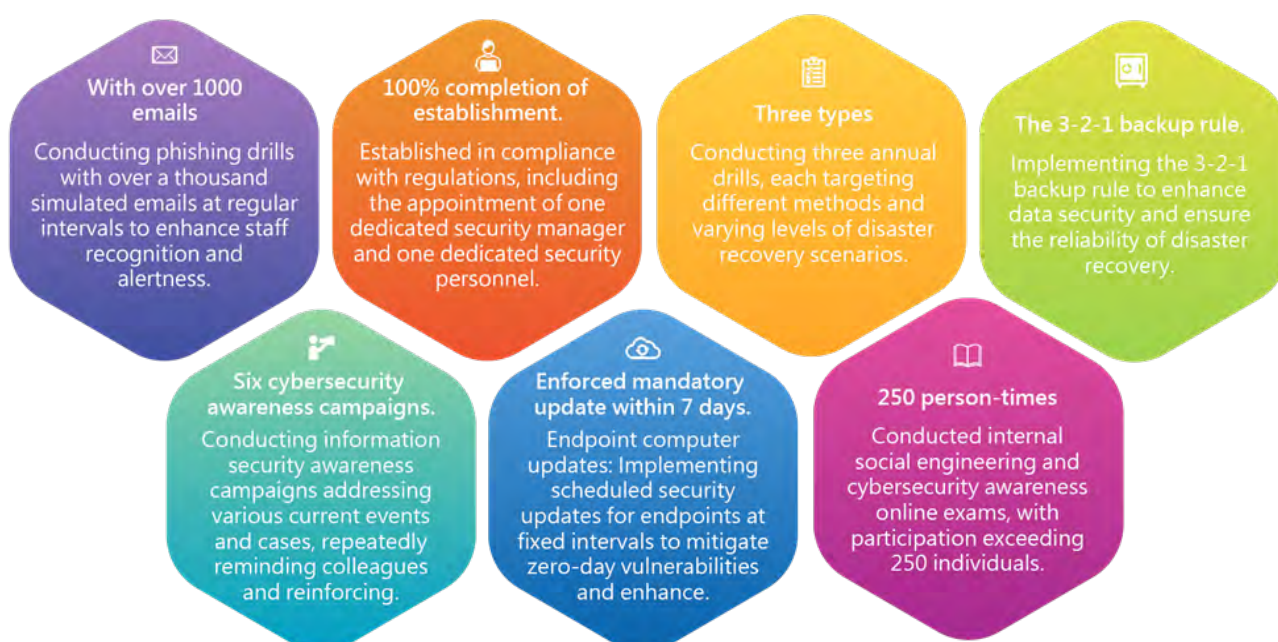
- Introduction of endpoint protection
- Behavior track record
- Regular enhancement of employee information security awareness
- Intelligent intrusion detection and prevention
- Data transmission traffic monitoring
- Cross-border off-site data backup
- Social software restrictions and monitoring

## Results of the promotion of the Company's information security management measures

The biggest risk to information services in recent years has been the rise of cryptocurrencies, fueling a surge in ransomware attacks. To address such attacks, the Company's response policies involve both endpoint user devices and backend servers. For endpoint user devices, general users are required to install antivirus and firewall software for protection. It is also mandated that crucial operational information be stored in system-controlled secure storage areas to mitigate single-point storage risks. In terms of personnel practices, the Company invests in web filtering, email filtering services, and equipment, while also enhancing staff awareness of information security. Additionally, the Company plans social engineering drills and conducts information security incident awareness campaigns. For the backend, the 321 backup rule is used to maintain controlled storage areas and ensure quick recovery capabilities of virtual machines.

In 2024, ASC conducted three cybersecurity drills. All simulation results demonstrated the Company's ability to respond to and recover from system disasters in a timely manner, without disrupting operations or production activities. The drill procedures and scenarios were documented in detailed reports for future reference and learning purposes. Additionally, a cybersecurity risk reporting mechanism was established during the year to enable real-time handling and closure of identified vulnerabilities. One firewall vulnerability was reported in 2024; however, it did not cause any actual impact. The incident was addressed by disabling the affected service and restoring the equipment to its original configuration before reuse.

Severity	Vulnerabilities quantity	Deviant quantity
High (exception occurred)	0	0
Low (false alarm / Not Occurred)	1	0



## 2.6 Strict compliance with laws and regulations

### Material topic: Environmental and social regulatory management

#### Material reasons for the topic

1. ASC is committed to complying with international standards related to social responsibility and local regulations, continuously enhancing employee rights and welfare. We strive to establish an environment of integrity, health, and safety in our operations, fulfilling our social responsibilities.
2. Protecting customer privacy and legal compliance are the basic principles of the Company's business. Violations of relevant laws and regulations may lead to reputational and financial losses, potentially impacting the Company's operations severely. Complying to domestic and international regulatory requirements as well as those of our customers, helps reduce legal risks for the Company and enhances the Company's image.
3. The environmental and societal impacts of product development processes typically require careful assessment and planning. Surrounding production environments must comply with environmental regulations and labor safety laws to avoid risks associated with mechanical operations and the generation of wastewater, exhaust, and waste materials, which could endanger human safety and the surrounding environment.

#### Influence and impact

##### [Environmental aspect]

- Positive Impact: Environmental regulations across various countries are becoming increasingly stringent, such as controls on carbon emissions, waste management, water resource protection, and energy efficiency requirements. These developments compel enterprises to enhance green production technologies and capabilities, implement energy-saving and carbon-reduction measures, and comply with both international and domestic environmental regulations, including ESG disclosure requirements set by the Financial Supervisory Commission.
- Negative Impact: Failure to comply with relevant regulations may expose companies to risks such as fines, increased operational costs, or reduced market competitiveness.

##### [Social aspect]

- Positive impact: Creating a safe and healthy working environment, complying with labor laws, and promoting harmonious labor relations contribute to corporate stability. Actively engaging in social welfare and participating in local development help maintain a positive corporate image and foster public trust, thereby reducing the risk of reputational damage from neglecting social responsibilities.
- Negative Impact: Failure to comply with labor regulations, occupational health and safety standards, or corporate social responsibility expectations may lead to public distrust and damage to the company's reputation.

##### [Economic aspect]

- Positive Impact: Changes in global supply chains, trade policies, tariff adjustments, trade regulations, antitrust laws, and fair competition regulations may influence a company's market strategy and operational costs, creating opportunities for business transformation and strategic repositioning.
- Negative Impact: In response to evolving regulations, companies must enhance operational efficiency to mitigate risks arising from economic uncertainty and regulatory shifts.

##### [Human rights aspect]

- Positive Impact: Global and international organizations are increasingly emphasizing corporate responsibility in human rights, including the prohibition of forced labor, child labor, and discrimination, as well as ensuring labor rights compliance throughout the supply chain. ASC has established a Human Rights Policy and conducts supply chain due diligence to uphold these commitments.
- Negative impact: Neglecting human rights issues may result in legal action, international trade restrictions, or reputational damage, which could adversely affect business operations and brand integrity.

**Policy/Strategy**

The Company has established a comprehensive risk management mechanism to ensure compliance with environmental, social, economic, and human rights regulations through legal compliance, internal governance, and transparent communication. By proactively preventing risks and implementing timely remedial measures, we not only reduce operational risks but also enhance corporate sustainability and social responsibility image.

Regular risk assessments are conducted covering hazards related to operations, finance, strategy, contracts, information security, and climate or social factors. All risk assessments include a regulatory compliance component. Key risks are reported to the Board of Directors with corresponding improvement plans to minimize their impact on operational policies.

1. ASC is committed to complying with international standards and local laws related to social responsibility. We continuously improve employee rights and welfare, build a culture of integrity, and maintain a healthy and safe working environment to fulfill our corporate social responsibilities.
2. Customer privacy protection and legal compliance are fundamental principles of our business operations. Violations of relevant regulations could lead to reputational and financial losses, and in severe cases, jeopardize the company's viability. Adherence to domestic, international, and client-specific regulations helps reduce legal risks and enhances the company's positive image.
3. Environmental and social impacts of product and new equipment development must be carefully assessed and planned. The surrounding environment and labor safety in production areas must comply with environmental protection laws and occupational safety regulations to prevent harm caused by machinery operation, wastewater, air emissions, or waste generated during the manufacturing process.

**Goals and targets****Short-Term Goals**

Environmental Aspect	Social Aspect	Economic Aspect	Human Rights Aspect
Reduce greenhouse gas emissions by 10.3% by 2026.	Zero occupational accidents and continuous investment in social welfare.	Enhance overall competitiveness and increase revenue to NT\$10 billion by 2026.	Adhere to fundamental human rights principles by prohibiting the employment of child labor, complying with local laws and regulations at all global operational sites, and ensuring employees' secure and employment.

**Medium-Term Goals**

Environmental Aspect	Social Aspect	Economic Aspect	Human Rights Aspect
Reduce greenhouse gas emissions by 25% by 2030.	Establish a Security Information and Event Management (SIEM) system to enhance overall visibility and management of cybersecurity incidents.	Enhance overall competitiveness and increase revenue.	Based on the development of human rights issues, adjust the company's related management systems and policies accordingly.

**Long-Term Goals**

Environmental Aspect	Social Aspect	Economic Aspect	Human Rights Aspect
Achieve a 100% reduction in greenhouse gas emissions by 2050 to reach carbon neutrality, aligning with the global 2050 net-zero carbon emission goals.	Strengthen working hours management system to promote effective work-life balance.	Enhance overall competitiveness and increase revenue.	Promote RBA standards and continuously maintain compliance with human rights and social-related regulations, ensuring timely updates on regulatory changes.

**Management  
evaluation  
mechanism**

1. Through the annual corporate governance assessment and alignment with government ESG sustainability development goals, the Company will continuously update environmental and social regulatory information. Internal management updates will be planned accordingly to ensure compliance with relevant regulations. Internally, the Company regulates personnel behavior through the "Code of Integrity" and "Work Rules," strengthening awareness and adherence to ethical conduct among all employees.
2. Relevant policies are established within the internal control system, and regular internal audits are conducted to ensure that management operations comply with established regulations.

**Performance and  
Adjustment**

1. One labor regulation violation occurred in 2024. The wage discrepancy was resolved on March 7, 2024, following mediation by the Hsinchu County Government in February.
2. No major environmental spills occurred in 2024.
3. In 2024, the Company ranked within the 36%–50% range among all listed companies in the Corporate Governance Evaluation.

Preventive or remedial measures	<p>[Environmental Aspect]</p> <p>Preventive Measures:</p> <ol style="list-style-type: none"> <li>1. Assess and implement environmental regulations or systems to strengthen environmental risk management.</li> <li>2. Promote energy saving and carbon reduction by utilizing solar power and reducing energy consumption.</li> <li>3. Establish carbon inventory and reduction plans to ensure compliance with carbon emission and carbon trading regulations.</li> <li>4. Optimize waste management by promoting waste reduction, recycling, and the circular economy.</li> </ol> <p>Remedial Measures:</p> <ol style="list-style-type: none"> <li>1. Enhance environmental compliance management and strengthen internal self-inspection mechanisms to reduce violation risks.</li> <li>2. Actively respond to government environmental requirements, promptly address non-compliance issues, and minimize risks of fines and operational disruptions.</li> </ol> <p>[Social Aspect]</p> <p>Preventive Measures:</p> <ol style="list-style-type: none"> <li>1. Develop and implement occupational safety and health policies, and adopt the ISO 45001 management system to reduce occupational hazards.</li> <li>2. Establish employee communication mechanisms and conduct regular satisfaction surveys to ensure employee satisfaction and compliance with labor laws.</li> <li>3. Strengthen supply chain social responsibility management by requiring suppliers to comply with labor laws and CSR standards.</li> <li>4. Enhance corporate social engagement by actively participating in public welfare activities to increase social trust.</li> </ol> <p>Remedial Measures:</p> <ol style="list-style-type: none"> <li>1. In the event of a workplace safety incident, promptly activate the emergency response plan, provide medical assistance, and improve operational procedures.</li> <li>2. Provide internal employee feedback, grievance, and whistleblowing mechanisms, and take remedial actions for labor disputes, working hours issues, and related concerns.</li> </ol> <p>[Economic Aspect]</p> <p>Preventive Measures:</p> <ol style="list-style-type: none"> <li>1. Closely monitor international trade policies and adjust supply chains and market strategies to reduce tariffs and market entry barriers.</li> <li>2. Ensure financial transparency and regulatory compliance while strengthening auditing mechanisms.</li> <li>3. Optimize financial risk management and improve operational liquidity flexibility to respond to market fluctuations.</li> <li>4. Enhance corporate governance and integrity management systems to ensure fair competition and reduce legal risks.</li> </ol> <p>Remedial Measures:</p> <ol style="list-style-type: none"> <li>1. Conduct rapid adjustments to regulatory changes, such as modifying contracts and altering market strategies, to comply with new regulations.</li> <li>2. In the event of financial or regulatory issues, promptly initiate internal audits and external reviews to ensure compliance.</li> <li>3. Strengthen stakeholder management by transparently communicating corporate strategies and response measures to reduce market uncertainties.</li> </ol> <p>[Human Rights Aspect]</p> <p>Preventive Measures:</p> <ol style="list-style-type: none"> <li>1. Establish a human rights policy in compliance with local labor laws.</li> <li>2. Promote and conduct supply chain due diligence to ensure suppliers comply with labor standards and eliminate forced labor and child labor.</li> <li>3. Implement diversity and inclusion policies to ensure a discrimination-free workplace and establish grievance mechanisms.</li> </ol> <p>Remedial Measures:</p> <ol style="list-style-type: none"> <li>1. Upon discovering human rights violations in the supply chain, promptly follow up on corrective actions, urge non-compliant suppliers to improve, or terminate cooperation in severe cases.</li> <li>2. In the event of discrimination or human rights disputes, initiate internal investigation and mediation processes to ensure employees' legitimate concerns are addressed.</li> </ol>
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## Legal compliance

ASC strictly abide by laws and regulations and value workplace ethics. We hope that every member and partner of the Company will uphold the same beliefs and create an ethical and good work atmosphere. The Company regards a single incident as a major violation when the cumulative fine amounts to over NTD 1 million. In 2024, the company did not violate any major social and economic laws and regulations, nor did it have any major environmental leakage incidents, but there was 1 labor penalty incident. We are cautious and understand the detailed reasons, and immediately make improvements and strengthen management in the future, hoping to avoid the same situation in the future and maintain the important connotation and good image of an honest enterprise to social order.

## Records of Fines and Corrective Actions

Disposition type	Type	Disposition content	Description of violation	Improvement measures
Non-penalty incidents	-	-	-	-
Penalty incidents	Article 22, Paragraph 2 of the Labor Standards Act	A penalty of NT\$20,000.	Wages should be paid in full directly to the workers.	Has been immediately paid
Total	Total number of incidents: 1.			

## Applicable situation

Corporate governance related laws and regulations	Labor rights-related laws and regulations	Compliance with environmental protection laws and regulations	Product-related laws and regulations
<ol style="list-style-type: none"> <li>1. No violation of Company Act</li> <li>2. No violation of commercial laws</li> <li>3. No violation of securities and financial regulations</li> <li>4. No corruption involvement incidents</li> <li>5. No legal proceedings arising from anti-competitive behavior, anti-trust, or monopoly practices</li> </ol>	<ol style="list-style-type: none"> <li>1. No violations of the Gender Equality Act or any discrimination-related laws and regulations.</li> <li>2. No forced labor</li> <li>3. No use of child labor</li> <li>4. No violation of indigenous human rights</li> </ol>	<ol style="list-style-type: none"> <li>1. No violation of the Waste Disposal Act</li> <li>2. No violation of the Air Pollution Control Act</li> <li>3. No violation of the Water Pollution Control Act</li> <li>4. No serious leakage incidents</li> </ol>	<ol style="list-style-type: none"> <li>1. No prohibited or controversial products</li> <li>2. No violations of marketing-related laws and regulations and the Voluntary Code of Conduct</li> <li>3. No huge fine due to provision or use of products and services in violation of laws and regulations</li> <li>4. No complaints of violation of customer privacy or loss of customer data</li> </ol>

## III. High quality

### 3.1 Customer service management

Material topic: Customer service management	
<b>Material reasons for the topic</b>	ASC values maintaining open communication channels with customers. Through annual customer satisfaction surveys and regular/occasional communication meetings, we continuously improve based on customer feedback, providing better service quality and products, and creating a win-win situation with our customers.
<b>Influence and impact</b>	<p>[Economic]</p> <ul style="list-style-type: none"> <li>Positive impact: Good customer service helps improve customer loyalty and satisfaction, and brings about a steady growth in the company's operating performance.</li> </ul> <p>The domestic chemical industry is one of the important supply chains of the semiconductor industry. As a manufacturer in the chemical industry, we control and maintain product quality to ensure the sound development of the supply chain.</p> <ul style="list-style-type: none"> <li>Negative impact: If customer service is not managed well, it may lead to customer loss and reduced market competitiveness, affecting the company's revenue and profitability. If customer service is improper due to product quality, it may lead to product returns, increased energy consumption and increased environmental pressure.</li> </ul> <p>[Human Rights]</p> <ul style="list-style-type: none"> <li>Positive impact: Good customer service management is usually accompanied by a corporate culture that respects human rights, protects the rights of customers and employees, and promotes a diverse and inclusive working environment.</li> <li>Negative impact: If customer service is not managed well, it may lead to damage to the rights of customers or employees, such as ignoring product quality, safety issues or insufficient personnel safety training, etc., which may lead to potential legal risks and negative public comments.</li> </ul>
<b>Policy/Strategy</b>	<ol style="list-style-type: none"> <li>1. Improve quality management, quality policy: customer satisfaction, employee happiness, and manufacturer willingness</li> <li>2. Provide perfect customer service based on the "customer satisfaction" mentioned in the quality policy, including the following             <ol style="list-style-type: none"> <li>(1) The company provides a clear customer service window and builds a clear customer service mechanism to ensure service efficiency and the transmission of correct demand information</li> <li>(2) Provide professional suggestions and suitable products in the company's product field based on customer product needs</li> <li>(3) Build customer relationship management and automated services to achieve satisfactory services and active tracking, and integrate pre-sales and post-sales through integrated automation.</li> </ol> </li> </ol>
<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>Short-term goals:             <ol style="list-style-type: none"> <li>1. By using customer feedback, gradually improving areas of deficiencies, ensuring product quality meets customer expectations, and assisting in enhancing customer satisfaction rates, products can meet market demand in the shortest possible time.</li> <li>2. In 2024, the average customer satisfaction score was above 4.5, and all performance indicators exceeded the "satisfied" benchmark.</li> </ol> </li> <li>Mid-term goal: From the customers' perspective, optimize the design to ensure that products meet or even exceed customer expectations upon leaving the plant, and provide complete localized fluorine equipment and engineering services.</li> <li>Long-term goal: Accompany the growth of customers with innovation, growth, and outstanding fluorine products and services, form strategic partnerships with key customers, providing critical technologies and products, aiming for mutual success.</li> </ul>
<b>Management evaluation mechanism</b>	<p>According to the company's "Customer Satisfaction Management Procedure", customer satisfaction surveys are conducted and evaluated. Monthly quality meetings are held to explain the progress of target execution. If the target is not met, the reasons and improvement measures must be explained. The evaluation mechanism is set:</p> <ol style="list-style-type: none"> <li>1. The number of customer complaints per month is set at the most rigorous target, <math>\leq 2</math>, and the achievement in 2024: 55.8%</li> </ol>

<b>Performance and adjustment</b>	<p>Business units should regularly confirm the corrective measures for unsatisfactory items in the "Customer Satisfaction Survey Form" every year to see if they have been implemented and closed, and set the "Customer Satisfaction" target for the next year based on the current situation. According to the results of the 2024 customer satisfaction survey, the overall average satisfaction remains above 4.5 points, and all project performances are higher than the "satisfactory" index.</p> <p>The quality assurance unit holds a quality meeting every month to review the content of each customer complaint, and conclude the results of remediation and improvement, while formulating countermeasures and control mechanisms to prevent recurrence.</p> <p>In order to maintain the reputation of product responsibility, achieve good cooperation with customers, commit to the principle of honest operation, conduct transactions in an open and transparent manner, and fulfill corporate social responsibility and product commitment practices while pursuing corporate sustainable operation and profitability. The signing rate of the total cooperative product responsibility contract reached 100% in 2024, which also means that ASC has the cornerstone of credit and guarantee in customer service and quality.</p>
<b>Preventive or remedial measures</b>	<p>ASC continues to enhance customer service from the first point of contact. All customer inquiries, ideas, and suggestions are compiled and recorded for continuous tracking and feedback. Regular customer satisfaction surveys are conducted through questionnaires and in-depth interactions with customers, serving as references for the Company's strategic planning and ongoing improvements. At the same time, we also investigate various unsatisfactory responses and urge the responsible units to propose corrective and preventive measures. After that, we will also strive to improve various satisfaction levels in order to better meet customer needs. In the future, we will continue to make efforts in technology, manufacturing, and service to establish a win-win partnership.</p>

## Customer Satisfaction Survey

The Company's sales department is responsible for communicating and coordinating with customers from time to time to provide good services and solve customers' problems in response to customer needs, and the sales department conducts customer satisfaction surveys from time to time to provide customers with various channels for two-way communication.

Statistical analysis and comparison of satisfaction in 2023 and 2024:

Business category	Year	Product quality	Product packaging	Accurate delivery	Quotation time limit	Information feedback	Information delivery	Information provision	Handling of complaints	Personnel attitude	Delivery information provision speed	Sum and average	Standard deviation
Overall Satisfaction Level	2024	4.7	4.5	4.3	4.3	4.5	4.4	4.4	4.4	4.7	4.4	4.5	0.2
	2023	4.5	4.5	4.4	4.5	4.6	4.6	4.5	4.5	4.7	4.5	4.52	0.1
Electronics	2024	4.4	4.4	4.3	4.4	4.4	4.4	4.4	4.4	4.7	4.4	4.4	0.11
	2023	4.5	4.5	4.4	4.4	4.5	4.5	4.5	4.5	4.7	4.5	4.5	0.09
Petrochemicals	2024	4.8	4.6	4.7	4.6	4.7	4.6	4.7	4.7	4.9	4.8	4.7	0.10
	2023	4.7	4.6	4.6	4.6	4.8	4.7	4.7	4.8	4.9	4.7	4.7	0.11
Materials	2024	4.8	4.4	4.0	4.0	4.4	4.2	4.2	4.0	4.4	4.0	4.2	0.26
		4.4	4.5	4.2	4.4	4.5	4.5	4.3	4.1	4.3	4.3	4.4	0.14

## Statistical analysis and comparison of projects in 2023 and 2024:

Ratio	Number of copies	Year	Product quality	Product packaging	Accurate delivery	Quotation time limit	Information feedback	Information delivery	Information provision	Handling of complaints	Personnel attitude	Delivery information provision speed
Highly Satisfied (5)	2024		56	47	51	51	53	50	51	52	73	54
			62%	52%	57%	57%	59%	56%	57%	58%	81%	60%
	2023		55	54	56	57	64	58	58	61	77	59
			57%	56%	58%	59%	67%	60%	60%	64%	80%	61%
Satisfied (4)	2024		32	42	29	28	31	33	32	33	14	30
			36%	47%	32%	31%	34%	37%	36%	37%	16%	33%
	2023		40	37	28	32	27	36	34	30	16	29
			42%	39%	29%	33%	28%	38%	35%	31%	17%	30%
Ordinary (3)	2024		1	1	9	9	5	7	7	5	3	6
			1%	1%	10%	10%	6%	8%	8%	6%	3%	7%
	2023		1	5	12	5	5	2	4	5	3	8
			1%	5%	13%	5%	5%	2%	4%	5%	3%	8%
Dissatisfied (2)	2024		1	0	0	2	1	0	0	0	0	0
			1%	0%	0%	2%	1%	0%	0%	0%	0%	0%
	2023		0	0	0	2	0	0	0	0	0	0
				0%	0%	2%	0%	0%	0%	0%	0%	0%
Highly Dissatisfied (1)	2024		0	0	1	0	0	0	0	0	0	0
			0%	0%	1%	0%	0%	0%	0%	0%	0%	0%
	2023		0	0	0	0	0	0	0	0	0	0
			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total number of questionnaires	2024		90	90	90	90	90	90	90	90	90	90
	2023		96	96	96	96	96	96	96	96	96	96

## Customer privacy

The Company has established the “Personal Data Protection Management Procedures” in accordance with the Personal Data Protection Act and other relevant regulations. These measures are implemented to manage, maintain, and enforce the protection of personal data, ensuring the rights of customers are not infringed upon. All departments of the Company shall collect, process, and utilize personal data in accordance with the principles of honesty and good faith, without exceeding the necessary scope for specific purposes. The purposes of collection should also be reasonably related to legitimate reasons.

The actual process requires the involved party to first complete the “Consent Form for Personal Data Use”, and clearly inform them on the provisions stipulated in the “Personal Data Protection Management Procedures”. This includes the purposes of data collection, the period of data utilization, and other relevant details. In addition, confidentiality agreements must be signed with important customers and for significant cases. Internally, the Company also requires colleagues involved to sign confidentiality commitments. Documents are transmitted in encrypted form, and decryption requires approval from supervisors.

