Development



Message from the Chairman GRI 2-23

In the face of the challenges posed by international economic and geopolitical changes, as well as intensifying climate risks, we continued to uphold the philosophy of "Creating Sustainable Value and Building a Sustainable Society Together" in 2024, with a view to strengthening corporate resilience and enhancing sustainable competitiveness through steady operations and proactive responses to external uncertainties.

Industrial Transformation

Over the past year, due to the concerted efforts of all employees of the Group, we not only achieved solid operational results, but also demonstrated concrete progress in product innovation and sustainable management. We had been actively engaged in new product development, including key forward-looking technologies such as lightweight ABS, cooled rubber and SiC semiconductor materials, and initiated innovative applications for consumer products such as CBC sterilized kettles to expand B2C market presence. USI, APC and TTC had also completed the SGS ISO 14021 Pre-consumer Recycled Material Certification. Through innovative manufacturing processes, we have classified and purified valuable process waste into high-value-added recycled products, opening up new market opportunities and achieving the dual goals of circular economy and green manufacturing.

CDP Rating and Climate Actions

With respect to ESG practices, we have continued to expand international connections and enhance internal governance. In 2024, both USI and CGPC participated in the international CDP rating and obtained grade B in carbon and water security, demonstrating the Company's information transparency and actions in the areas of climate change and water resource management. We expanded the goal of "a 27% carbon reduction by 2030 compared to 2017" from domestic production plants to all domestic and overseas companies, and achieved a 20.7% reduction in 2024, showcasing our commitment to climate actions. Our solar power grid-connected capacity has been increased to 8.6MW, with an estimated annual generation capacity of more than 10.73 million kWh. We will achieve an installation scale of 10MW and 20MW by 2025 and 2027, respectively, to steadily move towards low-carbon operations.

Employee Care and Social Inclusion

At the same time, we continue to