The Company conducts an annual personal data inventory using “Personal Data Inventory Form” to establish a “Personal Data File Inventory”, assess personal data risks, and implement risk management processes. To prevent the theft, alteration, damage, loss, or leakage of personal data, each department of the Company shall adhere to provisions of the “Personal Data Protection Management Procedures” and relevant regulations. This includes implementing personal data file security maintenance management covering data security, personal equipment, and related matters. In 2024, ASC received no complaints about invasion of privacy, and there were no confirmed incidents of information leakage, theft, or loss of customer data.

## 3.2 Customer management and product quality

### Material topic: Innovative products and technologies

#### Material reasons for the topic

Developing new products is necessary for every enterprise's survival and growth. When strategies and directions are correct, it can help the Company maintain a competitive advantage, enhance the quality of products and services, expand market share, and also improve employee benefits and morale. And in line with national policies, it can also enhance the Company's reputation with the government and in society. Achieving long-term success and sustainable development.

1. Enhancing competitiveness: Innovative products and technologies can differentiate us in the market from competitors, attracting more customers and investors.
2. Expanding market share: The introduction of new products and technologies will help the Company enter new markets, expand market share, and thereby increase revenue and profit.
3. Improving product and service quality: Innovation enable the Company to meet more customer needs, thereby enhancing customer satisfaction and loyalty.
4. Improving efficiency and productivity: Innovative technologies provide opportunities for the Company to improve production efficiency, reduce costs, enhance productivity, and thereby increase competitiveness and profitability.
5. Creating value: Bringing more opportunities and profits to the Company helps ensure long-term and stable development.

<b>Influence and impact</b>	<p>[Economic aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: Market competitiveness is enhanced, and innovative technologies can differentiate themselves from the market, thereby increasing added value and market competitiveness. Revenue growth: New markets can increase sales or profits. More efficient technology can reduce production costs and increase gross profit.</li> <li>Negative impact: Increased development costs and risks: New products require a large amount of capital investment from the company and have the risk of development failure and timeliness. If they cannot be put on the market as scheduled, it may increase the risk of external competition and thus reduce the opportunity for early layout.</li> </ul> <p>[Human rights aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: Brand image and social responsibility: Implementing ESG policies or promoting sustainable environmental protection technologies is in line with the global sustainable development trend and can enhance social image and recognition.</li> <li>Negative impact: Human resource training is not easy: the company's products require technical personnel with unique professionalism, which poses challenges in recruitment.</li> </ul>
<b>Policy/Strategy</b>	<p>It is not easy to cultivate manpower. With the rapid development of the semiconductor industry and increasingly stringent environmental regulations, the company is committed to developing innovative technologies to enhance the application of semiconductor packaging products, while promoting the sustainable development of wastewater, waste acid treatment and waste metal recycling. It also implements ESG (environment, society, governance) policies, promotes the circular economy to improve resource utilization, and ensures environmental compliance and social responsibility of the supply chain. : The technical personnel required for the company's products are relatively unique and professional, and face recruitment challenges.</p>
<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>Short-term goals: complete product testing and verification, product market positioning and business model formulation, small-scale trial production and internal verification, and apply for patents or regulatory certification.</li> <li>Medium-term goals: expand product testing and trial customer base, establish production and supply chain system, enhance product competitiveness and expand application.</li> <li>Long-term goals: increase market share and brand influence, expand product lines and applications, continue innovation and technology improvement, and respond to ESG and sustainable development strategies.</li> </ul>
<b>Management evaluation mechanism</b>	<p>According to the company's new product development management mechanism, in terms of system, departments divide the work and cooperate to form an organized team, including R&amp;D, engineering, marketing, supply chain, etc. In project execution, risk assessment and contingency countermeasures are done in advance. In project control, there are clear goals, time planning, and progress control. The control documents are carried out in accordance with the company's R&amp;D management procedures and R&amp;D cycle processes. Product testing and quality require standard operating procedures (SOP) and key indicators (KPI) to ensure product stability. And cooperate with regular audits inside and outside the company to review problems and make corrections and improvements. Product development and market verification are carried out through business marketing, market research, competition analysis, customer service, etc., and the target group is calibrated and then tested. And strategies are established, such as cost, pricing, market acceptance, etc., to choose the appropriate sales model. Finally, technical personnel are matched with technical services.</p>
<b>Performance and adjustment</b>	<ol style="list-style-type: none"> <li>As 2024 progresses, the company's new products have successfully entered the trial production stage, and through verification tests with external partners, we continue to optimize product performance and process stability. During the trial production process, we actively collect customer feedback and adjust based on market demand to ensure that the product meets actual application requirements. Through the external verification mechanism, we not only verify the technical feasibility of the product, but also obtain key data support to enhance product competitiveness. These verification data and feedback information have become an important basis for promoting product improvement and innovation, enabling new products to simultaneously improve market acceptance and technical maturity.</li> <li>No violations related to product marketing and dissemination occurred in 2024.</li> </ol>
<b>Preventive or remedial measures</b>	<ol style="list-style-type: none"> <li>Product development stage: risk assessment and preliminary test verification, good material and supply chain management.</li> <li>Mass production and quality management stage: production process standardization and quality control, relevant laws and regulations and inspection specifications.</li> <li>Product abnormality response: establish abnormality handling process, such as feedback mechanism, cause analysis, correction template.</li> <li>Customer complaints and after-sales service remediation: customer compensation and warranty repair strategy.</li> <li>Continuous improvement and prevention of problems from happening again.</li> </ol>






## Product certification and declaration

ASC aims to meet customer demands by employing comprehensive product design concepts for development and production. We specialize in offering various customized fluoropolymer resin products and services to cater diverse customer needs, thus establishing competitiveness in the market. In addition, the Company is constantly innovating technologies and improving existing products, striving to become a top-notch company with distinctive features and an excellent reputation.

The Company ensures product quality and user responsibility by obtaining certifications and providing safety information labeling. Coupled with a formal and integrity-driven marketing process, these efforts are aimed at enhancing customer trust and loyalty towards both our products and the Company itself. In 2024, the Company did not face any penalties for violations of product and service information labeling, nor did we incur penalties for violations of marketing and promotional regulations.

## Product Certification Information

Product safety certification item statistics			
Products or Services	PTFE lined pipes and tanks	M-PTFE lined pipes, storage tanks, ISO TANK	PFA lined pipes, lined pipes, storage tanks, ISO TANK
Certificate			
Safety Standard Certification	SVHC/ROSH	SVHC/ROSH	SVHC/ROSH
Proportion of products or services provided that have been evaluated by customers %	100	100	100

Note: Percentage = (total number of products or services evaluated by customers/total number of products or services provided to customers)\*100.

## Product labeling

All products provided by the Company undergo regulatory assessments, ensuring compliance with information labeling requirements. Various chemical containers such as fixed storage tanks and transportation tanks made from PTFE materials require compliance with pressure vessel regulations in the exporting countries. This includes obtaining certifications such as CNS 9788, ASME Section VIII, JIS B8265, etc. For transportation purposes, adherence to regional regulations for portable transportation tanks, such as BV or LR maritime transport certifications, are also necessary.

Products must meet requirements including basic dimensions, strength, materials, and performance (steam, air pressure, water pressure, pinhole testing, cleanliness, assembly of accessories, sealing), supported by test reports. Additionally, they should include design drawings, user manuals, warranty certificates, or other specific customer-specified requirements.

Material topic: Product quality and reputation	
<b>Material reasons for the topic</b>	The safety and reliability of existing stable products are the cornerstones of brand reputation. Good product quality and reputation can not only build customer trust and loyalty, but also affect sales and market competitiveness, and attract investors and business partners from different channels, establishing differentiation and long-term competitive advantages for the brand.
<b>Influence and impact</b>	<p>[Economic]</p> <ul style="list-style-type: none"> <li>Positive impact: Improve the quality of products and services, expand market share. And in line with national policies, it can also improve the company's reputation in the government and society. Achieve long-term success and sustainable stable development.</li> <li>Negative impact: Poor quality is like the occurrence of mistakes, and numerous mistakes will lead to rework costs and affect normal production capacity operations.</li> </ul> <p>[Social]</p> <ul style="list-style-type: none"> <li>Positive impact: Brand image and social responsibility, with a good company reputation, can also enhance the recognition of stakeholders.</li> <li>Negative impact: The technical personnel required for the company's products are more unique and professional, and they need to face the challenges of recruitment and the difficulties of human resource training.</li> </ul>
<b>Policy/Strategy</b>	Quality policy: customer satisfaction, employee happiness, manufacturer willingness
<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>Short-term goal: clarify and improve the customer service processing window, and set annual quality goals every year.</li> <li>Medium-term goal: stabilize product quality and quality reputation, optimize and improve various quality accuracy.</li> <li>Long-term goal: become the industry quality benchmark and provide substantial contributions to the industry and society.</li> </ul>
<b>Management evaluation mechanism</b>	The quality target achievement rate set in 2024 is $\geq 90\%$
<b>Performance and adjustment</b>	<ul style="list-style-type: none"> <li>1. Quality goals set in 2024 Achievement in 2024: 94.7%, material grade A yield rate reaches more than 95%</li> <li>No violations of product service, health and safety regulations occurred in 2024.</li> </ul>
<b>Preventive or remedial measures</b>	<p>Customer complaints and after-sales service remedies: customer compensation and warranty repair strategies, continuous improvement and prevention of recurrence of problems.</p> <ol style="list-style-type: none"> <li>1. Proper handling according to the customer complaint handling procedures</li> <li>Each business manager serves as the customer contact window, contact number: +886-02-2597-6222 <ul style="list-style-type: none"> <li>Electronic products: Li Yingyi, Assistant Manager, Qiu Zhaohua</li> <li>Petrochemical products: Jian Xuwei, Assistant Manager</li> </ul> </li> <li>Based on the feedback provided by customers, the quality assurance department is responsible for analyzing abnormal situations and causes, and providing customers with satisfactory solutions through appropriate corresponding measures.</li> </ol>

### 3.3 Sustainable supply chain

#### Material topics: Supplier social assessment, supplier environmental assessment

<b>Material reasons for the topic</b>	<p>The global 2050 net zero issue has prompted the market and supply chain to pay attention to the setting of corporate carbon neutrality goals. ASC has also pledged to achieve carbon neutrality in 2050 to respond to the net zero issue, and actively invested in promoting the reduction of carbon emissions in the industrial supply chain. It will also drive suppliers to participate in the promotion of sustainable activities other than environmental issues, including product sustainable benefits, corporate governance, human rights, and social aspects. All-round attention, gradually drive suppliers to move towards sustainable operations together.</p> <p>Assessing the environmental and social impacts of the supply chain has become increasingly important both to the public and regulators. To strengthen and implement sustainable supply chain management, it is crucial to establish a comprehensive and effective management mechanism. Therefore, gradually requiring and implementing supply chain social responsibility is also aimed at enhancing the Company's sustainability competitiveness and establishing a win-win situation for the supply chain.</p>
<b>Influence and impact</b>	<p>[Environmental aspect]</p> <ul style="list-style-type: none"> <li>• Positive impact: By requiring and regulating suppliers, we can clearly see our determination to achieve our goals in terms of society and the environment, and suppliers have a code of conduct to follow.</li> <li>• Negative impact: If requirements are not met in relevant areas, suppliers may overlook certain regulations that must be paid attention to, which may cause greater damage when accidents occur in the future.</li> </ul> <p>[Social aspect]</p> <ul style="list-style-type: none"> <li>• Positive impact: The stable operation of suppliers depends on the cooperation between employees and the environment. Good employee coordination reduces communication costs; active prevention of environmental hazards contributes to the development of sustainable industries.</li> <li>• Negative impact: If the key points of ASC are not clearly communicated to suppliers, suppliers may neglect to manage human capital, causing disputes or conflicts between the supplier's own operators and the supplier company, and being unable to continue normal operations.</li> </ul>
<b>Policy/Strategy</b>	<p>To strengthen and implement sustainable supply chain management, it is crucial to establish a comprehensive and effective management mechanism. The Company's Supplier Code of Conduct encourages and expects suppliers to:</p> <ol style="list-style-type: none"> <li>1. Obtain environmental permits and reports.</li> <li>2. Prevent pollution and conserve resources.</li> <li>3. Identify hazardous substances and solid waste.</li> <li>4. Emissions and material control.</li> <li>5. Issues such as water resources and GHG emission management.</li> </ol> <p>At the same time, suppliers are required to comply with relevant environmental laws and regulations formulated by the government, labor laws, and the Company's Sustainable Development Best Practice Principles.</p>
<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>• Short-term goal: Promulgate the "ASC Supplier Code of Conduct" to encourage suppliers to adhere to these guidelines. In our interactions with suppliers, we conduct annual reviews to assess their positive and negative environmental impacts. In 2024, ASC promoted the Supplier Code of Conduct to 200 suppliers.</li> <li>• Mid-term goal: We will continue to communicate with suppliers about our corporate development commitments, improve quality management, occupational safety and health, environmental protection, labor rights, etc., and provide guidance and improvement to major raw material suppliers that fail to meet the requirements. In 2024, we will promote the establishment of a supplier code of conduct to a total of 317 suppliers; this will be in line with the goals set in 2023.</li> <li>• Long-term goal: In addition to advocating that suppliers of major raw materials should comply with the "ASC Supplier Code of Conduct", the procurement department has gradually extended the advocacy to suppliers of auxiliary raw materials, hoping that both major and minor raw material suppliers can meet the ASC's social and environmental governance assessment standards.</li> </ul>

<b>Management evaluation mechanism</b>	The Company adheres to the "Supplier Code of Conduct" and has established the "Supplier Selection Management Procedures". These procedures involve evaluating new suppliers before transactions and conducting annual assessments of existing suppliers after transactions. Suppliers that do not meet evaluation standards and have significant environmental or social impact during the evaluation year will be classified as non-cooperative suppliers after assessment. Suppliers are required to comply with relevant environmental laws and regulations formulated by the government, labor laws, and the Company's Sustainable Development Best Practice Principles. Suppliers are also required to sign the "Supplier Social Responsibility Commitment", which mandates that their commitments be based on principles of ethical corporate management and transparent transactions. While striving for corporate profitability and sustainable development, suppliers must also fulfill their corporate social responsibilities.
<b>Performance and adjustment</b>	<p>For the suppliers that provide services, supply relationships, and business dealings, the Company has formulated the following Supplier Social Responsibility Commitment: Suppliers should commit to conducting ethical corporate management, and engage in transparent transactions. While pursuing corporate sustainability and profitability, they must also fulfill corporate social responsibilities by adhering to labor rights and human rights, environmental protection, and ethical corporate management standards as stipulated by relevant laws and regulations.</p> <p>From 2022 to 2024, the suppliers' signing status of the "Supplier Social Responsibility Commitment" are as follows:</p> <ul style="list-style-type: none"> <li>• In 2022, 80 companies signed the contract.</li> <li>• In 2022, 37 companies signed the contract.</li> <li>• In 2024, 66 new companies signed, totaling 235 signed companies.</li> </ul>
<b>Preventive or remedial measures</b>	ASC upholds its commitments to social responsibility. The procurement department continuously monitors government public information for any significant incidents involving suppliers and maintains regular contact to ensure balanced social interactions. This proactive approach aims to prevent issues before they arise. Additionally, the Company has established a reporting system based on the "Internal and External Personnel Reporting Procedures for Illegal or Unethical Behavior". Suppliers and related personnel can report any illegal or unethical conduct by sending an email to the independent reporting mailbox: <a href="mailto:accusation@alliedsupreme.com">accusation@alliedsupreme.com</a> . These reports will be handled by a dedicated department according to established procedures.

## Procurement overview

Since its establishment in 1981, ASC has always aimed to become a century-old enterprise. The Company has consistently been at the forefront of deploying new materials and production technologies during critical development periods across various global industries. This proactive approach has positioned ASC as a key local supplier of equipment, materials, and systems in the chemical, medical, panel, and semiconductor industry chains.

ASC operates midstream in the industry chain, providing fluoropolymer resin materials, fluoropolymer resin linings, fluoropolymer resin coatings, customized products, and solutions. Our products are supplied not only to industries in Taiwan and China but also to international markets including the United States, Japan, and South Korea. Leveraging the advantages of new fluorine materials and fully independent production, we continuously offer the latest fluorine processing applications and comprehensive services to our global customers.

ASC's main supplier categories include raw materials, barrels (iron barrels), iron materials, auxiliary materials (plastic, fiber cloth, pipe fittings, valves, fasteners, solvents, industrial machinery, packaging equipment), consumables (gases, metal hardware, mechanical components, hardware products, metal tools, electrical equipment), fixed assets (molds and fixtures, repair services), system engineering, and general expenses (labor insurance and office supplies, other expenses). The main raw materials most directly related to the production and manufacturing of ASC's products are PTFE and iron materials. Iron materials include barrels, flanges and pipe fittings. Due to origin and technical issues, bulk raw materials are difficult to obtain domestically and are mostly supplied from abroad. Secondary raw materials (auxiliaries) include plastics, valves, and fittings, with suppliers located both domestically and internationally.

### Overview of ASC's procurement in the past three years

Contract Type	Procurement Region	2022		2023		2024	
		Number of suppliers	Proportion of such procurement amount to total procurement amount (%)	Number of suppliers	Proportion of such procurement amount to total procurement amount (%)	Number of suppliers	Proportion of such procurement amount to total procurement amount (%)
Raw materials	Domestic	106	49.6	103	25.0	87	82
	Overseas	9	32.2	13	68.4	11	8
Auxiliaries	Domestic	133	16.02	147	4.6	136	7
	Overseas	11	2.18	10	2.00	8	3
Total		259	100	273	100	242	100

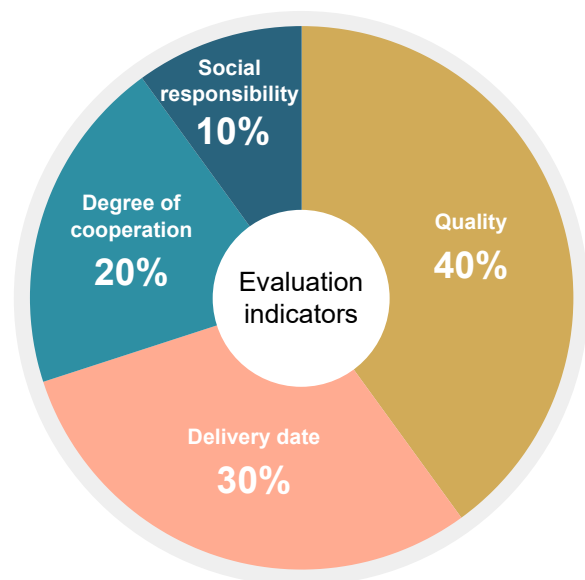
Description:

1. Domestic refers to Taiwan, while foreign refers to regions other than Taiwan (such as the U.S., Vietnam, etc.).
2. Supplier procurement categories are mainly divided into raw materials and auxiliaries.

## Supplier evaluation

The Company conducts annual evaluations of our collaborating suppliers to ensure they fulfill their responsibilities by providing the necessary materials or services timely and in appropriate quantities. Through these regular assessments, we also review suppliers' ongoing self-improvement capabilities in aspects such as quality and delivery times. The assessment criteria cover stable quality management, accurate delivery schedules, and effective cooperation on after-sales service and other relevant issues. Specifically, they are categorized into four main indicators, namely "quality", "delivery schedule", "coordination", and "social responsibilities".

## Supplier evaluation indicators and allocation ratio



## Evaluation indicators and description

Evaluation indicators	Description
<b>Quality</b>	According to the system IGC pass rate, scoring is based on a maximum of 40 points multiplied by the pass rate.
<b>Delivery date</b>	According to the system warehouse management, calculating the delivery achievement based on receipt date and requisition demand date, the scoring is out of a maximum of 30 points multiplied by the achievement rate.
<b>Degree of cooperation</b>	After-sales service, quotation speed, price negotiation, situation handling, etc., are evaluated by the procurement department.
<b>Social responsibility</b>	Comply with labor rights and human rights, ethical corporate management, environmental, and safety and health activities.

### Suppliers of major materials of ASC are divided into four levels after the total annual evaluation scores:

We will take different follow-up actions for suppliers based on the ratings:

Rating score	Level	Level description	Follow-up measures
<b>90 to 100 Points</b>	A	Very good	In the future, suppliers deemed qualified but fail to meet delivery performance standards will be required to submit corrective measures and improve within a specified timeframe or receive guidance to maintain stable quality systems.
<b>80 to 89 points</b>	B	Good	
<b>70 to 79 points</b>	C	Moderate	
<b>60 to 69 points</b>	D	Suspended	For assessment items that do not meet the requirements, the following measures are taken: 1. Measure I: Re-evaluate and audit 2. Measure II: Suspend contract issuance for three months. Suppliers should provide feedback on missing items in statistical reports of abnormal raw material quality based on procurement. Following written review and evaluation by relevant authorities, authorized supervisors can evaluate them to suppliers compliant with transaction standards. During the suspension of contract issuance, special needs will be recognized for collaboration based on decisions made by the authorized supervisors of the requesting units.
<b>Below 59 points</b>	E	Unqualified	Withdrawal of qualified supplier qualification. For those with poor annual evaluations, as necessary, the Company will dispatch relevant technical units to provide guidance and training, aiming to enhance the suppliers' quality management system and ensure stable product offerings.

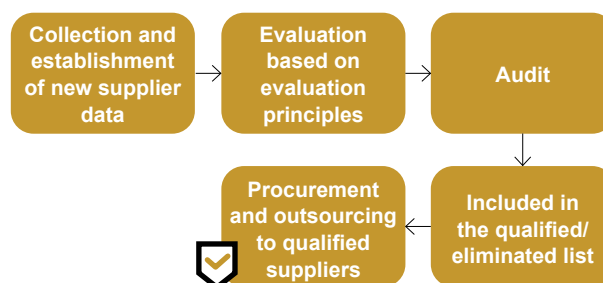


In 2024, a total of 481 suppliers received ASC's annual assessment, and 0 suppliers received E or E level this time. During the reporting period, there were no unqualified suppliers that needed to be improved after evaluation, nor were there any supplier whose relationships were terminated after evaluation.

Level	Level description	quantity	Countermeasures
A	Very good	331	Maintain cooperation.
B	Good	139	
C	Moderate	4	
D	Suspended	7	The purchasing department will gather the quality assurance and design units to actively provide guidance and coordination to suppliers, aiming to jointly improve the quality and delivery management capabilities of suppliers. We will provide targeted technical support and guidance to help suppliers improve production processes and quality control.
E	Unqualified	0	abolish the qualification of qualified supplier.
Total quantity		481	

## New supplier screening

Although the Company has not yet adopted environmental guidelines (GRI 300 series or ISO 14001 Environmental Management System) as mandatory criteria for screening new suppliers, in terms of audit clearance, the procurement department has established the "Supplier Management Procedures" to evaluate new prospective suppliers. The process is as follows:



During the evaluation phase according to the evaluation principles, the scope of evaluation includes supply capacity, supply quality, and environmental systems. We will provide the "New Supplier Evaluation Form" for suppliers to self-evaluate at first. Subsequently, our internal departments at ASC will conduct evaluations focusing on their respective management areas. The Procurement Department is responsible for assessing the "business management" capabilities, the design and requisitioning units are responsible for assessing the "product technology" capabilities, and the Quality Assurance Department is responsible for assessing the "material quality" capabilities.

The Company's "New Supplier Evaluation Form" communicates its standards and expectations for the Supplier Code of Conduct. The evaluation form is divided into four major parts:

Assessment items	Assessment content
<b>Supplier management planning capability</b>	Evaluate whether the supplier addresses employee rights and whether their corporate system and operations are sound.
<b>Manufacturing capacity or technical work execution</b>	Evaluate whether the supplier has the capability to fulfill order requirements and resolve issues, and whether the Company is competitive in the market.
<b>Quality management system</b>	Evaluate whether the supplier holds the ISO 9001 certification and whether they can effectively manage production processes and shipment quality.
<b>Corporate social responsibility and corporate governance</b>	Evaluate whether the supplier prioritizes environmental development and occupational safety, and whether they have the capability to sustain operations for sustainable development.

Each department has assessment items and scoring mechanisms in the “New Supplier Evaluation Form”. Suppliers are required to self-assess first, after which the form is submitted to corresponding departments within ASC for further evaluation.

Item	Assessed department	Number of questions and assignment
<b>Evaluation of business plans</b>	Procurement Unit	Total of 5 questions worth 4 points each, totaling 20 points.
<b>Manufacturing capability evaluation</b>	Requisition Unit	Total of 8 questions worth 4 points each, totaling 32 points.
<b>Quality management evaluation</b>	Quality Assurance Unit	Total of 8 questions worth 4 points each, totaling 32 points.
<b>Social responsibility assessment</b>	Procurement Unit	Total of 4 questions worth 4 points each, totaling 16 points.
There are a total of 4 evaluation indicators, which are jointly scored by all relevant units.		Total 100 points

The supplier evaluation results are scored by the evaluation units and corresponding to four levels of A, B, C, and D. After the evaluation score is calculated, a supplier with a level of B or higher can be registered in the qualified supplier list. Level C and D indicate that the supplier has not yet met the requirements. After improvement, the supplier can be submitted to the procurement unit for a second evaluation review. Subsequent procurement operations are all selected from qualified suppliers and proceed with the procurement process. In 2024, the Company added a total of 201 new suppliers, of which 37 completed the new supplier assessment, accounting for 18.4%.

Comparison of new supplier evaluation scores	
<b>A</b>	Above 86 points
<b>B</b>	85 to 70 points
<b>C</b>	69 to 60 points
<b>D</b>	Below 59 points

## Sustainable management of suppliers

The Company has established the “Procedures for the Selection of Suppliers” under its internal control system; for procurement management, the appropriate material suppliers and engineering contractors shall complete the “Suppliers’ Basic Data;” then, the Company requests suppliers to use the “Supplier Evaluation Form” for self-evaluation in terms of environmental protection, occupational safety and health and other items. The Company’s CSR policy is reinforced through various means in the course of transactions between the Company and its suppliers.

In the new supplier evaluation and supplier’s annual evaluation established, the Company carries out inventory step by step to grasp the overall conditions of suppliers and jointly achieve the objective of sustainable development with companies working together with Allied Supreme.

To duly fulfill corporate social responsibility, commit to assist suppliers in focusing on issues of environmental protection, safety, health and other issues for the facilitation of the implementation of the sustainable development of a balanced economy, society and environmental ecology, the supplier’s social responsibility commitment established between the Company and suppliers that provide services, supply relationship and business dealings are as follows: The supplier promises to carry out transactions via open and transparent methods based on the Ethical Corporate Management Best Practice Principles and fulfill the implementation of corporate social responsibility while seeking sustainable corporate operations and profits, complying with labor interests and human rights, environmental

protection, ethical corporate management, code of ethics and other relevant laws and regulations to facilitate the balance of economy, society, environmental ecology and the sustainable development. The supplier hereby declares to duly fulfill corporate social responsibility with its best efforts. If there is any violation of the abovementioned laws and regulations, it will cooperate with the requirements of the competent authority or the Company to make improvements within the prescribed period and regularly provide the improvement status to the Company for follow-up review until the condition is improved.

Signing status of the execution of joint amendment by suppliers in 2024:

Category	Number of committed suppliers	Percentage of contracts signed
Ironware	3	4.5
Plastic materials	23	34.8
Connectors	6	9.1
System engineering	14	21.2
Others	20	30.3
Total	66	100%

Note: Most of the major raw material suppliers have signed the contract, so there are no new signatories in this category this year.\* "Supplier Code of Conduct" of ASC, available at: <https://www.alliedsupreme.com/upload/files/suppliers-2023.pdf>



## Implementation status of supplier code of conduct

In the first half of 2023, ASC introduced the Responsible Business Alliance (RBA) Code of Conduct as a Supplier Code of Conduct to provide cooperative partners with guidelines. This is aimed at ensuring a safe working environment, respecting employees with dignity, promoting environmental conservation in business operations, and adhering to ethical standards for ASC's collaborating suppliers. Since July 2023, ASC has announced the Supplier Code of Conduct on the Company's official website and notified all suppliers via email. Supplier education includes the following content: A) labor, B) health and safety, C) environmental standards, D) business ethics, and E) elements related to this Code. ASC expects suppliers to collaborate in enhancing the Company's framework. In 2024, the guidelines will be promoted to 45 suppliers.

ASC conducts education and training for contractors every year, so that each manufacturer can learn relevant knowledge, protect the rights of construction workers, provide a safe working environment, encourage suppliers to improve the insurance system for workers, and train manufacturers who enter the factory.

In addition, in order to effectively grasp the implementation of various corporate social responsibility standards by suppliers, ASC has formulated the "Supplier Corporate Social Responsibility Assessment Form" and conducted corporate assessments on 79 suppliers of important materials. The assessment content mainly focuses on labor rights, labor laws and regulations, and corporate operating conditions, and can better understand the supplier's progress in environmental management, pollution disposal and carbon inventory.

## Verification mechanism

The company signed a corporate social responsibility commitment letter with new suppliers that it had never traded with. Although it is not mandatory, many suppliers are still willing to sign it to practice and contribute to corporate social responsibility. The content promises to comply with local laws and regulations such as labor rights and human rights, environmental protection, and integrity management ethics. Signing this commitment letter means that the supplier is willing to accept ASC's assistance and guidance, invest resources and pay attention to issues such as environmental protection, safety, and hygiene; in the case of violations of local laws and regulations, cooperate with ASC's requirements to improve within the deadline, and regularly provide ASC with improvement status for tracking and review.

## Improvement method

Follow up on subsequent improvements through phone communication, email, or other means, expecting suppliers to fulfill corporate social responsibility promotion, and jointly protect labor, health and safety, and other human rights interests. Suppliers and all stakeholders can visit the Company's official website for details: <https://www.alliedsupreme.com/tw/csr-33> .



Suspension of fines for violations	Communication channels and response methods	Number of suppliers
Violation but no fine	Phone communication, email	1
Below NTD 30,000	Phone communication, email	1
NTD 30,001 to NTD 100,000	Email (written improvement report)	2
NTD 100,001 to NTD 1,000,000	Correction documents, on-site understanding	0
Above NTD 1,000,001	On-site understanding and assessment of the termination of cooperation	0

## IV. Sustainable environment

### 4.1 Climate change risks and management

In recent years, global climate change has become an increasingly serious problem, which has brought a far-reaching impact on the risks and opportunities of enterprises. As society's emphasis on sustainable development continues to grow, ASC is addressing the potential risks, opportunities, and countermeasures associated with global climate change. The analysis of these aspects and their implementation effectiveness are as follows:

#### Governance Unit

1. To achieve sustainability development goals, ASC established the Social Responsibility Committee in 2021, which was renamed the "Sustainability Committee" in 2022. The committee reports annually to the Board of Directors on ESD operations. The Board of Directors directly supervises the implementation and tracks the outcomes of issues such as climate change, ESG, and operational risks to ensure the Company's stable operation.
2. The "Sustainability Committee" is under the Chairman's Office, with the Chairman serving as the Chief and authorizing the Secretary-General to oversee ESG execution. Together with senior executives from various fields, the committee reviews the Company's core operational capabilities, formulates mid- and long-term sustainable development plans, and regularly reviews the implementation of annual sustainable development-related work plans. In 2024, the risk assessment mainly included strategic risks and operational risks, covering various aspects of risks evaluation. The highest risk areas identified included talent development and cultivation, the fluoroplastic products industry, product manufacturing cost control, and project management. These areas are directly supervised and guided by the Board of Directors. Climate-related risk issues have not become a major impact this year.
3. The risk assessment for 2025 primarily includes strategic risks and operational risks, encompassing various risk aspects. The highest-level risks identified include talent development and cultivation, fluoropolymer products in the industry, product manufacturing cost control, and project management. These risks are directly overseen and guided by the Board of Directors. Although climate-related risks have been incorporated into this year's risk coverage, they have not yet become a material key impact for the year.

#### Risk category

The Company actively engages in climate risk assessment and, in the Board of Directors' 2025 risk assessment report dated December 25, 2024, has further formulated short-, medium-, and long-term sustainability strategic goals and action plans.

Additionally, specific transitional and physical risks associated with the short-, medium-, and long-term horizons have been identified and addressed.

Risk Categories	Short-term	Medium-term	Long-term
Transition Risk	1.Greenhouse Gas Emission Cap 2.Enhancement of Renewable Energy Infrastructure	Carbon tax and fee impacts mitigation measures through carbon reduction process improvements	Net Zero
Physical Risk	Extreme weather causing asset damage	1. Extreme weather impacts on supply chain and transportation 2. Increased product preservation costs	Rising average temperature

#### Opportunity category

Based on the transition and physical risks caused by climate change, as well as the opportunities they present:

Opportunity Categories	Short-term	Medium-term	Long-term
Climate Change Opportunities	Construct affordable renewable energy facilities to support environmental and climate actions, achieving short-term carbon reduction targets.	Focus on sustainable cities and community economic development to create lasting sustainable impact and reduce carbon emissions in the supply chain.	Practice responsible sustainable production and partnerships.

## Strategy

## Environmental Sustainability Strategy:

Develop affordable renewable energy facilities in response to environmental and climate actions, and promote energy conservation and carbon reduction.



Based on risk assessments, the following climate-related risks and opportunities with potential financial impacts, along with corresponding response strategies, are identified:

Transition Risk: Climate Change Opportunities		
R: Risks / O: Opportunities	Financial Impact – / +	Response Strategies
R: Total Greenhouse Gas Emission Control R: Large Electricity Users Regulations	-Expenditure on electricity energy-saving measures. -Costs incurred by large electricity users to establish renewable energy facilities. +Reduction in purchased energy costs.	1. Implement carbon inventory and invest in carbon reduction. 2. Construct renewable energy facilities in compliance with regulations.
R: Impacts of Carbon Tax and Carbon Fees R: Carbon Reduction Process Improvement Measures	-Paying carbon taxes and fees increases operational costs. -Increased costs for installation and operation of carbon reduction equipment.	1. Continue investing in low-carbon process production improvements.
R: Net Zero	-Increased carbon reduction costs in the product supply chain.	1. Continue implementing greenhouse gas reduction initiatives. 2. Supplier carbon reduction guidance 3. Encourage suppliers to promote climate adaptation and mitigation measures.

Risk  
Management

1. ASC categorizes risks into seven major categories, including hazard risks, operational risks, financial risks, strategic risks, contract risks, information security risks, and other risks such as corporate governance and climate risks. TO ensure clear monitoring of risk management, each department conducts annual risk assessments according to risks management procedures. They assess risks levels, differentiate severity, responsibilities, and response measures. The management department consolidates these assessments and reports them to the Board of Directors, while the Audit Department supervises the risks operations of each unit.
2. Risk information is disclosed on the Company's annual report and external official website every year.
3. In terms of climate risk, ASC adopts the approach of knowing oneself first and conducting internal carbon inventory. Each unit jointly establishes a greenhouse gas inventory team with clear division of labor, and sets up ISO14064-1 procedures and internal audit systems to check and balance each other to ensure operation. The greenhouse gas operation status is regularly reported to the board of directors every quarter, and according to the regulations of the Financial Supervisory Commission, Category 1 and Category 2 are checked. In 2024, the 2023 carbon inventory operation will be carried out and the results will be reported to the board of directors.



Indicators  
and  
targets

To address the operational risks caused by climate change and strengthen climate governance, ASC identifies potential climate change risks and opportunities. Through inventory, identification, and transformation measures, we establish risk management strategies for major risks as the core of our climate change response actions. For managing risks associated with climate change, we adjust relevant policies or principles, estimate management costs and financial impacts, systematically assess financial implications, and reduce risks while seizing opportunities.

Item	Target setting	Specific actions and performance										
Energy management	<ul style="list-style-type: none"><li>The company actively strengthens energy conservation education for employees and improves process safety; improves processes, reduces high energy consumption, and sets action goals:1.Starting from 2024, it is set to improve at least one energy consumption hotspot and at least one process every year.</li></ul>	In 2024, the Company's use of most energy projects will decrease compared to 2023, mainly through energy conservation in daily life and process efficiency operations, which will directly reduce the use of various energy sources compared to the previous year's energy usage.										
GHG management	<ul style="list-style-type: none"><li>The carbon reduction phases for Scope 1 and Scope 2 are set as follows:<ol style="list-style-type: none"><li>In 2024, the cumulative emission reduction is 6.3%, which has been achieved.</li><li>In 2025, the cumulative emission reduction is 8.3%, which is in progress.</li></ol></li><li>Phase 1 (2022~2030): cumulative emission reduction of 25%.</li><li>Phase 2 (2031~2040): emission reduction of 35%, cumulative emission reduction of 60%.</li><li>The final phase (2041~2050): emission reduction of 40%, in order to achieve the net zero carbon emission target in 2050, with a cumulative emission reduction of 100%.</li></ul>	<p>In 2024, we introduced the ISO 14064-1: 2018 GHG inventory regulations and conducted GHG inventory operations. Quarterly reports on GHG operations were submitted to the Board of Directors. The GHG emissions for 2024 are as follows (in metric tons of CO2e):</p> <table><tr><th>Scope</th><th>Metric tons CO2e</th></tr><tr><td>Scope 1</td><td>650.4036</td></tr><tr><td>Scope 2</td><td>6,480.0876</td></tr><tr><td>Scope 3</td><td>1,489.8737</td></tr><tr><td>Total</td><td>8,899.377</td></tr></table>	Scope	Metric tons CO2e	Scope 1	650.4036	Scope 2	6,480.0876	Scope 3	1,489.8737	Total	8,899.377
Scope	Metric tons CO2e											
Scope 1	650.4036											
Scope 2	6,480.0876											
Scope 3	1,489.8737											
Total	8,899.377											
Water resource management	<ul style="list-style-type: none"><li>Through the online SCADA monitoring system, abnormal water leakage can be detected in real time, effectively reducing water waste. In line with the water quality discharge standards of the Industrial Zone Administration, reduce discharge in accordance with regulations, create a pollution-free environment, and set water resource management goals:<ol style="list-style-type: none"><li>1.0 pollution incidents and 0 penalty incidents in 2024.</li><li>2.0 pollution incidents and 0 penalty incidents in 2025.</li></ol></li></ul>	In 2024, the Company continued to utilize the SCADA system to recycle and reuse water resources, recycling a total of 15,034 metric tons of water.										

Indicators  
and  
targets

Item	Target setting	Specific actions and performance
Waste management	<ul style="list-style-type: none"> <li>Implement environmental protection measures such as waste reduction, waste classification and recycling, and park planting to contribute to the earth.</li> <li>Properly manage and master the use and waste status of various resources, and conduct systematic management of recyclable items, non-recyclable waste and their treatment procedures to improve resource utilization efficiency.</li> <li>The waste removal company that cooperates must meet the government's qualified manufacturers.</li> <li>Actively implement recycling, decomposition and reuse. The company continues to work towards process waste reduction, resource conservation, reduction of waste generation, promotion of material recycling and reuse, and reduction of environmental load, to achieve the goals of waste reduction and resource recycling and reuse, and continue to optimize the "zero pollution" corporate standard.</li> </ul>	ASC actively recycles packaging materials and other waste to reduce waste generation, and the amount of waste generated each year is gradually decreasing. 90% of PFA in the process raw materials is recyclable.
Waste management	<ul style="list-style-type: none"> <li>Implement environmental protection measures such as waste reduction, waste classification and recycling, and park planting to contribute to the earth.</li> <li>Properly manage and master the use and waste status of various resources, and conduct systematic management of recyclable items, non-recyclable waste and their treatment procedures to improve resource utilization efficiency.</li> <li>The waste removal company that cooperates must meet the government's qualified manufacturers.</li> <li>Actively implement recycling, decomposition and reuse. The company continues to work towards process waste reduction, resource conservation, reduction of waste generation, promotion of material recycling and reuse, and reduction of environmental load, to achieve the goals of waste reduction and resource recycling and reuse, and continue to optimize the "zero pollution" corporate standard.</li> </ul>	ASC actively recycles packaging materials and other waste to reduce waste generation, and the amount of waste generated each year is gradually decreasing. 90% of PFA in the process raw materials is recyclable.
Renewable energy Usage status	<p>Electricity use is the main source of greenhouse gas emissions for the company. In addition to saving electricity as the main means of reducing carbon emissions, we also promote various energy-saving matters and set action goals:</p> <ul style="list-style-type: none"> <li>Invest in renewable energy in 2024 and build rooftop solar energy for self-use.</li> <li>Build a parking shed and rooftop solar green energy in 2025.</li> </ul>	There is currently no renewable energy used. A 252kw self-generated solar photovoltaic system will be completed in 2024 and is expected to be put into use in 2025.

**Financial  
impact**

Impact of extreme climate events:

1. After internal risk assessment, extreme climate brings floods caused by heavy rainfall, which will seriously damage the roads at the operating bases and affect operations, and the risk of damage to factories and equipment, leading to shipment delays .
2. The water for individual companies' production plants comes from tap water reservoirs. If there is water shortage or water restriction due to drought, it will affect the product process demand. Water circulation equipment has been adopted to reduce water intake and reduce the impact.

Impact of transformation actions on finance:

1. Faced with transformation risks, we must respond to a wide range of policies and regulations, technology and market changes. The imposition of carbon taxes by the EU and various countries will affect the product supply chain, impacting the cost investment of product carbon emissions and process carbon reduction.
2. Various energy inventory and energy consumption reduction and equipment improvement projects are now introduced to respond to market and regulatory changes in advance.

**Carbon  
pricing  
status**

Regarding carbon pricing, ASC is currently actively building internal carbon pricing principles. In the future, we will incorporate carbon pricing and carbon fee standards based on relevant policies and regulations into business decisions to adjust operating strategies and possible future changes.

The company refers to the public prices of the Taiwan Carbon Rights Exchange and the carbon pricing system announced by the Ministry of Environment, and responds to the market layout of EU CBAM regulated products. To maintain market competitiveness and incorporate costs into operational considerations, the company now uses the CBAM regulations to constrain carbon emission statistics. The standards are adjusted at any time with trends and legal updates to respond to changes in market carbon-related issues.

**GHG  
inventory  
plan and  
assurance  
status**

In accordance with the "Sustainable Development Roadmap for Listed Companies" formulated by the Financial Supervisory Commission, the Company will complete the greenhouse gas inventory plan for individual companies in 2023, and it is expected to complete the individual parent company confirmation in 2025; regarding the greenhouse gas inventory and confirmation of consolidated subsidiaries, the Company expects to complete the greenhouse gas inventory of consolidated subsidiaries in 2027 and complete the greenhouse gas confirmation of consolidated subsidiaries in 2029.

## 4.2 Materials management

Due to product characteristics and other limitations, the Company mainly uses non-renewable raw materials and does not have policies related to the recycling of products and their packaging materials. ASC aims to conserve resources and follow sustainable environmental principles by implementing methods to optimize resource utilization. This includes improving process efficiency and recycling raw materials to minimize unnecessary consumption of energy and water resources. Although the PFA raw materials used by the Company are non-renewable materials, they can be recycled and reused, with a recycling rate is 90%.

Name of raw material	Unit	Whether it is renewable	2022	2023	2024
Glass fiber cloth	Tons	Non-renewable	67.4	47.03	18.60584
PE film	Tons	Non-renewable	7.49	5.95	3.9705
Flange	Tons	Non-renewable	160.71	96.77	107.61
Steel pipes	Tons	Non-renewable	93.4	149.27	103.597
SHPTP HOSE materials	m	Non-renewable	11,098.69	19,751.80	15,753.1
PP sealing plate	Tons	Non-renewable	2.59	3.42	4.52
Wooden floorboard	Tons	Renewable	26.87	48	15.989
EPE	Roll	Non-renewable	348	353	386
PE black and white film	Roll	Non-renewable	845	480	600
Continuous PE bag	kg	Non-renewable	2,862.3	2,306.20	3,557.8
PE stretch film	Roll	Non-renewable	1,184	2,884.00	3,312
Yellow double-sided tape (cotton) DS17	Roll	Non-renewable	7,554	3,780	4,620
Masking tape	Roll	Non-renewable	1,128	900	2,134
PVC duct tape	Roll	Non-renewable	1,200	576	864
Heat-resistant tin spraying tape	Roll	Non-renewable	2,840	1,180	770
OPP tape	Roll	Non-renewable	930	480	2,280
Green waterproof tape	Roll	Non-renewable	544	520	1,573
Heat-resistant PI tape	Roll	Non-renewable	0	2,460	720
Flat PVC tape	Roll	Non-renewable	0	0	890

Note:

1. The types of materials include: Natural resources such as minerals, iron, and plastic pellets. Lubricating oil used in machinery, semi-finished components or parts, and packaging materials.
2. Non-renewable refers to resources that cannot be replenished in the short term, such as coal, natural gas, metals, minerals, and petroleum. Renewable refers to resources that will grow back after harvesting.

## 4.3 Energy control

Material topic: Energy	
<b>Material reasons for the topic</b>	<p>Net zero transformation is no longer an environmental issue, it has become an economic issue crucial to the international competitiveness of national industries. The ongoing Russia-Ukraine war, coupled with export fluctuations leading to rising energy prices, has sparked a global crisis, posing threats to economic growth and national security. "Carbon reduction" has become a common issue that all domestic and foreign companies must face.</p>
<b>Influence and impact</b>	<p>[Economic aspect]</p> <p>The continued conflicts in the world situation and the tariff issues of various countries have led to continued fluctuations in global energy, which is extremely important for the development of independent energy.</p> <ul style="list-style-type: none"> <li>• Positive impact: ASC is committed to conserving energy and increasing the ratio of solar and renewable energy. We also support the adoption of environmentally friendly technologies to reduce emissions of pollutants. Through green products, we carefully select raw materials and suppliers to ensure compliance with bans on prohibited substances and materials.</li> <li>• Negative impacts: Faced with high demand for electricity for production, if the Ministry of Environment adjusts the threshold for carbon fees and large electricity users, it will be affected, which will inevitably cause an impact. Accompanying this is an increase in the cost of various production operations.</li> </ul> <p>[Environmental aspect]</p> <p>Biological mutations are closely linked to climate change and poses a significant threat to global supply chains. Damage to ecosystems will weaken nature's ability to regulate GHG emissions, thereby accelerating rapid climate deterioration.</p> <ul style="list-style-type: none"> <li>• Positive impact: Reducing carbon emissions will directly benefit the vast environmental ecosystem, ensuring sustainable and stable global food supply without causing material shortages and price spikes due to environmental impacts, thus enabling climate restoration to sustainably return to normal.</li> <li>• Negative impact: ASC's manufacturing processes require a significant amount of electricity, which directly impacts climate abnormal temperature rises, leading to electricity shortages and posing challenges to business operations. The cost of electricity will increase significantly. Restrictions on electricity supply and consumption by Taipower will severely affect production operations.</li> </ul> <p>[Human rights aspect]</p> <p>People in wealthy countries have resources and continue to enjoy a high-consumption, high-carbon lifestyle, but they are asking low-income countries to cut investments in infrastructure, such as electricity, energy, and medical resources. This is unfair. We must face up to the asymmetric impact of climate change on the most vulnerable regions and people.</p> <ul style="list-style-type: none"> <li>• Positive impact: Reducing carbon emissions from energy to prevent climate change will have the greatest benefit to corporate employees by reducing the direct impact of the environment on people's health.</li> <li>• Negative impacts: Energy-related climate change is the most likely human right to be affected now or in the future. Waste generated by energy will indirectly affect life and health, increasing the risk of injury, illness and death, while improper use of green energy will lead to extreme weather events such as floods and wildfires that will destroy countless people's homes.</li> </ul>
<b>Policy/Strategy</b>	"Social responsibility, sustainable development, going global, and compliance with government regulations"

<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>• Short-term goals:               <ol style="list-style-type: none"> <li>1. Start by prioritizing the installation of smart meters on high-power, high-energy-consuming equipment, followed by office area installations, and monitor the electricity usage of each device spatially through data digitization and evaluate implementation using an energy management system.</li> <li>2. Start by promoting and enforcing energy-saving measures in daily life. Then, combining data driven improvements to reduce high-energy consumption in operations.</li> </ol> </li> <li>• Mid-term goal: Effectively use the functionalities of the energy management system. Through system tools, regularly monitor equipment and energy consumption to promptly detect anomalies and prevent inefficient energy use.</li> <li>• Long-term target: Cooperate with the government to develop renewable energy (e.g. solar energy) to reduce energy consumption. Adjust production line schedules according to Taipower's peak electricity consumption times to align with government energy-saving hours, aiming to minimize the societal electricity burden.</li> </ul>
<b>Management evaluation mechanism</b>	Comply with the standards of the Energy Administration that are regularly reported by the government to the annual target of reducing electricity consumption by more than 1%. All inspections and tests over the years have met the statutory government standards.
<b>Performance and adjustment</b>	The self-generated solar photovoltaic system will be completed in 2024, and 82kw of solar energy will be used for power generation in 2025. We will also actively invest in evaluating the solar energy construction area.
<b>Preventive or remedial measures</b>	<p>The Company reviews the overall carbon reduction effectiveness annually and continues to construct green buildings that meet green building certification standards. If the reduction results are not as expected, we will actively increase the ratio of solar renewable energy and support the adoption of environmentally friendly technologies to reduce pollutant emissions. Carefully select raw materials and suppliers through green products to ensure that prohibited substances and materials are not used, and also seeking communication and collaboration with relevant organizations.</p> <p>ASC advocates for energy conservation and the appreciation of resources by posting various slogans in daily life as reminders. We also occasionally issue notices to promote practices such as turning off lights when not in use and valuing resources, expecting employees to develop good habits.</p> <p>If repeated failures to turn off lights or causing energy leaks are discovered, we will evaluate the use of smart or sensor-based methods to control power switches.</p>



## Energy use

The use of energy in corporate operations and factory production is unavoidable. In response, ASC actively devises and implements energy-saving measures to achieve the goal of sustainable energy. In 2024, the Company achieved reductions in energy usage across most energy projects compared to 2023. This was achieved through lifestyle energy conservation and operational efficiency improvements, resulting in direct decreases in the usage of various energy resources compared to the previous year.

**ASC's energy consumption status in the recent three years**

Quantitative indicators	Unit	2022	2023	2024
Electricity consumption	kWh/year	16,383,173.11	14,536,236.84	13,671,071.10
	GJ	58,979.42	52,330.45	49,215.86
Liquefied Petroleum Gas (LPG)	KG/year	16,425	15,456	12,895.76
	GJ	829.51	780.05	584.43
Diesel consumption	L/year	68,255	56,912	51,763
	GJ	2,398.86	2,000.21	1,871.65
Natural gas (LNG) consumption	m³	26,575	77,443	89,609.28
	GJ	889.52	2,592.16	3,319.78
Gasoline consumption	L/year	-	14,400.58	14,617.89
	GJ	-	469.97	465.38
Total energy consumption	GJ	63,096.76	58,172.84	55,457.10
Organization-specific metrics	Operating revenue (NTD million)	6,138.088	5,692.353	6,457.399
Energy intensity	GJ/operating revenue (NTD million)	10.28	10.22	8.59

### Description:

- The conversion coefficient is calculated based on the latest revised standards of the Ministry of Environment. The calorific value of the fuel is converted to 1kWh = 0.0036GJ.
- Electricity (J) = kWh of electricity consumed in the year \* 3,600KJ/kWh.
- Liquefied petroleum gas (J) = Annual consumption (kg) \* 5,958 (heating value) \* 1.818 (unit conversion) \* 4,184J.
- Gasoline (J) = Annual consumption (L) \* 7,609 (calorific value) \* 4,184J
- Diesel fuel (J) = Annual consumption (L) \* 8,642 (calorific value) \* 4,184J.
- Natural gas (LNG) (J) = Annual consumption (m³) \* 8,000 (calorific value) \* 4,184J  
Note: The natural gas calorific value is provided by the supplier as the monthly average calorific value. Calorific value = annual average calorific value \* 0.9, which is set as the low calorific value.
- Energy intensity (GJ) = Energy consumption (GJ) / organization-specific metric (NTD millions).
- Organization-specific metric is operating revenue (NTD millions).
- The gasoline used by the Company's official vehicles is reimbursed by the Company, but it is difficult to distinguish between the receipts for official vehicles and private vehicles, leading to the inability to differentiate fuel usage between private and official vehicles. In Q4 of 2022, we introduced the CPC Fleet Card mechanism, enabling complete and accurate data to be recorded in 2023.
- Scope of coverage: A1, A2, A3 of Changbin Plant, as well as Taipei Office, Hsinchu Office, Tainan Office, leased land under control and company cars.

## Energy saving achievements

To implement the concept of sustainability, ASC has formulated energy-saving strategies and action plans within the Company. We aim for full participation in energy-saving and carbon reduction actions, fostering an awareness of energy conservation, and collectively contributing to the sustainability of the Earth. The main setting items are as follows:

ASC's energy saving and carbon reduction strategy			
Item	Response strategies	Specific actions and results in 2024	Action Plan for 2025
Reduce electricity consumption	<ol style="list-style-type: none"> <li>1. Increase the ratio of self-generated solar renewable energy.</li> <li>2. Install circulation fans to improve the efficiency of air circulation in cooling systems.</li> <li>3. Replace old and energy-intensive equipment.</li> <li>4. Equipment maintenance and upkeep to reduce energy consumption, such as cleaning the copper tubes of chillers.</li> <li>5. Optimize each piece of equipment using smart methods and systematically control operations.</li> </ol>	<p>In 2024, electricity consumption will be reduced by 865,165.74 kWh compared to 2023. Based on the electricity carbon emission coefficient of 0.494 announced by the Bureau of Energy of the Ministry of Economic Affairs in 2013, the reduction is approximately 427.39 metric tons of carbon dioxide emissions equivalent.</p>	<ol style="list-style-type: none"> <li>1. Understand internal emission hotspots through the ISO 14064-1 carbon inventory system.</li> <li>2. Obtain product carbon emission points and evaluate improvement efforts through equipment monitoring.</li> </ol>
Reduce fuel consumption	<ol style="list-style-type: none"> <li>1. Encourage employees to drive electric vehicles and take carpools to commute.</li> <li>2. Implement public transportation during business trips.</li> <li>3. Videoconferencing to reduce energy consumption during business trips.</li> <li>4. Assess the replacement of outdated equipment with low-energy consuming equipment.</li> <li>5. Eliminate diesel forklifts and replace them with electric forklifts.</li> </ol>	<ol style="list-style-type: none"> <li>1. Advocate to avoid equipment ineffective standby.</li> <li>2. Evaluate alternatives solutions.</li> </ol>	<p>Through the ISO 14064-1 carbon inventory system, we can understand internal emission hotspots and reduce the use of high-emission equipment.</p>
Reduce water consumption	<ol style="list-style-type: none"> <li>3. SCADA monitoring, recycling, and reuse.</li> <li>4. Install flow restrictors on water-saving equipment.</li> </ol>	<p>In 2024, the company continued to use the SCADA system to recycle water resources, recycling a total of 15,034 metric tons of water resources. It also invested in smart meters equipped with SCADA system control to visualize the power consumption of high-power consumption production equipment, so as to provide a reference for subsequent energy saving of related equipment.</p>	<p>Continue to use SCADA monitoring system to monitor the consumption of water resource system.</p>

Waste reduction	<ol style="list-style-type: none"> <li>1. Promote electronic forms to reduce paper consumption.</li> <li>2. Implementation of green procurement, such as FSC certification, energy saving, environmental protection labels.</li> <li>3. Provide reusable tableware to reduce disposable tableware usage.</li> <li>4. Implement garbage sorting to reduce waste and increase recycling and reuse.</li> </ol>	<p>ASC defines green procurement as products that "increase social benefits or reduce social costs". We promote green procurement in general merchandise categories, purchase environmentally friendly hand towels, first-class energy-saving equipment such as water-cooling fans, dehumidifiers and energy-saving sensor lamps; we also promote and recommend green procurement to internal units, and encourage the use of equipment with energy-saving labels, green building materials labels or green products.</p>	<p>Through the ISO 14001 environmental management system, we build a complete environmental management system and implement it in an effective manner.</p>
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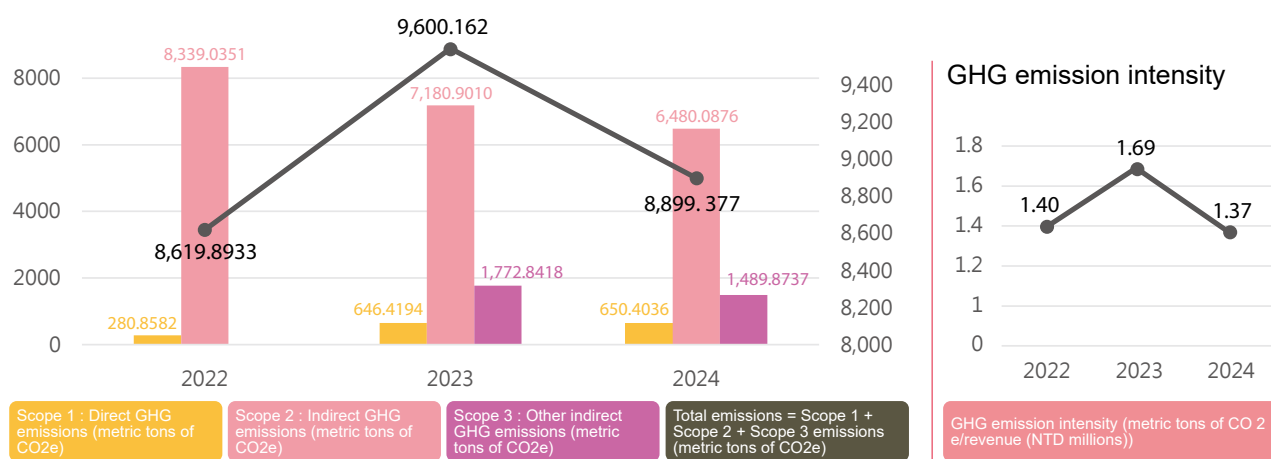
## 4.4 Emission mitigation

Material topic: Emissions	
<b>Material reasons for the topic</b>	ASC belongs to the chemical industry and has a manufacturing plant. Due to the need for operating production operations, air pollutants and waste water are generated after the process. The company adopts legal procedures to purchase relevant prevention and control equipment and applies for relevant permits in accordance with the law. It controls various emissions with a rigorous attitude on a daily basis to avoid environmental pollution risks.
<b>Influence and impact</b>	<p>[Economic aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: Adopt green, environmentally friendly, and recycling-oriented supply chain cycle to create added value.</li> <li>Negative impact: Increased emissions will directly impact the cost of carbon tax, posing a challenge to the survival of enterprises.</li> </ul> <p>[Environmental aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: Reduce environmental burdens and promote ecological restoration sustainably will be crucial tax-saving strategies for export businesses.</li> <li>Negative impact: Pollution, including air pollution, water pollution, waste, etc., will cause environmental and biological hazards and require high costs to maintain and repair. ASC uses autonomous awareness to monitor related emissions and greenhouse gas emissions, and implements relevant emission reduction measures based on emission hotspots to reduce greenhouse gas emissions.</li> </ul> <p>[Human rights aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: Reducing emissions by enterprises helps protect our right to a secure livelihood.</li> <li>Negative impact: Factory material emissions can potentially cause direct or indirect health hazards to employees or residents.</li> </ul>
<b>Policy/ Strategy</b>	ASC's emission policies comply with the government's monitoring thresholds for emissions. Actively install solar panels at each plant, ASC collaborates with government economic measures to enhance green energy efficiency. Simultaneously, the Company reports on air pollution and process water recycling to reduce emissions.
<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>Short-term goal: Install additional monitoring equipment to effectively monitor the value of emissions and make them comply with regulations. Achieved.</li> <li>Mid-term target: Introduce the ISO14001 management system and set annual emission reduction values. At the same time, invest in advanced technology to reduce process emissions, and adjust emission measures in a timely manner through regular monitoring to meet government standards.</li> <li>Long-term goal: Through government carbon neutrality goals, we aim to reduce, offset, or mitigate environmental impacts, thereby enhancing both competitiveness and sustainable development capabilities of the Company.</li> </ul>
<b>Management evaluation mechanism</b>	<ol style="list-style-type: none"> <li>Set up SCADA to monitor recycled water and reduce emissions.</li> <li>After starting to build self-generated and self-used solar energy in 2024, carbon emissions will be reduced through power generation results every month starting from 2025.</li> <li>Through the data feedback of prevention and control equipment, emission data values and abnormal reminders are obtained in real time.</li> <li>Through the "Changbin Industrial Zone Management Bureau" monthly spot check and test water quality data, all meet the regulatory emission standards.</li> </ol>
<b>Performance and adjustment</b>	<ol style="list-style-type: none"> <li>Continue to reduce carbon emissions. The company is not on the list of major carbon emitters of the Environmental Department.</li> <li>Continue to pay attention to various emissions and require self-compliance to avoid the company being punished by the public sector. There were 0 environmental penalties in 2024.</li> <li>There were 0 environmental emission reporting incidents in 2024.</li> </ol>
<b>Preventive or remedial measures</b>	Through the SCADA monitoring system and random inspections and appropriate prevention measures in industrial areas, if any exceedance is found, interception operations and related supporting measures will be initiated immediately to avoid irreparable situations.

## GHG emissions status

From 2023, the Company implemented the ISO 14064-1: 2018 GHG inventory regulations and conducted GHG inventory operations. We regularly report the GHG operations to the Board of Directors quarterly. The inventory covers ASC (A1 Plant), ASC (A2 Plant), ASC (A3 Plant), Taipei Office, Hsinchu Office, Tainan Office and 2 Changhua Warehouses, totaling 8 operational sites. This includes direct GHG emissions, indirect GHG emissions, and other indirect GHG emissions, using operational control boundaries set by the organization. The total emissions in 2024 were 8,899.377 metric tons of CO<sub>2</sub>e, with Scope 1 emissions at 650.4036 metric tons of CO<sub>2</sub>e, Scope 2 emissions at 6,480.0876 metric tons of CO<sub>2</sub>e, and Scope 3 emissions at 1,489.8737 metric tons of CO<sub>2</sub>e.

The GHG emission status of ASC are as follows:



1. Note:

- Scope 1 is for emission sources directly owned or controlled by the company, including stationary combustion sources, process emissions, mobile combustion sources in transportation, and fugitive emission sources. The emission coefficient is calculated based on the supplier, the latest announcement of the Ministry of Environment, and the sixth assessment report of the international IPCC.
- Scope 2 refers to inter-energy emissions, such as purchased electricity. The purchased electricity coefficient is based on the latest data released by the Bureau of Energy, Ministry of Economic Affairs.
- Types of greenhouse gas emissions: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), and hydrofluorocarbons (HFCs).
- The organization-specific measure is operating revenue (in millions of dollars).

## Emission reduction management

The Company references the principles of GHG emission offsetting outlined by the Ministry of Environment when implementing our GHG offset measures. We have planned to install solar panels on the roofs of our Changbin Plant areas. We are also evaluating and implementing measures such as replacing boilers, fuels, air conditioning, lighting, promoting the replacement of old motorcycles for employees, and carbon capture. All our existing plants will undergo related carbon reduction and green energy measures (installation of rooftop solar panels) based on the GHG offsetting principles.

The principles for reviewing GHG emissions offsetting related to development activities by the Ministry of Environment, Executive Yuan, are as follows:

- The reduction in emissions by converting coal or fuel oil equipment to use natural gas or biogas as fuel.
- The reduction in emissions achieved retrofitting or replacing existing boilers.
- The reduction in emissions achieved by replacing lighting fixtures with high-efficiency lighting, replacing air conditioning units with high-efficiency models, and replacing old motorcycles with electric ones.
- Other approved reduction actions.

## 4.5 Water resource utilization

Material topic: Water and effluents	
<b>Material reasons for the topic</b>	<ol style="list-style-type: none"> <li>1. In order to provide good product quality, ASC uses a large amount of tap water for testing in the manufacturing process. Therefore, the water source and water quantity become one of the important keys to the sustainable operation of ASC.</li> <li>2. In the company's production process, a large amount of water resources are recycled through the monitoring system to increase utilization. The water quality is tested to meet government requirements, and we continue to comply with government regulations to maintain a pollution-free environment.</li> <li>3. In office areas, domestic water is supplied, and RO water dispensers are provided in various operational spaces.</li> <li>4. The discharges from water resource usage are monitored and undergo water quality testing conducted by the Industrial Zone Administration Bureau, with wastewater treatment fees paid accordingly.</li> </ol>
<b>Influence and impact</b>	<p>[Environmental aspect]</p> <ul style="list-style-type: none"> <li>• Positive impact: The Company will continue to promote water conservation efforts and implement a recycling monitoring system internally to effectively manage water resource utilization and adhere to discharge standards, thus preventing community pollution.</li> <li>• Negative impact: ASC mainly relies on government reservoirs for water supply. During periods of drought when reservoir levels decrease, it significantly impacts the Company's operations.</li> </ul>
<b>Policy/Strategy</b>	"Social responsibility, sustainable development, going global, and compliance with government regulations"
<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>• Short-term target: Continue to promote water conservation education and strengthen the recycling of domestic water. Introduce process recycled water into secondary water use, improve water use efficiency, and increase the use of water resources.</li> <li>• Mid-term goal: Through our online SCADA monitoring system, we can promptly detect leaks or equipment water source interruptions, effectively reducing water waste and preventing equipment malfunctions.</li> <li>• Long-term goal: To comply with the government's water quality monitoring and discharge standards, we adhere to regulations, reduce carbon emissions, and strive to create a pollution-free environment.</li> </ul>
<b>Management evaluation mechanism</b>	ASC undergoes annual water quality testing for industrial discharge in accordance with the Ministry of Economic Affairs' regulations. The management authority conducts regular and random inspections with appointed personnel.
<b>Performance and adjustment</b>	The water used and discharged by our company are in compliance with the wastewater discharge standard values of Changbin Industrial Park. In 2023, we will expand the SCADA process water recycling system and increase the scope of water recycling in the Changbin factory, which will increase the benefits of water recycling for us, which will be used for air conditioning evaporative cooling system and irrigation of plants in the factory.
<b>Preventive or remedial measures</b>	<ol style="list-style-type: none"> <li>1. Preventive measures: Continuously innovating within our processes, we persistently promote water conservation policies, enhance manufacturing processes, and increase the efficiency of water resource recycling. A recycling monitoring system has been installed in the Plant to effectively manage water resource utilization and discharge standards, thereby increasing the recycling rate.</li> <li>2. Remedial measures: ASC's production base is located in an industrial zone and is monitored by the Industrial Zone Management Center. Abnormal situations will be immediately reported and improved. Non-production bases are operated in a simple office mode. If community residents find any problems related to wastewater discharge, they can use telephone, email and other channels to complain to the company's management department. The emission standards are in line with government emission standards and will not cause community pollution.</li> </ol>



## Water use management

ASC uses the World Resources Institute's "Water Risk Assessment Tool" to assess water resource risks at our operational sites. The overall risks assessment indicates a "low-medium risk (1 to 2)", suggesting that our water resource usage does not significantly impact the locations where we operate. The Company's tap water comes from Shigang Dam, Hushan Reservoir, and Jiji Weir, and no groundwater is used. While currently secure in our water usage, we continue to adhere to water conservation principles and uphold sustainability spirit.

Water consumption of ASC in the past three years			
Year	2022	2023	2024
Water intake (million liters)	50.22	44.535	65.365
Water discharge (million liters)	30.05	21.287	40.990
Water consumption (million liters)	20.17	23.248	24.375
In-house recycled water consumption (million liters)	11.70	27.30	15.034
Water recycling and reuse rate (%)	19.00	38.01	18.70
Organization-specific metrics (units)	Operating revenue (NTD millions)	Operating revenue (NTD millions)	Operating revenue (NTD millions)
Organization-specific metrics	6,138.088	5,692.353	6,457.399
Water Unit Intensity	0.008	0.008	0.010

Note:

1. Water consumption = water intake - water discharge. The discharge volume is calculated based on the sewage bill provided by the sewage treatment plant. If the site is an office building, the sewage is uniformly discharged to the public sewer for treatment, so the discharge volume = water intake.
2. Water recycling rate = In-house water consumption / (water intake + in-house recycled water consumption) \* 100%.
3. Water Unit Intensity is calculated as: Water intake (million liters)/organization-specific metrics.
4. Organization-specific metric is operating revenue (NTD millions).
5. The monitoring system has been collecting recycling data since its completion in 2022.
6. The statistical scope in 2024 covers the areas under control: A1, A2, A3, Taipei, Hsinchu, Tainan offices and 2 leased warehouses (West 4th Road, East 2nd Road). The statistical principles and scope of drainage are different from those disclosed in 2023 and 2022 (only factories A1, A2, A3, leased warehouses and their drainage were disclosed in the first two years), which leads to data differences.

In water resource management, the Company utilizes an online SCADA remote monitoring system to manage and monitor water usage at our facilities, providing alerts for abnormalities to minimize water wastage. The Company regularly pays for testing conducted by Changbin Industrial Zone's Sewage Treatment Plant. In 2024, the total wastewater discharged was 28,004 m<sup>3</sup>. In 2024, we expanded our SCADA process water recycling system at the Changbin Plant, increasing the scope of water resource recovery within the plant. In 2024, a total of 15,034 tons of recycled water was recycled and used in the air conditioning evaporative cooling system and for watering plants in the factory, which reduced the amount of wastewater discharged. The management bureau sends personnel to take samples for testing from time to time, and the test results are disclosed in the table below. Our subsequent management measures are as follows:

1. Cooperate with SCADA monitoring to reduce the occurrence of water waste.
2. The Changbin Plant is the main employee base, and the toilets are equipped with two water-saving flushers to further effectively improve the efficiency of water resources use.

Test item	2022		2023		2024	
	Emission standard (ppm)	Annual average monitoring value (ppm)	Emission standard (ppm)	Annual average monitoring value (ppm)	Emission standard (ppm)	Annual average monitoring value (ppm)
C.O.D (mg/L)	640	284.7	640	109.8	640	103.7
S.S (mg/L)	400	56	400	31.5	400	32.4
P.H □	9	7.9	9	7.7	9	7.6

## 4.6 Waste management

Material topic: Waste	
<b>Material reasons for the topic</b>	<p>Nowadays, environmental pollution is becoming increasingly severe, leading to significant impacts on the environment such as waste management, which has always been an important issue that businesses need to address in terms of environmental management. Due to potential regulatory penalties in the future, the Company may face challenges that could affect our sustainability efforts. Therefore, effective waste management can help reduce overall operational costs. For packaging materials and other waste, actively promoting recycling and aiming for year-on-year reduction demonstrates our commitment to corporate social responsibility.</p>
<b>Influence and impact</b>	<p>[Economic aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: Occasionally conduct inspections of waste collection and disposal processes, emphasizing waste reduction at the source and promoting waste sorting, recycling, and reuse. This ongoing monitoring of waste management and recycling mechanisms helps reduce operational costs.</li> <li>Negative impact: Handling waste typically requires investment in manpower, resources, and equipment. Facing annually increasing waste costs can have a significant impact on corporate profitability.</li> </ul> <p>[Environmental aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: Through recycling and reuse methods, we reduce waste generation, and all materials sourced from suppliers are environmentally friendly, effectively decomposing without causing environmental pollution.</li> <li>Negative impact: The increase in waste causes a negative impact on the environment.</li> </ul> <p>[Human rights aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: Waste is closely linked to human health. Reducing waste at the source can indirectly improve the health of residents in neighboring communities.</li> <li>Negative impact: The increase in waste may lead to a negative impact on the health of personnel.</li> </ul>
<b>Policy/Strategy</b>	"Social responsibility, sustainable development, going global, and compliance with government regulations"

<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>Short-term goal: ASC provides employees with reusable tableware and encourages them to use personal eco-friendly cups and utensils, recycling paper in the office, reducing waste, sorting and recycling waste, and planting greenery in the park, striving to do our part for the Earth.</li> <li>Mid-term target: To properly manage and grasp the use and waste status of various resources, and systematically manage recyclable items, non-recyclable waste and their processing procedures, to improve the efficiency of resource use.</li> <li>Long-term goals: <ol style="list-style-type: none"> <li>Regularly cooperate with excellent environmental protection companies to actively implement recycling, decomposition, and reuse to prevent secondary pollution.</li> <li>In the future, the Company will continue to make efforts on waste reduction and resource conservation in our processes, aiming to minimize waste generation. We will promote material recycling and reuse to reduce environmental impact, striving towards goals of waste reduction and resource recycling. We are committed to continuously optimizing our standards towards achieving a “zero pollution” enterprise.</li> </ol> </li> </ul>
<b>Management evaluation mechanism</b>	In compliance with the laws and regulations, ASC collaborates with government-approved professional environmental companies for the removal and recycling of related waste. These environmental vendors assist in reporting waste disposal and transportation.
<b>Performance and adjustment</b>	ASC entrusted government-approved environmental companies with waste disposal. We actively recycle and reuse packaging materials and other waste to reduce waste generation. Our annual goal is to gradually decrease the amount of waste produced. The Company's waste is currently priced per vehicle due to the use of a moving wheelie bins, without a weighing mechanism for the them. This prevents complete calculation of the actual waste produced. Therefore, we disclose information based on the incineration amounts recorded by the incinerators. Starting in June 2024, the Company has improved waste statistics by implementing a weighing control system for the moving wheelie bins to accurately measure waste quantities. This will gradually enhance our waste management operations. ASC adjusted the waste statistics principle from June 2024, implement waste weighing control for the mother-and-child trucks, and gradually improve waste treatment operations.
<b>Preventive or remedial measures</b>	<ol style="list-style-type: none"> <li>Continuous innovation in our processes and design helps reduce waste generation, including minimizing and reusing packaging materials. This approach lowers the Company's impact on waste reduction standards.</li> <li>Strengthen the recycling and reuse of waste, such as handing over waste to units that can use it for recycling and reuse. Reduce waste at the source and actively promote waste sorting, recycling, and reuse.</li> <li>Installed a monitoring system to prevent and ensure proper implementation of waste sorting at landfill sites. Additionally, we occasionally conduct inspections of waste collection and disposal processes.</li> <li>Plan waste disposal processes to ensure efficient handling of waste generated at the source and collected at the endpoint, as well as the proper placement of recycled materials.</li> </ol>

## Waste disposal status

ASC is committed to improving production processes and enhancing production efficiency to reduce waste generation and avoid significant environmental impact. In the Company's product manufacturing process, the main waste generated comes from lining operations and the heat curing stage of materials. Our waste consists mainly of production scrap and general household waste, none of which are hazardous. To effectively manage waste and prioritize sustainable development and ecological conservation, the Company adheres strictly to government regulations. All waste is entrusted to qualified waste disposal companies for proper disposal, ensuring compliance with handling standards. In 2024, there were no major environmental leakage incidents.

Waste statistics table / Non-hazardous waste		
Waste composition items	Waste generation (tons)	Disposal method
D-1801 General waste generated from business activities H-0002 Domestic waste generated by business employees	86.03	Incineration (including energy recovery)
D-0701 Wood waste pallets	25.61	Other recycling operations

Description:

1. The Company's currently uses a vehicle-based pricing method for waste disposal due to lack of a weighing mechanism for the moving wheelie bins. As a result, the actual output cannot be accurately calculated. Therefore, our incineration disclosure is based on the incineration volume recorded by the incinerators. Starting June 2024, we will implement a weighing system for moving wheelie bins to better manage and control waste quantities.

## V. Friendly workplace

### 5.1 Employee overview

ASC employs a robust and effective manpower planning system based on the manpower needs of each department, ensuring the selection of talented individuals. Talent selection at ASC is based on factors such as knowledge, skills, work experience, and suitability for the position. These criteria are used to evaluate candidates. After hiring, employees undergo comprehensive education and training programs to continuously strengthen their competencies. In 2024, ASC had a total of 458 employees. In terms of gender, there were 292 males (63.76%) and 166 females (36.25%). In addition, there were 11 non-employees including security personnel, outsourced cleaning personnel, and outsourced group catering personnel. The table below shows the status of employees and non-employees in 2024.

Number of employees of ASC in 2024				
Region/Type		Female	Male	Total number
Taiwan	Number of employees	166	292	458
	Number of full-time employees	166	292	458
	Number of temporary employees	0	0	0

Note:

1. The employee data shown in the table are as of December 31, 2024.
2. The Company has no employees of other gender, non-disclosure of gender, and non-guaranteed hours.
3. Employees: Individuals who enter into an employment relationship with the organization do so in accordance with national laws or applicable regulatory requirements.
4. Full time: Individuals who sign indefinite contracts.
5. Temporary: Individuals who sign fixed-term contracts.
6. This table uses the number of people/full-time equivalent method.

2024 Non-employee worker statistics		
Worker type	Contractual relationship with the Company	Total number of workers
Security	Contract for services	4
Cleaning	Contract for services	4
Group catering	Contract for services	3

Note:

The non-employee worker data in the table are as of December 31, 2024.

## Material topic: Employee-Employer Relationship

<b>Material reasons for the topic</b>	A harmonious employee-employer relationship is a key factor in driving operational efficiency. ASC adopts a people-oriented approach, emphasizing the sustainable relationship between talent and business management, ensuring sufficient and smooth allocation of human and labor resources.
<b>Influence and impact</b>	<p>[Economic Aspect]</p> <ul style="list-style-type: none"> <li>• Positive Impact: A positive employee-employer relationship can enhance the company's reputation within the industry, helping attract more investors and top talent. It also reduces recruitment costs, improves employee satisfaction and loyalty, lowers turnover rates, and ultimately boosts the organization's productivity and innovation capacity.</li> <li>• Negative Impact: Low employee satisfaction can undermine corporate identity and subsequently impact the company's overall reputation.</li> </ul> <p>[Environmental Aspect]</p> <ul style="list-style-type: none"> <li>• Positive Impact: High employee satisfaction increases willingness to contribute to and engage in changes within the current environment, as well as invest in learning new knowledge related to environmental sustainability, thereby positively impacting environmental performance improvements.</li> <li>• Negative Impact: If employees hold a negative attitude and demonstrate low willingness to participate in company-related sustainability activities and initiatives, it may hinder the implementation of sustainability strategies and goals, making them difficult to achieve.</li> </ul> <p>[Human Rights Aspect]</p> <ul style="list-style-type: none"> <li>• Positive Impact: When the relationship between the company and its employees is harmonious, risks such as labor disputes, litigation, and strikes are significantly reduced. This helps lower legal risks and financial losses, thereby maintaining stable business operations.</li> <li>• Negative Impact: Strike incidents can affect business operations and output.</li> </ul>
<b>Policy/Strategy</b>	<p>Referring to "Employee Well-being" mentioned in the Quality Policy:</p> <ol style="list-style-type: none"> <li>1. Establish a suitable work environment that allows employees to work safely.</li> <li>2. Review existing operational processes to reduce waste and increase work efficiency.</li> <li>3. Provide an open and transparent communication platform for employees to give feedback on unresolved work-related issues.</li> <li>4. Develop an educational platform to provide sufficient information for employees to improve their skills, enhance competitiveness, and gain knowledge satisfaction.</li> <li>5. Promote various ERP system operations and information integration to retain operational data, enable reuse, and reduce rework.</li> </ol>
<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>• Short-term goal: Achieve an employee satisfaction score of 75, with an annual increase of 1 point in the overall average.</li> <li>• Mid-term goal: Maintain stable labor-management relations, with zero labor lawsuits and zero collective strikes annually.</li> <li>• Long-term goal: Become a benchmark company in labor-management relations within the supply chain.</li> </ul>
<b>Management evaluation mechanism</b>	Employee satisfaction issues are identified based on employee concerns, and anonymous and transparent surveys are conducted. The survey results are disclosed, and related policies are improved and optimized according to the feedback received.
<b>Performance and adjustment</b>	The annual employee satisfaction survey conducted at the beginning of 2025 yielded a score of 76.5.
<b>Preventive or remedial measures</b>	Strengthen employee communication and care, ensure compliance with labor laws, and implement sound welfare and compensation systems to prevent labor disputes.

In addition to maintaining strong labor-management relations, ASC places great importance on local engagement and integration. To foster a harmonious relationship between the company and local communities, and to ensure stable employment for our workforce, ASC prioritizes the recruitment of local talent—especially residents from the cities and counties where our sites are located—when expanding our workforce in Taiwan. By offering competitive benefits, we aim to attract talent from across regions. Notably, 100% of our managerial positions and above are held by local residents.

Year			2022	2023	2024
Item/Gender		Age	Number of persons		
Senior managers	Female	Below 30 years old	0	0	0
		31 to 50 years old	0	0	0
		Over 51 years old	0	0	0
	Male	Below 30 years old	0	0	0
		31 to 50 years old	3	2	2
		Over 51 years old	3	4	5
Non- Senior management personnel	Female	Below 30 years old	1	1	0
		31 to 50 years old	14	15	17
		Over 51 years old	1	1	1
	Male	Below 30 years old	3	2	1
		31 to 50 years old	54	53	57
		Over 51 years old	7	10	8
Total number of managers			86	88	91

Note: Personnel in charge at or above the manager level are defined as managers of the Company.

Year			2022	2023	2024
Item/Gender		Age	Number of persons		
Non-key management personnel	Female	Below 30 years old	79	56	43
		31 to 50 years old	84	93	100
		Over 51 years old	4	5	5
	Male	Below 30 years old	84	65	60
		31 to 50 years old	129	142	151
		Over 51 years old	4	9	8
Total number of non-key management personnel			384	370	367
Total number of full-time employees			470	458	458

Note: Personnel in charge at or above the manager level are defined as managers of the Company.

## Turnover status of employees

Based on seniority and performance, the Company implements a robust salary increment system to enhance employee remuneration, thereby increasing their sense of value and belonging to the Company. This approach aims to reduce turnover by continually providing and improving relevant benefits and training, with the goal of attracting more talent to join.

In 2024, ASC hired a total of 52 new employees, showing no significant difference compared to 2023. The hiring levels reflect appropriate adjustments in response to changes in production capacity. Additionally, the total number of employee departures in 2024 was 52, slightly lower than the 53 recorded in 2023. We will continue to refine our performance review, reward distribution, and other systems to provide employees with a more robust and satisfying working environment and experience. This approach aims to retain talent and preserve valuable expertise over the long term.



## New employee status Statistics on the new employee recruitment rate in the past three years

Year	2022				2023				2024			
Gender	Female		Male		Female		Male		Female		Male	
Age/Item	Number of persons	New recruitment rate (%)	Number of persons	New recruitment rate (%)	Number of persons	New recruitment rate (%)	Number of persons	New recruitment rate (%)	Number of persons	New recruitment rate (%)	Number of persons	New recruitment rate (%)
Below 30 years old	42	8.94	57	12.13	4	0.87	15	3.28	10	2.18	19	4.15
30 to 50 years old	16	3.40	34	7.23	5	1.09	15	3.28	10	2.18	13	2.84
Over 51 years old	1	0.21	0	-	0	-	2	0.44	0	0	0	0
Total number of new employees	150				41				52			
Total number of employees	470				458				458			
Total new recruitment rate (%)	31.91				8.95				11.35			

Note:

1. The number of new employees does not deduct those who leave midway.
2. New recruitment rate of female (male) employees in a specific age group = number of new female (male) employees in a specific age group in the year / total number of employees at the operational sites at the end of the year.
3. Total new employee hiring rate = number of new employees in the current year / total number of employees at the operational sites at the end of the year.

## Employee resignation status Table of employee turnover rate in the last three years

Year	2022				2023				2024			
Gender	Female		Male		Female		Male		Female		Male	
Age/Item	Number of persons	New recruitment rate (%)	Number of persons	New recruitment rate (%)	Number of persons	New recruitment rate (%)	Number of persons	New recruitment rate (%)	Number of persons	New recruitment rate (%)	Number of persons	New recruitment rate (%)
Below 30 years old	12	2.55	21	4.47	8	1.75	11	2.4	9	1.97	10	2.18
30 to 50 years old	8	1.7	37	7.87	12	2.62	19	4.15	16	3.49	14	3.01
Over 51 years old	0	-	0	-	1	0.22	2	0.44	0	0	3	0.66
Total number of new employees	78				53				52			
Total number of employees	470				458				458			
Total new recruitment rate (%)	16.60				11.57				11.35			

Note:

1. Classification of company departures for employees: 47 resigned, 5 dismissed, and 0 retired.
2. Turnover rate of female (male) employees in a specific age group = number of resigned female (male) employees in a specific age group in the year / total number of female (male) employees in a specific age group at the end of the year.
3. Total number of departed employees = number of people who left in the year/total number of people at operational sites at the end of the year.

## Workplace diversity

ASC remains committed to fulfilling its corporate social responsibility by providing employment opportunities to disadvantaged groups. Over the past few years, the company has continued to support underprivileged individuals in gaining access to sustainable livelihoods, aiming to reduce social inequality. All employees—regardless of their background or group identity—are treated equally, with equal respect for their rights and protections. Any form of differential treatment or discrimination is strictly prohibited. The following table presents ASC's employment status of employees from diverse groups over the past three years:

Year			2022	2023	2024
Item/Gender		Age	Number of persons		
Minority or underprivileged groups	Female	Below 30 years old	57	44	37
		30 to 50 years old	23	27	29
		Over 51 years old	0	0	0
	Male	Below 30 years old	40	29	32
		30 to 50 years old	18	26	30
		Over 51 years old	1	1	1

Note: Minority or underprivileged groups: Groups with certain conditions or characteristics (e.g., economic, physical, political, and social) may be more negatively impacted by organizational activities than general population.

## Human rights protection

ASC has never been involved in any incidents of violating the rights of indigenous employees. To ensure the rights of indigenous employees and other staffs are upheld, ASC explicitly states in its "Sustainable Development Best Practice Principles" that the Company strives to uphold social welfare by adhering to relevant labor regulations and international human rights conventions, including principles of gender equality, labor rights, and non-discrimination. In addition, according to the Company's "Procedures of Recruitment and

Employment Management", it is clearly stipulated that recruitment processes and decisions are not influenced by any reasons such as race, religion, beliefs, gender, marital or parental status, age, political background, nationality, disability, zodiac sign, or blood type, etc. At the same time, the Company has also formulated the "Attendance Management Method" and "Work Rules", which clearly outline work hours and overtime limits, which is also in compliance with relevant local government laws such as the Labor Standards Act, Gender Equality in Employment Act, Employment Service Act, Occupational Safety and Health Act, Labor Occupational Accident Insurance and Protection Act, Employment Insurance Act, Act for Worker Protection of Mass Redundancy, and Labor Inspection Act. Furthermore, we strictly prohibit any form of slavery or coercion, ensuring that employees do not engage in involuntary labor.

To strengthen the implementation of human rights issues, ASC conducts human rights-related training during new employee orientation. This includes courses on gender equality, labor laws, and the Labor Standards Act. In 2024, a total of 52 employees received human rights training, totaling 26 hours. During the reporting period, the Company did not experience any incidents of discrimination, violations of the rights of indigenous employees, employment of child labor, or engagement of underage workers in hazardous work.

The Company has formulated a "Supplier Social Responsibility Commitment", where suppliers should commit to conducting ethical corporate management, and engage in transparent transactions. While pursuing corporate sustainability and profitability, they must fulfill corporate social responsibilities by adhering to labor rights and human rights, environmental protection, and ethical corporate management standards as stipulated by relevant laws and regulations. We are committed to helping suppliers pay attention to environmental protection, safety, and health issues to promote a balanced and sustainable development of economy, society, and environment. The supplier hereby declares to duly fulfill corporate social responsibility with its best efforts. If there is any violation of the abovementioned laws and regulations, it will cooperate with the requirements of the competent authority or the Company to make improvements within the prescribed period and regularly provide

the improvement status to the Company for follow-up review. In 2024, a total of four suppliers were publicly sanctioned by local authorities for violations of the Labor Standards Act. Upon notification, ASC's responsible procurement personnel engaged with the suppliers to understand the incidents and follow up on corrective actions. Following intervention and coordination by the local labor department, the suppliers addressed the issues by granting statutory leave and retroactively compensating employees for overtime in accordance with legal requirements. As part of their preventive measures, the suppliers revised their internal employee policies to ensure compliance with the Labor Standards Act.

For more information on the implementation of human rights by ASC, please refer to the Company's official website: <https://www.alliedsupreme.com/tw/csr-29>.



## Education and training on security management and human rights

In accordance with Article 10-2 of the Private Security Services Act, which stipulates that security companies must provide pre-employment professional training of at least one week and a minimum of four hours of on-the-job training per month for current security personnel, ASC's contracted security service provider, Yiguang Security, conducts all required training in compliance with legal regulations. Training covers legal knowledge, operational skills, human rights awareness, and professional etiquette, with a total of at least four training hours provided monthly. In addition, the contractor delivers two hours of annual occupational health and safety training, with one participant recorded in 2024. To ensure gate security, regular emergency response drills are conducted at all guard posts and the administrative building. In 2024, 100% of the company's security personnel completed the required procedural training.

## Employee rights and communication status

To ensure compliance with the International Labour Organization Convention and the domestic Labor Union Act during operations, ASC has established a "Employee Welfare Committee". This committee serves as a communication channel between labor and management, promoting and implementing various employee welfare policies to create a harmonious working environment and enrich employees' lives. To protect employee welfare, association, and negotiation rights. The Company has not established or joined a labor union, thus no collective bargaining agreement is required. However, to continuously protect and respect employees' rights and listen to their feedback, we regularly hold labor-management meetings and provide confidential grievance channels. This helps establish a good communication channel between labor and management, allowing employees to express their opinions and suggestions.

In 2024 the Company convened 4 labor-management meetings. The operational status are as follows:

Year	Participation status
2024	<ol style="list-style-type: none"> <li>4 labor-management meetings were held this year, on January 31, April 24, July 31, and October 24.</li> <li>Meeting topics included: <ol style="list-style-type: none"> <li>(1) Annual calendar planning</li> <li>(2) Discussion on policies regarding make-up workdays and compensatory leaves</li> <li>(3) Food safety awareness and earthquake preparedness education</li> <li>(4) Typhoon disaster prevention and legal infectious disease control promotion — all aimed at ensuring the full protection of employee rights and well-being</li> </ol> </li> <li>In 2024, the employee turnover rate was 9.78%.</li> <li>The overall employee satisfaction score in 2024 averaged 76.5 points.</li> </ol>

## Minimum announcement period for operational changes

ASC ensures the protection of employee rights and compliance with the Labor Standards Act and relevant regulations. In the event of significant operational changes or the termination of employment relationships, the Company adheres to statutory regulations regarding the termination of labor contracts. The notice period for termination shall be as specified in the following clauses:

In accordance with Article 16 of the Labor Standards Act, the Company's work rules clearly stipulate the minimum notice period for changes in labor services. Both employees and management shall comply with the following standards:

1. Each person who has worked continuously for more than 3 months but less than 1 year is to be given a notice 10 days in advance.
2. Each person who has worked continuously for more than 1 year but less than 3 year is to be given a notice 20 days in advance.
3. Those who have worked for more than 3 years are to be given notice 30 days in advance.

## 5.2 Care for employees

### Remuneration system

ASC is committed to building a robust remuneration system, aiming to work together with employees for the Company's success. To effectively retain outstanding talent, maintain company competitiveness, and achieve mutual success, ASC rigorously reviews the reasonableness between employee capabilities and salaries. We continuously monitor and adjust, conduct regular performance evaluations, establish smooth communication channels and promotion pathways, and assist colleagues in their professional growth. The Company references industry standards and market demands to offer remuneration that exceeds the legal minimum wage by 1.16 times (based on a basic salary of NTD 27,470 in 2024). We do not differentiate remuneration based on gender, establishing an equal workplace.

Country/ Region	Gender	Ratio of standard male entry-level salary to local minimum salary	The ratio of the annual total remuneration of the highest paid individual to the median annual total remuneration of the employees (excluding the highest paid individual)
Taiwan	male	1.16	17.85
	female	1.16	0.53

Note: The formula for calculating the annual median salary ratio: The annual salary of the individual with the highest annual salary in the year/the salary of the individual with the median annual salary.

The gender pay gap for each position in the Company is as shown in the table below. Due to higher proportion of males in management levels, there is a higher gender pay gap among indirect personnel.

Item	Remuneration percentage by job category				Salary Ratio by Job Category			
	Number of persons		Remuneration ratio		Number of persons		Salary ratio	
	Female	Male	Female	Male	Female	Male	Female	Male
Management level	18	73	1	1.42	18	73	1	0.98
Non-management level	138	202	1	1.12	148	219	1	1.04
Direct personnel	84	182	1	1.35	92	195	1	0.98
Indirect personnel	72	93	1	1.78	74	97	1	1.1

Note:

- Ratio of Annual Salary Between Female and Male Employees: Calculated as "average annual salary of female employees in the category / average annual salary of male employees in the same category."
- Explanation Based on the Average and Median Salary of Full-Time Employees Not in Managerial Positions: A total of 27 individuals whose service years did not meet the inclusion criteria were excluded from the calculation.
- Definition of Managerial Positions: Refers to employees with managerial titles at various levels.

Note:

- Based on the minimum monthly salaries of women and men for comparison.
- Definition of Managerial Positions: Refers to employees at all levels who hold managerial titles as part of their job positions.

Median and Average Salary of Non-Managerial Positions	Median Salary		Average Salary	
	2023	2024	2023	2024
Amount (NTD)	712,701	763,146	904,152	962,584
Annual Difference	+7.08%		+6.46%	

Note: "Employees in Managerial Positions" refer to the company's managerial personnel. According to the official letter No. 920001301 issued by the Financial Supervisory Authority on March 27, 2003, the scope of "managerial personnel" includes: the General Manager and those of equivalent rank, Deputy General Managers and those of equivalent rank, Assistant Vice Presidents and those of equivalent rank, heads of the Finance Department, heads of the Accounting Department, and other individuals authorized to manage company affairs and sign on behalf of the company. In practice, this definition aligns with the scope of insiders (managerial personnel) as reported by companies and disclosed in annual shareholders' meeting reports.

## Employee welfare and retirement system

In addition to providing a robust personnel system, ASC is committed to offering employees diverse and comprehensive benefits. We also enhance employee interaction and camaraderie through various activities, creating a happy and harmonious workplace. The Company values the labor-management relations and has established an “Employee Welfare Committee” to provide comprehensive welfare measures and related employee incentives, aiming to increase employee satisfaction and cohesion. The benefits provided to full-time employees by ASC are as follows:

Employee benefits	
<b>Dividend distribution/ share dividend</b>	Employee dividends
<b>Subsidies and bonuses</b>	Year-end bonus, Dragon Boat Festival/Mid-Autumn Festival bonus, retention bonus, Spring Festival incentive, proposal bonus, long-term service bonus, wedding gift, maternity allowance, employee education subsidies, children's education scholarships, travel subsidies, hospitalization condolences, Comprehensive Overseas Business Travel Insurance.
<b>Insurance</b>	Labor/National Health Insurance, pension contribution under the new scheme, employee group insurance
<b>Leave of absence</b>	Weekends off, special leave (annual leave), paternity leave, family care leave, menstrual leave, maternity leave
<b>Health Care</b>	Regular visits by specialists and professional nurses for medical consultations and annual employee health checkups.
<b>Travel and gatherings</b>	Domestic and foreign tourism, club activities

## Retirement system and implementation status

In addition to providing a sound employee welfare system, ASC has established a labor retirement plan and set up a Labor Retirement Reserve Supervisory Committee to ensure a stable post-retirement life for employees. Each month, the Company regularly contributes 15% of the total remuneration to the “Labor Retirement Reserve” account at the Bank of Taiwan. Starting from June 2021, following an actuarial review, the contribution rate for the old scheme retirement reserve was adjusted to 2%. Annually, the Company and the actuaries jointly review the adequacy of the old scheme retirement reserve to ensure the protection of employee rights. Since July 1, 2005, the Company adopted the government's new pension scheme alongside the old one. Monthly contributions amounting to 6% of the total insured labor wages will be made to employees' individual pension accounts. For employees who voluntarily contribute to their pension, additional amounts will be withheld from their monthly salaries according to their voluntary contribution rates and deposited into their individual pension accounts at the Bureau of Labor Insurance. The Company's applicable regulations under the Labor Pension Act are as follows:

<b>Voluntary retirement</b>	<p>A worker may apply for voluntary retirement under any of the following circumstances: (For those opting to apply the Labor Pension Act, retirement will be processed according to the provisions of the same Act)</p> <ol style="list-style-type: none"> <li>1. Those who have worked for the Company for over 15 years and are at least 55 years old.</li> <li>2. Those who have worked for the Company for more than 25 years.</li> <li>3. Those who have worked for the Company for over 10 years and are at least 60 years old.</li> </ol>
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<b>Mandatory retirement</b>	<p>The Company shall not force an employee to retire unless one of the following applies:</p> <ol style="list-style-type: none"> <li>At least 65 years old.</li> <li>Mentally or physically incapacitated for work.</li> </ol> <p>For the age specified in subparagraph 1 of the preceding paragraph, employees engaged in work with dangerous or physically demanding characteristics may have the age adjusted upon approval by the central competent authority, as requested by the Company. But not less than 55 years old.</p>
<b>Pension payment standard</b>	<ol style="list-style-type: none"> <li>The calculation of seniority before and after the application of the Labor Standards Act and the choice to continue applying the retirement provisions of "Labor Standards Act" or retain seniority under the Labor Pension Act shall be governed by Article 84-2 and Article 55 of the Labor Standards Act.</li> <li>Employees with the seniority mentioned in the preceding paragraph who are mandatorily retired under the provisions of Article 35, Paragraph 1, Subparagraph 2, and whose mental or physical disability is due to the performance of duties, shall receive an additional 20% allowance in accordance with Article 55, Paragraph 1, Subparagraph 2 of the Labor Standards Act.</li> <li>For employees covered by the Labor Pension Act retirement provisions, the Company contributes monthly an amount equal to 6% of their insured labor wages to their individual pension accounts.</li> </ol>
<b>Pension payment</b>	Pensions shall be paid to employees within 30 days from the date of retirement.

## Implementation status of parental leave

According to regulations such as the "Labor Standards Act" and the "Gender Equality in Employment Act", ASC implements a parental leave system with unpaid leave for eligible employees. We hope to enable our employees to take care of their families without worries, while balancing family and career for a fulfilling life. After the completion of the unpaid leave period, the Company will assist in arranging for colleagues to return to their original units and positions, actively supporting their reintegration into the workplace.

Year	2022			2023			2024		
Gender/total	Female	Male	Total	Female	Male	Total	Female	Male	Total
<b>Number of employees eligible for parental leave A</b>	3	5	8	7	10	17	12	17	29
<b>Number of employees who actually applied for unpaid parental leave in the current year B</b>	3	2	5	5	1	6	1	4	5
<b>Number of employees required to be reinstated from parental leave in the current year C</b>	3	1	4	2	1	3	3	3	6
<b>Number of employees actually reinstated from parental leave in the current year D</b>	3	1	4	2	1	3	3	2	5
<b>Number of employees returning to work from parental leave in the previous year E</b>	2	0	2	3	1	4	5	1	6
<b>Number of employees who continued working for one year after reinstatement from parental leave in the previous year F</b>	2	0	2	3	1	4	2	1	3
<b>Parental leave and reinstatement rate in the current year% (D/C)</b>	100	100	100	100	100	100	100	67	83
<b>Parental leave retention rate in the current year % (F/E)</b>	100	-	100	100	100	100	100	100	100

Calculation method:

- Number of employees to be reinstated = number of employees expected to be reinstated after parental leave in the current year.
- 2024 Retained Headcount = The number of employees who actually returned to work in 2023 and remained employed as of December 31, 2024.
- Unpaid parental leave reinstatement rate % = number of employees actually reinstated from unpaid parental leave in the current year / number of employees expected to be reinstated from unpaid parental leave in the current year (D/C).
- The retention rate of unpaid parental leave in the current year % = number of employees who have worked continuously for one year after reinstatement from parental leave in the previous year / number of employees actually reinstated from unpaid parental leave in the previous year (F/E).

## 5.3 Talent training

The Company regularly provides internal and external education and training, planning training courses based on job responsibilities and actual needs. This strengthens employees' professional knowledge, skills, and expertise, thereby enhancing their job performance. Training courses covers various units such as quality assurance, business, production, and R&D. The average training hours differ between female and male employees in the Company, mainly due to a higher proportion of male employees and a greater representation of males in supervisors.

### Material topic: Employee Education and Training

<b>Material reasons for the topic</b>	<p>Talent is the foundation of business operations, and education and training serve as key means to cultivate core competitiveness and support sustainable development. As industries evolve and technology advances rapidly, companies must continuously enhance employees' professional skills and sustainability literacy to address challenges such as digital transformation, net-zero carbon emissions, and workplace diversity.</p> <p>By investing in educational resources, the Company demonstrates its commitment to employee career development and social responsibility, which in turn helps attract and retain top talent and strengthens organizational resilience.</p>
<b>Influence and impact</b>	<p>[Economic Aspect]</p> <ul style="list-style-type: none"> <li>Positive Impact: Systematic training helps strengthen employees' knowledge and skills, improve job performance, and enhance task execution efficiency, thereby contributing to overall operational performance. Long-term investment in educational resources fosters internal knowledge sharing and cross-departmental collaboration, cultivates a culture of continuous learning, and enhances organizational resilience and adaptability.</li> <li>Negative Impact: Insufficient training may lead to inadequate employee competencies, reduced productivity, and increased error rates, which could ultimately compromise the quality of products or services.</li> </ul> <p>[Environmental Aspect]</p> <ul style="list-style-type: none"> <li>Positive Impact: By providing training that analyzes the environmental impacts driven by sustainability trends and enhancing awareness and expertise through environmental education, the Company and its employees can strengthen their commitment and engagement in environmental sustainability efforts.</li> <li>Negative Impact: A lack of awareness and capacity to address sustainability issues may hinder the progress of ESG strategy implementation, thereby increasing operational risks and exposing the Company to external criticism.</li> </ul> <p>[Human Rights Aspect]</p> <ul style="list-style-type: none"> <li>Positive Impact: Education and training demonstrate the Company's commitment to talent development, helping to enhance employees' sense of belonging and loyalty, reduce turnover, and build a stable talent pipeline. By incorporating topics such as ESG and anti-corruption into training programs, the Company strengthens employees' sustainability awareness and sense of responsibility, thereby reinforcing stakeholder trust.</li> <li>Negative Impact: An inadequate training system may negatively affect employee job satisfaction and loyalty, increasing the risk of talent turnover.</li> </ul>
<b>Policy/Strategy</b>	<p>Establishing a comprehensive and flexible education and training system to support employees in continuously enhancing their professional skills and sustainability awareness, thereby promoting overall organizational competitiveness and sustainable talent development.</p>
<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>Short-term goals: Enhance employees' professional competencies and organizational operational efficiency, strengthening overall business performance.</li> <li>Mid-term goals: Improve employee satisfaction and talent retention.</li> <li>Long-term goals: Foster a corporate culture of continuous learning and innovation.</li> </ul>

<b>Management evaluation mechanism</b>	Number of employees trained, training hours, training investment amount and course offering rate.
<b>Performance and adjustment</b>	2024 total training hours reached 4,104 hours, an increase of 29 hours compared to 2023. The total training investment amounted to NT\$741,871, up NT\$184,181 from the previous year.
<b>Preventive or remedial measures</b>	<ol style="list-style-type: none"> <li>1. Assess training needs and course suitability, with supervisors and dedicated training units involved to create learning opportunities and motivation, or use incentive mechanisms to encourage employee participation in education and training.</li> <li>2. Engage external professional resources.</li> </ol>

### Overview of education and training status in 2024

Item/Category		Management level		Non-management level		Direct personnel		Indirect personnel	
		Female	Male	Female	Male	Female	Male	Female	Male
Total number of people	Person	38	220	273	470	129	466	182	224
Total training hours	Hours	163.16	950.46	982.48	2,008.26	325.82	1,526.3	819.82	1,432.42
Average training hours	Hour/person	4.29	4.32	3.6	4.27	2.53	3.28	4.5	6.39
Training expenses	NTD	21,827	152,052	92,925	75,067	24,775	243,675	189,977	283,444

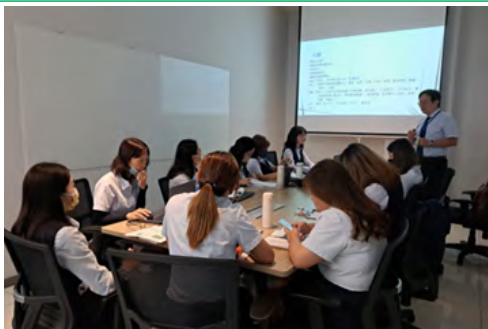
### Implementation status of education and training in 2024



**Tower Section Equipment Inspection**



**Procurement Contract Review Training**



**Stablishment and Discussion of New Production Environment**



**Preprocessing Course for Sheet Materials**

## Fair performance management system

The Company conducts performance evaluations for all employees annually to fully assess the overall production efficiency and operational capabilities of the Company. Furthermore, through specific measures, we acknowledge the value contributed by employees. Based on the performance evaluation results, we provide corresponding rewards to employees, solidifying cooperation and trust between labor and management.

Item	Management level	Non-management level	Direct personnel	Indirect personnel
Percentage of male employees accepted for evaluation	100	100	100	100
Percentage of female employees accepted for evaluation	100	100	100	100

## 5.4 Occupational safety and health

Material topic: Occupational safety and health	
<b>Material reasons for the topic</b>	<p>Occupational Safety and Health Management Policy:</p> <ol style="list-style-type: none"> <li>1.Prevent disasters and control risks</li> <li>2.Ensure effective communication and continuous improvement</li> <li>3.Enhance training and promote health</li> <li>4.Comply with regulations and pursue sustainable operations</li> </ol>
<b>Influence and impact</b>	<p>[Economic aspect]</p> <ul style="list-style-type: none"> <li>• Positive impact: <ol style="list-style-type: none"> <li>1. A safe working environment not only allows employees to work with peace of mind, dedication, and focus but also indirectly enhances the Company's corporate image. This assurance also extends to employees' families, who are more willing to support ASC.</li> <li>2. A safe working environment not only enables the Company to conduct production operations smoothly but also reduces the risk of work stoppages due to occupational accidents or other safety hazards, ensuring smooth operation of deliveries and supply chains.</li> </ol> </li> <li>• Negative impact: <ol style="list-style-type: none"> <li>1. Relevant units or colleagues that suffer financial, physical, and psychological damage due to occupational accidents, and such accidents could potentially lead to legal ramification.</li> <li>2. Fines, injuries and fatalities resulting from occupational accidents.</li> </ol> </li> </ul> <p>[Environmental aspect]</p> <ul style="list-style-type: none"> <li>• Positive impact: Implementing workplace environmental safety to reduce the occurrence of occupational disasters and diseases, minimizing the negative impact of the environment on our operational colleagues.</li> <li>• Negative impact: In the event of a workplace safety incident such as fire or explosion, surrounding areas of the Plant could be polluted due to combustion, significantly impacting company operations. Apart from severe damage to corporate image, there would be costs associated with rebuilding, potential casualties, and concerns about legal violations, all contributing to a serious disasters risk.</li> </ul> <p>[Human rights aspect]</p> <ul style="list-style-type: none"> <li>• Positive impact: Prioritizing occupational health and safety enhances corporate social image, promoting human rights, and reducing inequality and discrimination.</li> <li>• Negative impact: ASC values not only the physical safety of its employees at work but also their emotional well-being. As employees progress annually, there is a tendency for group dynamics to develop, potentially leading to bullying situations. To prevent this, on-site nurses provide enhanced care and support to foster a respectful workplace environment.</li> </ul>
<b>Policy/Strategy</b>	<p>ASC is committed to sustainable business operations and development, aligning with international occupational health and safety trends. To this end, we have formulated an Occupational Health and Safety Management Policy. All employees are expected to enhance occupational health and safety management performance in accordance with this policy. Through the PDCA cycle of planning, implementation, evaluation, and improvement, we ensure the appropriateness and effectiveness of our overall operations. Based on these principles, the following provisions constitute our established Occupational Health and Safety Management Policy, which all colleagues are required to adhere to unanimously.</p>

<b>Goals and targets</b>	<ul style="list-style-type: none"> <li>• Short-term goal: Strengthen employee safety awareness campaigns and enhance process safety improvements. Starting in 2024, the company will obtain ISO 45001 Occupational Health and Safety Management System certification, promoting more comprehensive and effective implementation through the established system.</li> <li>• Mid-term goal: Regularly conduct education and training sessions and enhancing process safety. Also implementing PDCA in accordance with the ISO 45001 Occupational Health and Safety Management System to gradually improve operational and environmental safety.</li> <li>• Long-term goal: To enhance employee safety awareness and reduce the incidence of occupational accidents, and in accordance with the principles of ISO 45001 Occupational Health and Safety Management System, we aim to provide a safe working environment for our employees. This effort not only enhances our corporate image but also expands our customer base, improves customer ratings, and increases order volumes. Furthermore, we are upgrading our process safety facilities to exceed regulatory requirements.</li> </ul>
<b>Management evaluation mechanism</b>	For the monthly data statistics on missing inspections items and quantities, submit to the Occupational Safety and Health Committee for review.
<b>Performance and adjustment</b>	<p>Originating from one non-penalty incident in 2024, the company successfully passed the external audit for the ISO 45001 Occupational Health and Safety Management System in December 2024 and obtained ISO 45001 certification, completing all improvement measures.</p> <p>In 2024, no major occupational safety accidents occurred on-site or during transportation, and no negative environmental impacts were caused.</p> <p>The occupational safety training courses conducted in 2024 are as follows:</p> <ol style="list-style-type: none"> <li>(1) March 22, 2024 – Q1 On-the-Job Employee Training</li> <li>(2) June 21, 2024 – Q2 On-the-Job Employee Training</li> <li>(3) September 20, 2024 – Q3 On-the-Job Employee Training</li> <li>(4) December 20, 2024 – Q4 On-the-Job Employee Training</li> <li>(5) June 28, 2024 – Respiratory Protection Training</li> <li>(6) November 29, 2024 – Hearing Protection Training</li> <li>(7) May 24, 2024 – First Half-Year Fire Drill</li> <li>(8) November 22, 2024 – Second Half-Year Fire Drill</li> <li>(9) October 15, 2024 – Confined Space Emergency Response Training</li> <li>(10) Monthly irregular safety hazard awareness sessions</li> </ol>
<b>Preventive or remedial measures</b>	<p>Preventive measure: Implement the annual safety and health (including emergency response drill) related work plan, and conduct relevant training and drills according to the plan. The specific actions are as follows:</p> <ol style="list-style-type: none"> <li>1. Occasionally organize new employee orientation education and training.</li> <li>2. Held monthly safety deficiencies education and training.</li> <li>3. Occasionally promote various occupational injury cases and providing improvement suggestions for related cases.</li> <li>4. Regularly convene the Occupational Safety and Health Management Committee to review the implementation results, the deficiencies that have occurred, and the effectiveness of improvement, and to formulate future implementation goals.</li> </ol> <p>Remedial measures: In the event of an accident, in addition to activating the emergency medical procedures, the relevant reporting procedures must be carried out in accordance with the law. Remedial measures for the affected employees will be taken in compliance with legal and company regulations, and subsequent improvement actions will be implemented according to the accident reporting and handling process.</p> <p>Grievance mechanism: The Company has set up grievance mailboxes at the entrances and exits of the plant.</p>

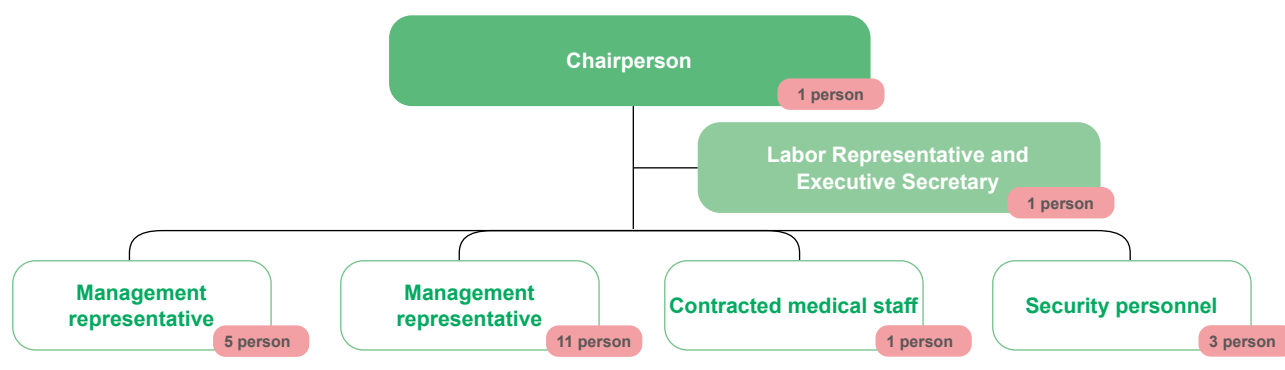


## Occupational safety and health management

ASC has implemented an occupational safety and management system. To effectively manage and enforce the Occupational Safety and Health Act, the Company has established the "Safety Committee" and formulated the "Occupational Safety and Health Work Code" based on the "Regulations of Occupational Safety and Health Management". The scope of the Code includes all employees, non-employee workers, and contractors at ASC's Changbin Plant, Plant II, and Plant III. No specific workers are excluded, and all personnel are protected under the safety management system. In addition, The company introduced the ISO 45001 occupational safety and health management system in 2024 and obtained third-party certification.

The "Safety Committee" is composed of 11 labor representatives and 5 management representatives to assist in supervising and providing recommendations on occupational health and safety planning. In addition, the committee convenes regular quarterly meetings to discuss, review, coordinate, and recommend occupational safety and health promotion matters to provide employees with a friendlier, more comfortable, and safer working environment.

### Organizational structure of the Safety Committee



## Procedures for hazard identification, risk assessment, incident notification, and investigation

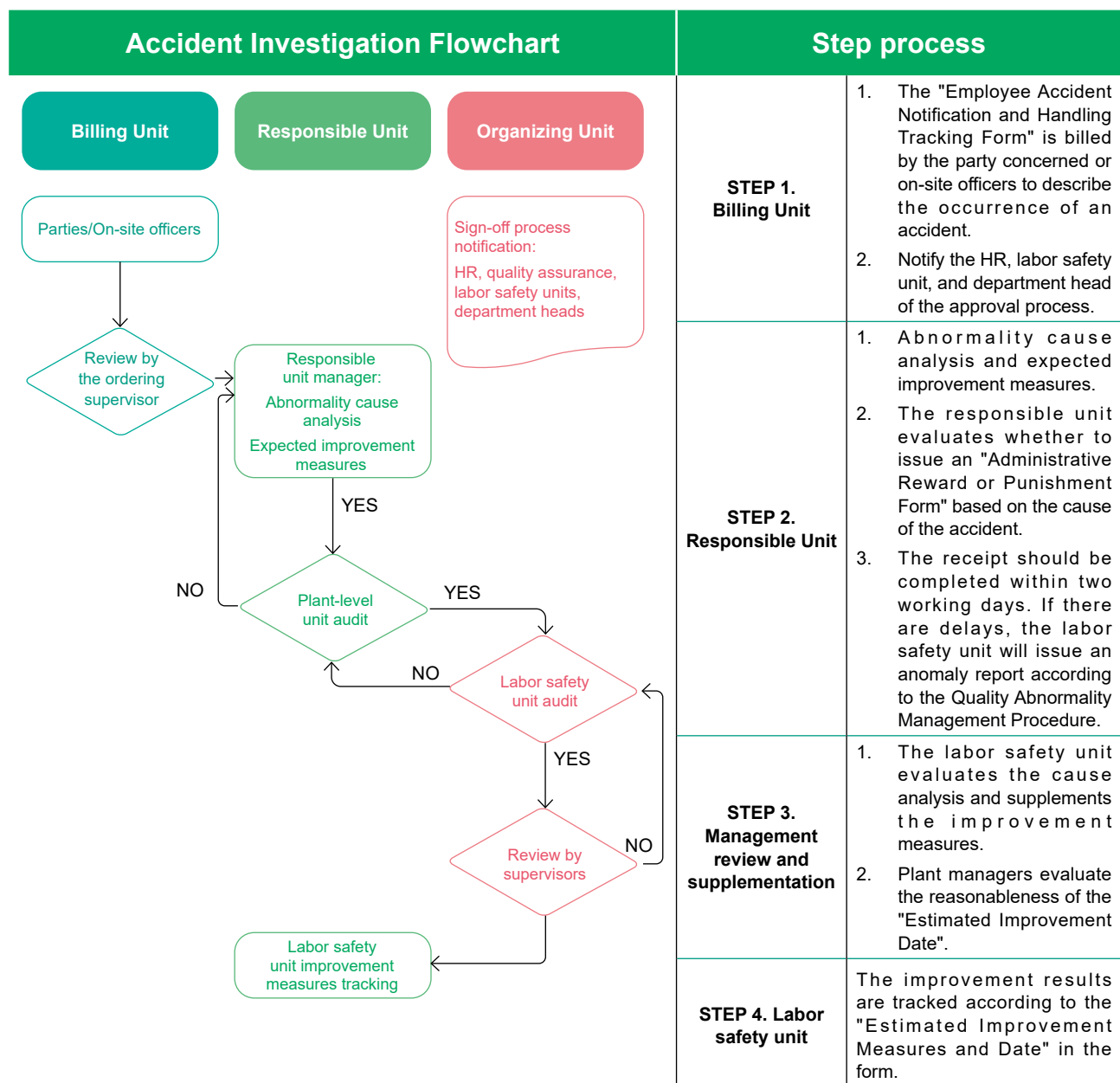
Considering the characteristics of the chemical industry, ASC, according to its internally established "Occupational Safety and Health Work Code", will conduct hazard identification and risk assessment for hazardous machinery within the plant. The assessment results will be reported to the supervisor in charge of the mechanical equipment, and the dedicated unit will be requested to assist with improvements. A residual risk assessment will be conducted upon completion of the improvements. The Company carefully identifies, assesses, and monitors potential risks in the production process, promotes safety awareness among production line personnel, and provides comprehensive education and training. Additionally, it assists personnel in preparing proactive measures to ensure the elimination of accidents or negative impacts.

If employees encounter immediate hazards while performing production line operations, they may stop or leave the work area on their own. If they have concerns about work safety and health, they can report or file a complaint through the channels listed in the table below. However, after personnel report incidents, the Company handles them according to its dedicated procedures for reporting illegal or unethical behavior by internal and external individuals. ASC pledges to protect whistleblowers from any improper treatment resulting from their reports.

## Whistleblowing channels

Acceptance Unit	Management Department
Mailing address	No. 20, Xiangong S. 2nd Rd., Xianxi Township, Changhua County
Reporting hotline	04-7582827 ext. 2201, 2001
Email	accusation@alliedsupreme.com

The accident investigation process of ASC is as follows:



## Health service and promotion activities

The Company ensures a safe and healthy working environment for employees by overseeing improvements based on the characteristics of each operational site. Specifically, for hazardous work areas such as dust and noise zones, employees are instructed and required to use personal protective equipment. This effort aims to minimize exposure to acceptable levels of risk while providing a safe and comfortable working environment. ASC implements health checks and management for employees. Those who have been with the Company for more than a year are entitled to an annual health check as a welfare benefit. For employees found to have abnormal health check results, we provide health consultation, guidance, ongoing monitoring, and recommend appropriate work adjustments.

### Summary of ASC's employee health check statistics and expenses for 2024

General health check	
Inspection item	The health check items are based on the labor health check items, with additional abdominal ultrasound and electrocardiogram included.
Number of people inspected (person)	326
Inspection fee	NTD 607,680
Special health check	
Inspection item	Noise and dust lung function.
Number of people inspected (person)	160
Inspection fee	NTD 68,000

### ASC's employee health check status of 2024



Daily questionnaire survey



Height, weight, waist measurement



Blood test



Specimen recall

Furthermore, the Company promotes employees' physical and mental health by leading stress management activities, encouraging employees to engage in sports and enjoy physical activities independently. Additionally, health education emails have been sent to promote various health issues, thereby supporting employees' overall well-being. The internal health education information and physical health education and training are as follows.

Internal promotion of health education information	Physical health education and training
Dragon Boat Festival diet health promotion	Respiratory protection education and training (content includes: respiratory protection fit testing and plant physicians respiratory protection physiological evaluation)
Mid-Autumn Festival diet health promotion	Hearing protection education and training
High temperature outdoor work precautions health promotion	Education and training on emergency trauma handling (content includes: emergency treatment of trauma)
Influenza and vaccine health prevention promotion	-
Influenza and common cold differences and prevention promotion	-
New Year healthy diet and daily blood pressure measurement steps promotion	-

### 2024 health promotion photos of ASC



**Sexual harassment awareness in the workplace**



**Teaching and testing the use of respiratory protective equipment**



**Unlawful infringement education and training**



**Heat hazard education and training for outdoor work in high temperatures**



**Human Factors Education and Training**



**Occupational disease prevention education and training**



**Hearing Conservation Education and Training**



**Physiological assessment of respiratory protection by factory doctors**



**Respiratory protection education and training**



## Occupational safety education and training

Since most accidents are related to human error, training employees to develop hazard prevention awareness and avoid negligence work habits has become the focus of safety education and training. The Company has an annual training plan that is regularly implemented, and we reinforce employee proficiency and professionalism through retraining. Additionally, we conduct training courses based on assessment results or specific processes and equipment to ensure a safe and productive working environment from the basics.

**Occupational safety and health training items statistics table**

Name of training item	Number of trainees	Training fee (NTD)
2024 New Employee Training	45	-
First Quarter Occupational Safety and Health Training	59	-
Second Quarter Occupational Safety and Health Training	61	-
Third Quarter Occupational Safety and Health Training	30	-
Fourth Quarter Occupational Safety and Health Training	71	-
Respiratory protection program education and training	10	-
Hearing protection education and training	10	-
General safety and health education and training (general industry)	4	3,700
General safety and health education and training (construction industry)	18	16,100
General safety and health education and training (occupational safety card)	1	1,000
Overhead crane retraining	8	2,000
Overhead crane initial training	2	13,600
Retraining for supervisors of hazardous operations (including organic, specialized, dust, hypoxia, lead)	5	5,500
Initial training for supervisors of hazardous operations (including organic, specialized, dust, hypoxia, lead)	2	7,000
Technical-level toxic and chemical substances of concern professional response personnel training course (intensive course)	1	23,000
First aid training course	9	30,600
First aid training course refresher	1	800
Aerial vehicle operation training course	3	25,000
Forklift refresher	13	20,100
Forklift initial training	3	13,500
Forklift initial training (Vietnamese)	10	80,000
Operational level toxicity and concern chemical substances professional response training course (intensive course)	2	19,000
Occupational safety and health business supervisors (including type A, B, and C safety and health supervisors)	14	19,800
Retraining for occupational safety and health business supervisors (including type A, B, and C safety and health supervisors) and occupational safety and health personnel (including occupational safety managers, safety officers, and health officers)	1	2,000
On-the-job education and training for occupational safety and health management personnel (safety managers)	2	2,000

There are 25 occupational safety courses, with 385 participants and a total course fee of NT\$284,700.

## False alarm

Safety is always our most important core value in every day of the company's operation. Even if it is a false alarm, we still adhere to the highest standards to ensure that all risks can be properly managed to create the most secure working environment for employees and partners. We still take high precautions against false alarms, conduct detailed investigations, risk assessments and preventive measures, and be responsible for each other's work safety.

Classification	Physical hazards	Psychological hazards	Total number of cases
quantity	4	1	5
case	1. Car accident in the factory 2. Workpiece not fixed 3. Hanging operation not implemented 4. Forklift collision	1. Bad mood factor	-

Improvement methodsAccording to the hazard case, understand the cause and process of occurrence, and conduct a review of the hazard impact to implement improvements. The improvement measures for the "car accident in the factory area" and "bad mood factor" in the above incidents are as follows:

1. When driving a forklift in reverse or there are obstacles that affect the line of sight, the accompanying personnel will help remind the driver of the surrounding environment and leave to perform the next operation after the forklift is completely stationary.
2. When an external vehicle is operating in the factory, a triangular cone is placed outside to ensure the safety of the operating area.
3. Provide employees with the concept of mutual assistance. If a colleague is in a bad mood, they can request assistance from the relevant unit, and will ask occupational nurses and occupational doctors to care about the situation of the staff to help employees overcome various difficulties in life.

## Work safety and protective gear

The company always regards the safety and health of employees as the primary consideration, and continues to invest resources to improve workplace protection standards. In 2024, we further optimized safety equipment. The company has a total of 70 types of protective equipment, of which 7 new protective equipment were added in 2024. It covers personal protective equipment and special operation protective equipment. In addition to considering safety, it also considers the hygiene of protective equipment and adopts the method of personal exclusive protective equipment to ensure that every employee is fully protected when performing work.

We are well aware that different working environments have different safety requirements. Therefore, the protective equipment newly added this year includes chemical protective gloves, protective masks, safety boots, etc. for different purposes, providing comprehensive protection for risky operations. In addition, the company also simultaneously strengthens safety education and use training to ensure that employees wear and are familiar with various protective equipment correctly to reduce the risk of occupational injuries.

The company will continue to improve the safety management system and enhance the workplace safety culture through risk assessment. Through continuous improvement of protective measures and active safety management, it is hoped that a more secure working environment can be created.



## Occupational accidents

ASC's management mechanism for preventing occupational diseases complies with relevant regulations. This includes plans for respiratory protection, maternity protection, ergonomics, prevention of unlawful acts, and hearing protection, all of which are implemented according to their respective plans. The Company conducts operational environment monitoring every six months, providing suitable safety protective equipment for special hazard work areas and general work areas. Additionally, annual health checks and specific health examinations are conducted for employees. In 2024, there were no incidents of occupational diseases reported among employees or non-employee workers at ASC.

To effectively prevent occupational accidents, ASC conducts regular daily inspections of work sites according to the regulations outlined in the "Procedures of Occupational Safety and Health". These inspections include checking the use of personal protective equipment, implementing engineering controls (such as installing guards and purchasing personnel lifts), and enforcing administrative controls (such as prohibiting operation of forklifts and bridge cranes without wearing safety helmets). The following table shows the occupational injuries suffered by our employees in 2024. A total of 3 employees suffered occupational injuries, all of whom were male.

Occupational injury status among employees of ASC in the past three years				
Category	Item	2022	2023	2024
Total working hours	Total working hour experienced by women	432,752	371,139.5	364,634.0
	Total working hour experienced by men	645,694.5	614,147.5	612,205.5
	Total working hour experienced	1,078,446.5	985,287	976,839.5
Number of fatalities due to occupational injuries	Female fatalities	0	0	0
	Male fatalities	0	0	0
	Total number of fatalities	0	0	0
Number of serious occupational injuries (excluding fatalities)	Total number of female employees with serious occupational injuries (times)	0	0	0
	Total number of male employees with serious occupational injuries (times)	0	0	0
	Total number of employees with serious occupational injuries (times)	0	0	0
Number of recordable occupational injuries (including fatalities and serious occupational injuries)	Total number of female employees with occupational injuries (times)	48	3	0
	Total number of male employees with occupational injuries (times)	44	6	3
	Total number of employees with occupational injuries (times)	92	9	3
Occupational injury fatality rate %		0	0	0
Severe occupational injury rate %		0	0	0
Recordable occupational injury rate %		85.31	9.13	3.07

Note:

1. Fatality rate due to occupational injuries = (number of fatalities due to occupational injuries/working hours) \* 1,000,000.
2. Severe occupational injury rate = [number of serious occupational injuries (excluding fatalities)/working hours] \* 1,000,000.
3. Recordable occupational injury rate = [number of recordable occupational injuries (including fatalities and serious occupational injuries)/working hours] \* 1,000,000.
4. Severe occupational injuries refer to occupational injuries that result in the inability to recover health within 6 months.
5. Recordable occupational injuries do not include occupational injuries during commuting to and from work.
6. The Occupational Safety and Health Administration has issued a press release that Covid-19 infection in the workplace is considered an occupational injury. There are no occupational accidents caused by Covid-19 infection this year.
7. The categories of occupational injuries were: 1 person was hit, 1 person was burned, and 1 person was cut.

## Occupational safety management for suppliers and contractors

In order to comply with the occupational safety and health regulations, maintain the safety of the workers and equipment of the contractors, and reduce the occurrence of occupational disasters, ASC has formulated a series of regulations. These guidelines govern the procedures and methods related to operational safety and health for contractors working within the Company's premises. This ensures the protection of both contractors' and the Company's interests. During the construction or operation periods, contractors are required to adhere not only to the terms of the engineering contract but also to comply with the Occupational Safety and Health Act and related laws. ASC consistently prioritizes safety as the highest standard of operations.

To ensure the accurate communication of construction-related operational regulations, ASC conducts safety education and holds safety meetings every time a contractor enters the site of construction. Both parties are fully informed about the construction details before proceeding with operations, thereby protecting the interests of both parties. We evaluate contractors annually according to our procurement management procedures.

Regulations and documents related to the safety and health management of contractors' construction	
Related documents	Description of requirements
<b>Regulations governing contractors</b>	The contractor's safety and health violation and the detailed list of deductions.
<b>Daily onsite hazard notification</b>	Read and sign confirmation of the daily onsite hazard notice before entering the plant each day.
<b>Contractor's construction application form</b>	Required to be completed when contracting with ASC.
<b>Work safety meeting attendance sheet</b>	The personnel of the contractor who attend the education and training with the contractor.
<b>Hazard notification form</b>	During the hazard notification education and training, contractors are required to read the information in detail and sign to confirm that they have thoroughly understood the operational hazards.
<b>Contractor's safety and health work compliance agreement</b>	Contractors are requested to make a commitment to comply with safety and health work.
<b>Contractor entry information form</b>	Contractors are required to fill out and provide information related to the contracted project.
<b>Entry, delivery, and unloading hazard notification of contractors</b>	Before entering the plant premises for delivery or unloading, contractors or delivery personnel must read the hazard notice and sign to confirm they have understood the relevant hazards.
<b>Application forms for various high-risk operations</b>	For tasks such as hot work, hoisting work, high-altitude operation, organic solvent operation, confined space operation, gas pipeline and equipment opening operation, etc., prior approval must be obtained from the Safety and Health Office before commencing work.

In addition to clearly defining regulations for execution, ASC has planned corresponding responsibilities and authorities, implementing a hierarchical management system. This allows for continuous monitoring to ensure that suppliers adhere to safety regulations during their operations.

Position	Duties and authorities
<b>Procurement personnel</b>	<ol style="list-style-type: none"> <li>1. Establish contractor selection criteria and exit procedures.</li> <li>2. Provide regulatory requirements, general safety and health matters of engineering contracts, relevant application documents for construction in plants, and hazard notification information.</li> <li>3. Before contractors begin on-site work, a hazard notification meeting of the contractor agreement organization should be held. Relevant personnel must be notified to attend, and meeting minutes should be recorded and preserved.</li> </ol>
<b>ASC Construction Organizing Unit Person in charge of construction</b>	<ol style="list-style-type: none"> <li>1. Responsible for assisting contractors in various construction applications and the data collection of construction personnel.</li> <li>2. Participate in the hazard notification meeting before construction and assist procurement personnel in arranging for contractors' workers to receive hazard awareness training. Clearly inform them of the possible hazards in the construction area and coordinate the construction process, schedule, and placement of materials.</li> <li>3. Responsible for supervising and managing contractors' construction safety, environment, and construction quality, and the responsibility for inspecting and correcting work at any time.</li> <li>4. After the completion of the construction, the Company will work with the procurement department to handle the acceptance.</li> </ol>
<b>Labor Safety and Health Unit</b>	<ol style="list-style-type: none"> <li>1. Responsible for reviewing the completeness of the occupational safety information prepared by the applicant unit.</li> <li>2. The contractor is informed of the possible hazards at the construction site and the safety, health, and environmental protection instructions that must be followed before the construction begins.</li> <li>3. Audits are carried out occasionally during construction and recorded.</li> <li>4. Implement the reporting of penalties and deductions for contractor violations according to the "contractor's safety and health violation and the detailed list of deductions". A "notice of contractor violation of occupational safety and health regulations" will be issued and may be co-signed by the procurement unit.</li> </ol>
<b>Contractor</b>	<ol style="list-style-type: none"> <li>1. Cooperate with the construction contractor to provide the construction application documents.</li> <li>2. Cooperating with the construction contractor to attend the work safety meeting before the construction.</li> <li>3. Arrange for qualified construction personnel to receive hazard notification and awareness in the plant area, and keep records on the "Hazard Notification Form".</li> <li>4. Contractors are required to legally appoint qualified labor safety and health management personnel (supervisors).</li> </ol>

# VI. Social Prosperity

## 6.1 Participation in social welfare

Material Topic: Local Communities	
Material reasons for the topic	<p>As a local enterprise, we actively help increase the operational capacity of disadvantaged groups in the local community and create social influence. By integrating company resources with the needs of disadvantaged groups, we establish a long-term cooperation mechanism and achieve mutual benefit, share the company's operating results with the local community, and allow more disadvantaged groups to benefit from the opportunities brought by the company, creating a better future together.</p>
Influence and impact	<p>[Economic aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: The Company has established operational sites in Taipei, Hsinchu, Changhua, and Tainan. Due to business needs, we have increased vacancies in various professional fields, providing job opportunities for local residents and contributing to the local community's economic activity. Furthermore, there have been no instances of unpaid leave in the past decade, ensuring economic stability for our employees. In addition to regularly planning donations to support the underprivileged groups, we also engage in long-term partnerships with relevant organizations to purchase ingredients. This not only provides delicious meals for our employees but also helps these groups secure a stable source of income.</li> <li>Negative impacts: Changbin Industrial Park is a major production site for our company. When the industrial park was first developed, various environmental and local community risk assessments were conducted. Therefore, ASC has not caused any actual or potential negative impact on the local community, and has not directly affected the surrounding residents and caused economic losses. If the regulations are not followed, it may further affect the environmental pollution and housing justice of the local community residents. For example, if it is a fire or explosion, the surrounding area of the factory will be polluted due to the burning shadow, which will have a significant impact on the company's operations. In addition to the serious damage to the corporate image, it will face reconstruction costs, casualties, and fines for violating laws and regulations, which are serious disaster risks.</li> </ul> <p>[Environmental aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: The Company has various monitoring systems in place to ensure we prevent leaks or environmental hazards. In our commitment to the community, we actively participate in initiatives like beach cleanups to help reduce pollution from waste. We invite colleagues and their families to join, achieving not only tangible benefits for environmental cleanliness but also fostering educational experience for children. This teaches them about the dangers of environmental pollution, conveying the principles of social and environmental sustainability.</li> <li>Negative impact: ASC relies on its factory for product manufacturing, which is located in the Changbin Industrial Park. Currently, there are no direct impacts on the lives and environment of local residents. However, failure to comply with regulations could potentially affect local community residents in terms of environmental pollution and housing justice.</li> </ul> <p>[Human rights aspect]</p> <ul style="list-style-type: none"> <li>Positive impact: As a local enterprise, we actively assist in enhancing the operational capabilities of local underprivileged groups to create social impact. We uphold the principle of respecting each employee's individual differences, and therefore, the Company has never experienced any discrimination events. In recent years, there have been no cases of gender equality complaints, and we will continue to maintain and enhance the implementation of human rights-related measures.</li> <li>Negative impact: The majority of employees of the Company are located at Changbin Plant in Xianxi township. Due to the nature of the industry, most employees are male, resulting in an imbalanced gender ratio. However, we prioritize the establishment of maternity protection facilities, such as providing well-maintained and fully equipped breastfeeding rooms. Participation in social welfare activities is a positive feedback activity, and should not have any negative impact.</li> </ul>
Policy/Strategy	<p>In terms of community contribution, we mainly promote local economic prosperity, public welfare activities and reduce the negative impact of operations on the community, so as to enhance the corporate image and local acceptance. We also participate in local community public welfare activities, provide job opportunities, create social influence and practice corporate citizenship responsibility.</p>

## Material Topic: Local Communities

Goals and targets	<ul style="list-style-type: none"> <li>• Short-term goal: To raise the awareness among employees of the Company about philanthropy and to understand the operational status and needs of underprivileged groups in the community, the Company initiate public welfare activities such as donations, charity sales, blood donations, etc. These activities gradually involve our participation in local community welfare activities, increasing employees' identification with and support for public welfare initiatives.</li> <li>• Mid-term goal: Establish cooperative relationships with local underprivileged groups to create long-term and stable partnerships. This approach enables these groups to produce public welfare-oriented products that align with the operational needs of the Company.</li> <li>• Long-term goal: After long-term collaboration with local underprivileged groups, we create job opportunities tailored to the populations they serve, establishing a friendly connection with these communities. This approach guides the relevant underprivileged groups towards opportunities for independent livelihood.</li> </ul>
Management evaluation mechanism	Through the corporate governance evaluation system, we assess the importance given to community and public welfare activities during the year.
Performance and adjustment	<p>In 2024, ASC can organized charitable activities: 1 beach cleaning activity and 1 blood donation activity. The total investment is as follows:</p> <ol style="list-style-type: none"> <li>1. March 01, 2024, subscribed to Taoyuan Rotary Club for a blood transport vehicle of NT\$100,000</li> <li>2. April 19, 2024, donated NT\$1,000,000 to the company and NT\$722,300 to colleagues for the 403 earthquake in Hualien</li> <li>3. August 07, 2024, donated 29 bags of 250cc and 43 bags of 500cc in a blood donation activity</li> <li>4. November 23, 2024, beach cleaning activity for 87 people</li> <li>5. Love handmade dumplings of NT\$318,555.</li> <li>6. Volunteer service hours: 23 hours.</li> </ol>
Preventive or remedial measures	<p>In Q4 of each year, we plan the public welfare activities for the following year, including donations, blood drives, and community service, to ensure the continued integrity of our CSR image. We also make adjustments based on the results of the corporate governance evaluation.</p> <p>The Company has established a grievance mailbox at the plant entrance. Upon receiving a complaint, we will investigate and evaluate the case according to the complaint process and develop a relevant review and improvement plan.</p>

## Giving back to the community

ASC's Changbin Plant is located within the Changbin Industrial Park, which conducted environmental and community risk assessments during its initial development. Therefore, our operations have not caused any actual or potential negative impacts on the local community. However, the Company upholds the corporate spirit of taking from and contributing to society, giving back to society through various forms and actively participating in community activities. The Chairperson led all department heads and all employees in initiating public welfare and donation activities. The Company also provides financial assistance to various organizations, offering numerous donations and support.

Material Topic: Local Communities		
Name of public welfare activity	Amount (NTD)	Description
Rotary Blood Truck Subscription Event	NTD 100,000	Invest resources to purchase blood transport vehicles to assist in blood distribution and improve the efficiency of emergency medical rescue. Blood is an indispensable life resource in the medical system, and stable and safe transportation is the key to ensuring that patients receive timely treatment. Therefore, the company supports blood foundations and medical institutions through this public welfare action, so that every bag of precious blood can be quickly delivered to where it is most needed.
Hualien Earthquake Donation Event	NTD 100,000 (Company) NTD 722,300 (Employees)	In 2024, a strong earthquake hit Hualien, causing serious impact on the lives and infrastructure of local residents. In the face of this sudden disaster, the company, in the spirit of corporate social responsibility, quickly launched a donation campaign to fully support the investment in disaster relief funds, hoping to provide immediate and substantial help to the affected families.
Blood donation activities	-	TASC regularly organizes blood donation activities, calling on employees to use their blood to spread love and provide a stable blood resource for the medical system.  We are well aware that blood cannot be artificially produced. Only through loving blood donation can we ensure that patients receive immediate treatment in an emergency. Therefore, in addition to setting up a blood donation station area to facilitate employees to participate nearby, the company also promotes internal promotion to enhance everyone's awareness and willingness to donate blood to save lives. This year's event attracted many employees to participate enthusiastically, and together they injected hope and warmth into the society. Donate 250cc blood, which is 29 bags, and 500cc blood, which is 43 bags in 2024.
Changhua County 2024 Excellent Manufacturers with Excessive Employment of People with Disabilities Recognition	-	The company has long been committed to creating a friendly workplace and a diverse and inclusive environment, actively providing stable and suitable employment opportunities for people with disabilities. In 2024, the company was recognized by Changhua County as an excellent manufacturer that employs people with disabilities in excess. This recognition not only demonstrates our commitment to social responsibility, but also encourages us to continue to deepen workplace equality, so that every employee can give full play to their strengths and find employment with peace of mind.
Winner of the 22nd Golden Exhibition Award, Job Restructuring Category	-	Adhering to the spirit of innovation, we actively promote job reengineering and digital transformation to improve operational efficiency and talent development. In 2024, we won the 22nd Golden Exhibition Award for the Job Reengineering Category for our outstanding job optimization results. This award not only recognizes the company's efforts in human resource innovation, but also demonstrates our achievements in workplace optimization and corporate competitiveness enhancement.



Beach Cleaning Activities	-	In 2024, we called on 87 employees and their families to participate in the beach cleaning activity, to protect the marine environment with practical actions and reduce the impact of waste on the ecology. On the day of the event, everyone worked together to pick up plastic bottles, fishing net ropes, PET bottle caps, cigarette butts and other waste on the beach, which not only made the coast cleaner, but also deeply realized the importance of environmental protection. We believe that every effort can bring changes to the earth. Therefore, the company not only encourages employees to take action, but also hopes to increase public attention to marine pollution issues through such activities and promote more environmental protection actions.
Charity meals	NTD 318,555	Through the charity meal donation program, we support "Mashile Dumplings" operated by a social welfare organization, which not only provides delicious meals, but also helps people with disabilities and disadvantaged groups obtain stable employment opportunities and create the possibility of independent living. "Mashile Dumplings" is made by a group of tenacious partners. Each dumpling not only represents deliciousness and nutrition, but also carries full of love and hard work. We hope that through this charity event, we can not only support this group of hard-working workers, but also let more people understand the value of social enterprises and work together to create a warmer society.
Volunteer Service	-	Accompany and support children with developmental delays through practical actions, helping them to be more confident in their learning and growth. This year, company volunteers spent 23 hours accompanying the Slow Flying Angels step by step through companionship, game interaction and learning guidance, allowing love and warmth to help them grow.

In addition, ASC has recruited "Sustainable Report Award Judges". With the promotion of international sustainable development ideas and the globalization of economic and trade activities, the issue of corporate social responsibility (CSR) has become a focus of public attention. Many international companies are increasingly paying attention to the role of corporate social responsibility in industrial economic activities and regard it as one of the key strategies for corporate operations.

Corporate sustainability reports are information disclosure reports conducted by companies to demonstrate their commitment, performance and results in fulfilling their social responsibilities. They have now become an international trend and have a profound impact on the industry and corporate image. This year, the review training organized by the Taiwan Sustainable Energy Research Foundation (TAISE) not only enables the top-level disclosure matters to be in line with international standards, but also allows them to make substantial contributions to society. Through this professional training, employees not only deepen their understanding of sustainable development, ESG (environment, society, governance) standards and reporting frameworks, but also apply what they have learned to the writing and optimization of the company's sustainability report, thereby improving the professionalism and information transparency of the report.

The company supports and encourages employees to actively participate in social responsibility activities. The company's volunteer reviewers have achieved the "100% adoption rate" with outstanding performance. After obtaining the Sustainability Elite Certificate, employees are encouraged to serve as TAISE sustainability report reviewers and engage in unpaid volunteer services as reviewers. Employees use their professional knowledge and judgment to review the sustainability reports of participating companies, and provide constructive feedback from an impartial and selfless position to ensure information transparency and report quality, and promote the progress of corporate social responsibility and sustainable development. Through this volunteer service, employees not only contribute their expertise and help improve the overall level of corporate sustainability in Taiwan, but also learn the industry's best practices from the review process, and feed back the company's own ESG strategy and report writing capabilities.

## List of public welfare activities



Visiting records from various foundations

Enthusiasm and boundless love



One-day volunteer for children with special needs



"Lucky to Have You" Beach Cleanup Activity

# Appendix

## Appendix 1: GRI Standards (GRI Standards) Reference Table

Statement of Use

Allied Supreme Corporation has reported the information quoted in the GRI content index for the period January 1, 2024 to December 31, 2024 with reference to the GRI Standards.

GRI 1 in use

GRI 1: Basic 2021

Applicability of GRI Standards

N/A

GRI Standards Category/Topic	Serial No.	Disclosures under the GRI Standards	Corresponding chapter	Page	Omit/ Note
1. Organization and reporting practices					
GRI 2 General Disclosure 2021	2-1	Organizational details	2.1 About ASC	26	
	2-2	Entities included in the organization's sustainability reporting	About This Report	8	
	2-3	Reporting period, frequency, and contact point	About This Report	8	
	2-4	Restatements of information	About This Report	8	
	2-5	External assurance	About This Report	8	
2. Activities and workers					
GRI 2 General Disclosure 2021	2-6	Activities, value chain and other business relationships	2.1 About ASC	26	
	2-7	Employees	5.1 Employee overview	95	
	2-8	Workers who are not employees	5.1 Employee overview	95	
3. Governance					
GRI 2 General Disclosure 2021	2-9	Governance structure and composition	2.3 Focus on governance	33	
	2-10	Nomination and selection of the highest governance body	2.3 Focus on governance	33	
	2-11	Chair of the highest governance body	2.3 Focus on governance	33	
	2-12	Role of highest governance body in overseeing management of impacts	1.1 Sustainable development strategy	9	
	2-13	Delegation of responsibility for managing impact	1.1 Sustainable development strategy	9	
	2-14	Role of the highest governance body in sustainability reporting	1.1 Sustainable development strategy	9	
	2-15	Conflicts of Interest	2.3 Focus on governance	33	
	2-16	Communication of critical concerns	1.1 Sustainable development strategy	9	
	2-17	Collective knowledge of the highest governance body	2.3 Focus on governance	33	
	2-18	Evaluation of the performance of the highest governance body	2.3 Focus on governance	33	
	2-19	Remuneration policies	2.3 Focus on governance	33	
	2-20	Process to determine remuneration	2.3 Focus on governance	33	
	2-21	Annual total compensation ratio	5.2 Care for employees	102	

GRI Standards Category/Topic	Serial No.	Disclosures under the GRI Standards	Corresponding chapter	Page	Omit/ Note
<b>4. Strategies, policies and practices</b>					
GRI 2 General Disclosure 2021	2-22	Statement on sustainable development strategy	Word from the Chairman	3	
	2-23	Policy commitments	2.4 Honesty and ethics	47	
	2-24	Embedding policy commitments	2.4 Honesty and ethics	47	
	2-25	Processes to remediate negative impacts	2.4 Honesty and ethics	47	
	2-26	Mechanisms for seeking advice and raising concerns	2.4 Honesty and ethics	47	
	2-27	Compliance with laws and regulations	2.6 Strict compliance with laws and regulations	58	
	2-28	Membership associations	2.1 About ASC	26	
<b>5. Stakeholder engagement</b>					
GRI 2 General Disclosure 2021	2-29	Approach to stakeholder engagement	1.2 Communication with stakeholders	12	
	2-30	Collective bargaining agreements	5.1 Employee overview	95	
<b>Topic-specific Guidelines: 200 Series (Economic topics)</b>					
Market position					
GRI 202 Market Presence Topic Disclosure 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.2 Care for employees	102	
	202-2	Proportion of senior management hired from the local community	5.1 Employee overview	95	
Indirect economic impacts					
GRI 203 Indirect Economic Impacts Topic Disclosure 2016	203-1	Infrastructure investment and services supported	6.1 Participation in social welfare	119	
	203-2	Significant indirect economic impacts	6.1 Participation in social welfare	119	
Procurement practices					
GRI 204 Procurement Practice Topic Disclosure 2016	204-1	Proportion of spending on local suppliers	3.3 Sustainable supply chain	70	
Anti-corruption					
GRI 205 Anti-corruption Topic Disclosure 2016	205-1	Operations assessed for risks related to corruption	2.4 Honesty and ethics	47	
	205-2	Communication and training on anti-corruption policies and procedures	2.4 Honesty and ethics	47	
	205-3	Corruption incidents confirmed and actions taken	2.4 Honesty and ethics	47	
Anti-competitive behavior					
GRI 206 Anti-competitive Behavior Topic Disclosure 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.6 Strict compliance with laws and regulations	58	

GRI Standards Category/Topic	Serial No.	Disclosures under the GRI Standards	Corresponding chapter	Page	Omit/ Note
Taxation					
GRI 207 Tax Topic Management Disclosure 2019	207-1	Tax Policy	2.2 Current operational status	30	
	207-2	Tax governance, control and risk management	2.2 Current operational status	30	
	207-3	Stakeholder communication and management of tax-related issues	2.2 Current operational status	30	
GRI 207 Tax Topic Disclosure 2019	207-4	Country-by-country reporting	-	-	No country-by-country reporting required
Topic-specific Guidelines: 300 Series (Environmental topics)					
Materials					
GRI 301 Materials Topic Disclosure 2016	301-1	Materials used by weight or volume	4.2 Materials management	83	
	301-2	Recycled input materials used	4.2 Materials management	83	
	301-3	Reclaimed products and their packaging materials	-	-	
Topic-specific Guidelines: 400 Series (Social topics)					
Employment relations					
GRI 401 Employment Topic Disclosure 2016	401-1	New employee hires and employee turnover	5.1 Employee overview	95	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2 Care for employees	102	
	401-3	Parental leave	5.2 Care for employees	102	
Labor/management relations					
GRI 402 Labor/Management Relations Topic Disclosure 2016	402-1	Minimum notice periods regarding operational changes	5.1 Employee overview	95	
Training and education					
GRI 404 Training and Education Topic Disclosure 2016	404-1	Average hours of training per year per employee	5.3 Talent training	105	
	404-2	Programs for upgrading employee skills and transition assistance programs	5.3 Talent training	105	
	404-3	Percentage of employees receiving regular performance and career development reviews	5.3 Talent training	105	
Employee diversity and equal opportunities					
GRI 405 Diversity and Equal Opportunity Topic Disclosure 2016	405-1	Diversity of governance bodies and employees	2.3 Focus on governance 5.1 Employee overview	33 95	
	405-2	Ratio of basic salary and remuneration of women to men	5.2 Care for employees	102	
Non-discrimination					

GRI Standards Category/Topic	Serial No.	Disclosures under the GRI Standards	Corresponding chapter	Page	Omit/ Note
GRI 406 Non-discrimination Topic Disclosure 2016	406-1	Incidents of discrimination and corrective actions taken	2.3 Focus on governance 2.4 Honesty and ethics 5.1 Employee overview	33 47 95	
Freedom of association and collective bargaining					
GRI 407 Freedom pf Association and Collective Bargaining Topic Disclosure 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.1 Employee overview	95	
Child labor					
GRI 408 Child Labor Topic Disclosure 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	2.3 Focus on governance 5.1 Employee overview	33 95	
Forced or compulsory labor					
GRI 409 Forced or Compulsory Labor Topic Disclosure 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.1 Employee overview	95	
Security practices					
GRI 410 Security Practices Topic Disclosure 2016	410-1	Security Personnel trained in human rights policies or procedures	5.1 Employee overview	95	
Rights of indigenous people					
GRI 411 Rights of Indigenous Peoples Topic Disclosure 2016	411-1	Incidents of violations involving rights of indigenous peoples	2.3 Focus on governance 5.1 Employee overview	33 95	
Public policy					
GRI 415 Public Policy Topic Disclosure 2016	415-1	Political contributions	2.2 Current operational status	30	
Customer health and safety					
GRI 416 Customer Health and Safety Topic Disclosure 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.2 Customer management and product quality	66	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.2 Customer management and product quality	66	
Marketing and labeling					
GRI 417 Marketing and Labeling Topic Disclosure 2016	417-1	Requirements for product and service information and labeling	3.2 Customer management and product quality	66	
	417-2	Incidents of non-compliance concerning product and service information and labeling	2.3 Focus on governance 3.2 Customer management and product quality	33 66	
	417-3	Incidents of non-compliance concerning marketing communications	2.3 Focus on governance 3.2 Customer management and product quality	33 66	
Customer privacy					
GRI 418 Customer Privacy Topic Disclosure 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.1 Customer service management	63	



## Material Topic Disclosure

GRI No.	Issue	Serial No.	Disclosures under the GRI Standards	Corresponding chapter	Page	Omit/Note
GRI 3: Material Topics 2021	Management approach	3-1	Process to determine material topics	1.3 Identification of material topics	16	
GRI 3: Material Topics 2021	Management approach	3-2	List of material topics	1.3 Identification of material topics	16	
Material Topic: Economic Performance (GRI 201)						
GRI 3: Material Topics 2021	E c o n o m i c performance management policy	3-3	Management of material topics	2 . 2 C u r r e n t operational status	30	
GRI 201	E c o n o m i c Performance Topic Disclosure 2016	201-1	Direct economic value generated and distributed	2 . 2 C u r r e n t operational status	30	
		201-2	Financial implications and other risks and opportunities due to climate change	4 . 1 Risks and opportunities of climate change and countermeasures	78	
		201-3	Defined benefit plan obligations and other retirement plans	5 . 2 Care for employees	102	
		201-4	Financial assistance received from government	2 . 2 C u r r e n t operational status	30	
Material Topic: Energy (GRI 302)						
GRI 3: Material Topics 2021	Management approach	3-3	Management of material topics	4.3 Energy control	84	
GRI 302	Energy Topic Disclosure 2016	302-1	Energy consumption within the organization	4.3 Energy control	84	
		302-2	Energy consumption outside of the organization	Data not available	-	
		302-3	Energy intensity	4.3 Energy control	84	
		302-4	Reduction of energy consumption	4.3 Energy control	84	
			Reductions in energy requirements of products and services	4.3 Energy control	84	
Material Topic: Emissions (GRI 305)						
GRI 3: Material Topics 2021	Management approach	3-3	Management of material topics	4.3 Energy control	84	

GRI No.	Issue	Serial No.	Disclosures under the GRI Standards	Corresponding chapter	Page	Omit/Note
GRI 305	Emissions Topic Disclosure 2016	305-1	Direct (Scope 1) GHG emissions	4.4 Emission mitigation	89	
		305-2	Energy indirect (Scope 2) GHG emissions	4.4 Emission mitigation	89	
		305-3	Other indirect (Scope 3) GHG emissions	4.4 Emission mitigation	89	
		305-4	GHG emissions intensity	4.4 Emission mitigation	89	
		305-5	Reduction of GHG emissions	4.3 Energy control 4.4 Emission mitigation	84 89	
		305-6	Emissions of ozone-depleting substances (ODS)	-	-	In 2024, the Company did not produce any emissions of ozone-depleting substances (ODS).
		305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-	-	In 2024, the Company did not produce any emissions of nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.
Material Topic: Water and Effluents (GRI 303)						
GRI 3: Material Topics 2021	Management approach	3-3	Management of material topics	4.5 Water resource utilization	91	
GRI 303	Water and Effluents Topic Management Disclosure 2018	303-1	Interactions with water as a shared resource	4.5 Water resource utilization	91	
		303-2	Management of water discharge-related impacts	4.5 Water resource utilization	91	
	Water and Effluents Topic Disclosure 2018	303-3	Water withdrawal	4.5 Water resource utilization	91	
		303-4	Water discharge	4.5 Water resource utilization	91	
		303-5	Water consumption	4.5 Water resource utilization	91	
Material Topic: Waste (GRI 306)						
GRI 3: Material Topics 2021	Management approach	3-3	Management of material topics	4.6 Waste management	93	

GRI No.	Issue	Serial No.	Disclosures under the GRI Standards	Corresponding chapter	Page	Omit/Note
GRI 306	Waste Topic Management Disclosure 2020	306-1	Waste generation and significant waste-related impacts	4 . 6 W a s t e management	93	
		306-2	Management of significant waste-related impacts	4 . 6 W a s t e management	93	
	Waste Topic Disclosure 2020	306-4	Waste diverted from disposal	4 . 6 W a s t e management	93	
		306-5	Waste directed to disposal	4 . 6 W a s t e management	93	
Material Topic: Supplier Environmental Assessment, Supplier Social Assessment (GRI 308, GRI 414)						
GRI 3: Material Topics 2021	Management approach	3-3	Management of material topics	3.3 Sustainable supply chain	70	
GRI 308	S u p p l i e r Environmental Assessment Topic Disclosure 2016	308-1	New suppliers that were screened using environmental criteria	3.3 Sustainable supply chain	70	
		308-2	Negative environmental impacts in the supply chain and actions taken	3.3 Sustainable supply chain	70	
GRI 414	Supplier Social Assessment Topic Disclosure 2016	414-1	New suppliers that were screened using social criteria	3.3 Sustainable supply chain	70	
		414-2	Negative social impacts in the supply chain and actions taken	3.3 Sustainable supply chain	70	
Major Topic: Occupational Safety and Health (GRI 403)						
GRI 3: Material Topics 2021	Occupational safety and health management policy	3-3	Management of material topics	5.4 Occupational safety and health	108	
GRI 403	Occupational Safety and Health Topic Management Disclosure 2018	403-1	Occupational health and safety management system	5.4 Occupational safety and health	108	
		403-2	Hazard identification, risk assessment and incident investigation	5.4 Occupational safety and health	108	
		403-3	Occupational health service	5.4 Occupational safety and health	108	
		403-4	Worker participation, consultation, and communication on occupational health and safety	5.4 Occupational safety and health	108	
		403-5	Worker training on occupational health and safety	5.4 Occupational safety and health	108	
		403-6	Promotion of worker health	5.4 Occupational safety and health	108	
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	-	-	
	Occupational Safety and Health Topic Disclosure 2018	403-8	Workers covered by an occupational health and safety management system	5.4 Occupational safety and health	108	
		403-9	Work-related injuries	5.4 Occupational safety and health	108	
			Worked-related ill health	5.4 Occupational safety and health	108	

GRI No.	Issue	Serial No.	Disclosures under the GRI Standards	Corresponding chapter	Page	Omit/Note
<b>Material Topic: Local Communities (GRI 413)</b>						
GRI 3: Material Topics 2021	Management approach	3-3	Management of material topics	6.1 Participation in social welfare	119	
GRI 413	Local Communities Topic Disclosure 2016	413-1	Operations with local community engagement, impact assessments, and development programs	6.1 Participation in social welfare	119	
		413-2	Operations with significant actual or potential negative impacts on local communities	6.1 Participation in social welfare	1119	

* Custom topic	Serial No.	Disclosures under the GRI Standards	Corresponding chapter	Page	Omit/Note
<b>*Innovative products and technology</b>					
GRI 3 Innovative product and technology management policy	3-3	Management of material topics	3.2 Customer management and product quality	66	
<b>*Customer service management</b>					
GRI 3 Customer service management policy	3-3	Management of material topics	3.1 Customer service management	63	
<b>*Environmental and social regulations management</b>					
GRI 3 Environmental and social regulations management policy	3-3	Management of material topics	2.6 Strict compliance with laws and regulations	58	

## Appendix 2: Sustainability Accounting Standards Board (SASB) Reference Table

Industry: Resource conversion\_chemicals

Disclosure topic	Indicator No.	Disclosure indicators	Disclosure status in 2024	Comparison of report contents and chapters	Page
GHG	RT-CH-110a.1	1. Scope 1 GHG emissions (metric tons of CO <sub>2</sub> e) 2. Percentage (%) of Scope 1 GHG emissions subject to emission control regulations	1. Scope 1: 650.4036 metric tons of CO <sub>2</sub> e. 2. There are currently no restrictions on emissions.	4.4 Emission mitigation	89
	RT-CH-110a.2	Management strategies or plans for Scope 1 GHG emissions	1. Conduct ISO 14064-1 inventory and introduce 2. Short-, mid- and long-term planning: (1)Short-term: Adopt a progressive approach to conduct Scope 1, 2 and 3 inventory checks. (2)Mid-term: Based on the base year's carbon emissions, conduct a breakdown of carbon emissions for each piece of equipment to manage and assess the implementation of carbon reduction tools. (3)Long-term: Implement long-term carbon reduction measures.	4.4 Emission mitigation	89
Air Quality	RT-CH-120a.1	1. Nitrogen oxides emissions 2. Sulfur oxides emissions 3. Volatile organic compounds 4. Emissions of hazardous air pollutants (HAPs)	ASC did not produce any hazardous emissions such as nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), persistent organic pollutants (POP), volatile organic compounds (VOC), hazardous air pollutants (HAP), or particulate matter (PM).	4.4 Emission mitigation	89
Energy management	RT-CH-130a.1	1. Total energy consumption (GJ) 2. Percentage of grid electricity consumption (%) 3. Percentage of renewable energy usage (%) 4. Self-generated energy (GJ)	1. Total energy consumption (unit): 55,475.10 (GJ). 2. Purchased electricity: 100%. 3. Renewable energy usage rate: 0% 4. Self-generated energy: 0 (GJ)	4.3 Energy control	84
Water Management	RT-CH-140a.1	1. Total water intake 2. Total water consumption 3. Proportion of operational sites in areas of "highly" or "extremely high" water scarcity, and their share of total water intake and consumption.	1. Total water intake was 65.365 million liters. 2. Total water consumption was 24.375 million liters. 3. The Company does not harvest water resources that are used in "highly" or "extremely high" water scarcity areas.	4.5 Water resource utilization	91

Disclosure topic	Indicator No.	Disclosure indicators	Disclosure status in 2024	Comparison of report contents and chapters	Page
Water Management	RT-CH-140a.2	Number of violations of water quality-related discharge permits, standards, and regulations	In 2024, the Company's water consumption and discharge standards meet the wastewater discharge standards of the Changbin Industrial Park Management Center.	4.5 Water resource utilization	91
	RT-CH-140a.3	Description of water resource management risks and strategies, and practices to mitigate them	In terms of water resource management, our company manages and monitors the water use status and abnormal alarms in the factory through the online SCADA remote monitoring system to reduce the chance of water waste. The production plant of our company is under the jurisdiction of the Changbin Industrial Park, and the management bureau is commissioned to pay for monthly inspections. The total amount of wastewater discharged in 2024 is 25,121 m <sup>3</sup> , which is 21,287 m <sup>3</sup> compared to the total amount of wastewater in the previous year. Due to operational needs, the SCADA process water recycling system is used to increase the scope of water resource recycling in the Changbin factory, which will increase the benefits of water resource recycling and use it for air conditioning evaporative cooling system and irrigation of plants in the factory, so that the amount of wastewater discharged is reduced.	4.5 Water resource utilization	91
Hazardous waste management	RT-CH-150a.1	Total amount of hazardous waste generated by the Company and the recycling percentage	ASC has not generated hazardous waste, so the recycling percentage of hazardous waste is 0%.	4.6 Waste management	93
Community relations	RT-CH-210a.1	The process of discussing and participating in the management of risks and opportunities related to community interests.	The Company's operational sites, the production factory, is located within the Changbin Industrial Park, which has a well-planned area and can provide stable employment opportunities, working together to meet the local socio-economic needs.  Due to the industrial park's location being far from residential communities, the impact on residents' lives and pollution is significantly reduced. However, failure to comply with regulations could affect local community residents in terms of environmental pollution and housing justice.	6.1 Participation in social welfare	119



Disclosure topic	Indicator No.	Disclosure indicators	Disclosure status in 2024	Comparison of report contents and chapters	Page
Occupational health and safety	RT-CH-320a.1	1. Accident Rate (TRIR) 2. Mortality rate a. Full-time employees b. Contract employees	1. Accident rate: 3.07%. 2. In 2024, there were no incidents of deaths due to occupational accidents or occupational diseases for employees and non-employees of ASC.	5 . 4 Occupational safety and health	108
	RT-CH-320a.2	Description of the assessment and monitoring of health risks to employees and non-employees (to reduce long-term/chronic exposure)	The Company ensures a safe and healthy working environment for employees by overseeing improvements based on the characteristics of each operational site. Specifically, for hazardous work areas such as dust and noise zones, employees are instructed and required to use personal protective equipment. This effort aims to minimize exposure to acceptable levels of risk while providing a safe and comfortable working environment. ASC implements health checks and management for employees. Those who have been with the Company for more than a year are entitled to an annual health check as a welfare benefit.  Furthermore, the Company promotes employees' physical and mental health by leading stress management activities, encouraging employees to engage in sports and enjoy physical activities independently. Additionally, health education emails have been sent to promote various health issues, thereby supporting employees' overall well-being.	5 . 4 Occupational safety and health	108

## Appendix 3: Sustainability Disclosure Indicators - Chemical Industry

Serial No.	Indicator	Indicator type	Unit	Disclosure status in 2024	Report content Chapter comparison	Page
I	Total energy consumption, percentage of purchased electricity, renewable energy usage rate, and total self-generated and self-use energy (Note 1)	Quantification	GJ Percentage (%)	1. Total energy consumption (unit): 55,45.10 (GJ) (1) Purchased electricity: 49,215.86 (GJ) (2) Liquefied petroleum gas: 584.43 (GJ) (3) Diesel: 1,871.65 (GJ) (4) Natural gas: 3,319.78 (GJ) (5) Gasoline: 465.38 (GJ) 2. Purchased electricity: 100%. 3. Renewable energy usage rate: 0% 4. All self-generated and self-use energy: 0 (GJ).	4.3 Energy management	84
II	Total water intake, total water consumption, and waste (sewage) water discharge required by regulations or voluntarily disclosed.	Quantification (1000 m³)	Thousand cubic meters (m³) Percentage (%)	Total water consumption in 2024: 1. Total water intake: 65.365 thousand cubic meters. 2. Total water consumption: 24.375 thousand cubic meters. 3. Total displacement: 40.990 thousand cubic meters.	4.5 Water resource utilization	91
III	The total amount of hazardous waste generated during the product manufacturing process, as required by regulations or voluntarily disclosed, and the recycling percentage.	Quantification	Metric tons (t) Rate (%)	ASC's total hazardous waste in 2024 is 0 metric tons, so the recycling percentage is 0%.	4.6 Waste management	93
IV	Description of the number and rate of occupational accidents	Quantification	Quantity Rate (%)	ASC has labor safety personnel as required by law. The statistics of occupational accidents in 2024 are as follows: 1. Number of occupational accidents: 3 colleagues were injured in the workplace. 2. Death rate caused by occupational injuries: 0%. 3. Severe occupational injury rate: 0%. 4. Recordable occupational injury rate: 3.07%.	5.4 Occupational safety and health	108

Serial No.	Indicator	Indicator type	Unit	Disclosure status in 2024	Report content Chapter comparison	Page
V	Operational activities with significant actual or potential negative impacts on local communities	Qualitative description	Not applicable	<p>ASC belongs to the chemical industry. Due to the need to operate a production plant, it controls environmental protection and various emissions to ensure that there is no negative impact on the community.</p> <p>1. The company has a production and manufacturing plant. The discharged sewage is uniformly managed and treated by the industrial zone every month, and the wastewater data is regularly tested.</p> <p>2. The company's in-plant process uses organic solvents to produce volatile gases, but the amount produced is limited and does not meet the statutory listing standards. In order to improve operational safety, the company will actively apply for fixed pollution source installation and operation permits from 2024, and set up smoke exhaust ducts in accordance with regulatory standards to strengthen factory environmental management and pollution prevention.</p>	4.4 Emission mitigation	89
VI	Specific and effective mechanisms and actions adopted by the enterprise and its suppliers to reduce negative environmental or social impacts.	Qualitative description	Not applicable	<p>1. Although there is no ESG sustainable functional committee yet, there are physical units in the organization, the ESG Sustainable Management Committee and the ESG Environmental Safety and Health Office, which regularly report to the board of directors on the company's own environmental, social and governance implementation status, which is directly guided by the board of directors and approved on August 8, 2024.</p> <p>2. A total of 45 suppliers have established a code of conduct for suppliers and carried out publicity.</p> <p>3. Supplier Social Responsibility Commitment</p> <p>In 2024, 66 new suppliers signed a social responsibility commitment.</p> <p>4. Check supplier violations</p> <p>In 2024, the Ministry of Labor's "Inquiry System for Labor Law Violations of Business Units (Employers)" was checked and a total of 66 suppliers were found to have no violations of regulations. A total of 4 suppliers have violated the law, and Shangpin Company will continue to pay attention or provide relevant assistance.</p>	<p>1.1 Sustainable development strategy</p> <p>3.3 Sustainable supply chain</p> <p>4.1 Climate change risks and management</p>	<p>9</p> <p>70</p> <p>78</p>

Serial No.	Indicator	Indicator type	Unit	Disclosure status in 2024	Report content Chapter comparison	Page
VII	Product output by category	Quantification	Varies by product type	We have many kinds of products and specifications, and they are made according to the specifications of customer requirements with their own uniqueness, so it is impossible to add up the production volume.	-	

Note 1: Total self-generated and self-use energy is as defined according to the "Renewable Energy Development Act", "Implementation Regulations Governing Renewable Energy Certificates", or related subordinate regulations.

## Appendix 4: Climate-related Information of TWSE/TPEX Listed Companies

Item	Corresponding chapter
1. 1. Describe the Board of Directors' and management's supervision and governance of climate-related risks and opportunities.	4.1 Risks and opportunities of climate change and countermeasures
2. 2. Describe how the identified climate risks and opportunities will affect the Company's businesses, strategies, and finances (short-, mid-, and long-term).	4.1 Risks and opportunities of climate change and countermeasures
3. 3. Describe the financial impact of extreme climate events and transitional actions.	4.1 Risks and opportunities of climate change and countermeasures
4. 4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	4.1 Risks and opportunities of climate change and countermeasures
5. 5. If a scenario analysis is used to assess resilience against climate change risks, please describe the scenarios, parameters, assumptions, analysis factors, and main financial impacts used.	-
6. 6. If there are transition plans to manage climate change-related risks, please describe the content of the plan, as well as the indicators and targets used to identify and manage physical risks and transition risks.	-
7. 7. If internal carbon pricing is used as a planning tool, please describe the basis for setting the price.	-
8. 8. If climate-related targets have been set, please describe the activities covered, the scope of GHG emissions, the planning timeline, and the progress made each year. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, please describe the sources and quantities of the offset carbon reductions or the number of RECs.	-
9. 9. The status of GHG inventory and assurance, along with reduction targets, strategies, and specific action plans (to be filled in sections 1-1 and 1-2).	4.1 Risks and opportunities of climate change and countermeasures

### 1-1 GHG inventory and assurance status

<p>Basic information of the Company</p> <p>□ Companies with a capital of more than NTD 10 billion, as well as those in the steel and cement industries</p> <p>□ Companies with a capital of more than NTD 5 billion but less than NTD 10 billion</p> <p>■ Companies with a capital of less than NTD 5 billion</p>	<p>According the regulations for the Sustainable Development Roadmap for Listed Companies, the following should at least be disclosed</p> <p>■ Inventory of the parent company □ Inventory of the subsidiaries' consolidated financial statements</p> <p>□ Assurance of the parent company □ Assurance of the consolidated financial statements of subsidiaries</p>
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## 1-1-1 GHG inventory information

Total GHG emissions in 2023		Reporting period: January 1, 2023 to December 31, 2023
Scope	Total emissions (Metric tons of CO <sub>2</sub> e)	Intensity (Metric tons of CO <sub>2</sub> e/NTD millions)
Scope 1	646.4194	0.11
Scope 2	7,180.9010	1.26
Scope 3	1,772.8418	0.31
Total	9,600.162	1.68

Note 1: Direct emissions (Scope 1, emissions from owned or controlled sources by the Company), energy indirect emissions (Scope 2, indirect GHG emissions from purchased electricity, heat, or steam), and other indirect emissions (Scope 3 emissions generated from corporate activities that are not indirect emissions from energy sources but originate from sources owned or controlled by other companies).

Note 2: The scope of data on direct emissions and energy indirect emissions should be handled according to the schedule specified in Article 4-1, Paragraph 2 of the Taiwan Stock Exchange's "Operating Procedures for Preparation and Submission of Sustainability Reports by Listed Companies" (hereinafter referred to as the Operating Procedures). Information on other indirect emissions may be disclosed voluntarily.

Note 3: GHG inventory standard: ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 4: The intensity of GHG emissions is calculated based on revenue (NTD millions).

Total GHG emissions in 2024		Reporting period: January 1, 2023 to December 31, 2023
Scope	Total emissions (Metric tons of CO <sub>2</sub> e)	Intensity (Metric tons of CO <sub>2</sub> e/NTD millions)
Scope 1	650.4036	0.10
Scope 2	6,480.0876	1.00
Scope 3	1,489.8737	0.27
Total	8,899.377	1.37

Note 1: Direct emissions (Scope 1, emissions from owned or controlled sources by the Company), energy indirect emissions (Scope 2, indirect GHG emissions from purchased electricity, heat, or steam), and other indirect emissions (Scope 3 emissions generated from corporate activities that are not indirect emissions from energy sources but originate from sources owned or controlled by other companies).

Note 2: The scope of data on direct emissions and energy indirect emissions should be handled according to the schedule specified in Article 4-1, Paragraph 2 of the Taiwan Stock Exchange's "Operating Procedures for Preparation and Submission of Sustainability Reports by Listed Companies" (hereinafter referred to as the Operating Procedures). Information on other indirect emissions may be disclosed voluntarily.

Note 3: GHG inventory standard: ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 4: The intensity of GHG emissions is calculated based on revenue (NTD thousands).

## 1-1-2 GHG assurance information

According to the "Sustainable Development Roadmap for Listed Companies" announced by the FSC, the Company has not arranged to conduct assurance operations for this year.

## 1-2 Goals, strategies and specific action plans for GHG reduction

Target setting			
Item	Short-term goals	Mid-term goals	Long-term goals
Energy GHG emissions (carbon management)	2022 to 2030 25% carbon emissions	2031 to 2040 Cumulatively reduced carbon emissions by 60%	2041 to 2050 Cumulatively reduced carbon emissions by 100%
	<ul style="list-style-type: none"> <li>Specific actions and performance:</li> <li>ASC originally used 2022 as the base year. Due to the adjustment of the reporting boundary of the 2024 greenhouse gas report and the first confirmation report from a third-party accountant in 2024, the base year was adjusted to 2024. In accordance with the ISO 14064-1:2018 greenhouse gas inventory standard, the report covers eight operating locations, including Shangpin Comprehensive Industrial (A1 Plant, A2 Plant, A3 Plant), Taipei Office, Hsinchu Office, Tainan Office and two warehouses. The greenhouse gas emission data for 2024 are as follows:</li> </ul> <p>Scope 1: 650.4036 (metric tons CO<sub>2</sub>e).</p> <p>Scope 2: 6,480.0876 (metric tons of CO<sub>2</sub>e).</p> <p>Scope 3: 1,489.8737 (metric tons of CO<sub>2</sub>e).</p> <p>Total emissions = Scope 1 + 2 + 3 emissions: 8,899.377 (metric tons of CO<sub>2</sub>e).</p>		
Renewable energy	<p>Phase 1: Evaluate and construct the 252kw solar power generation in A1 plant in 2023. It was completed in 2024 and is currently in the application stage. It is estimated that 333,887 kWh of electricity can be generated annually. Solar power generation will directly reduce the electricity cost of Shangpin and fulfill the responsibility of green energy use.</p> <p>Phase 2: 82kw solar power in A2 plant, which was completed in 2024 and started self-generation and self-use on January 6, 2025.</p> <p>Phase 3: Continue planning solar power generation in 2025. The A1 and A3 car parking sheds will build a total of 75kw, which is expected to be put into use in 2025.</p>		
Process Improvement	Through self-examination of energy consumption and emissions, we will invest in equipment improvement, which is expected to be completed in 2025.		



# Worldwide



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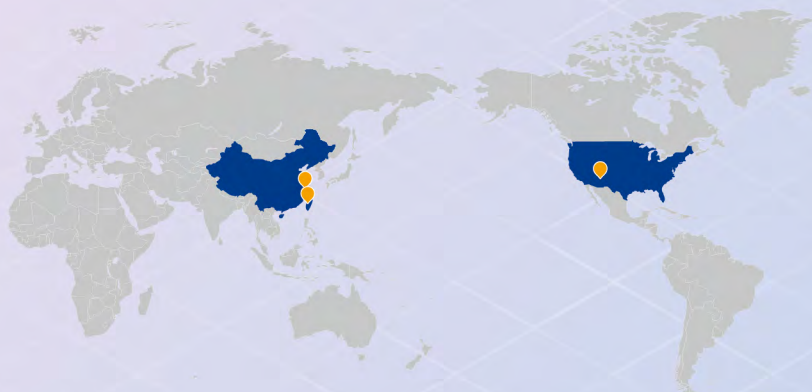
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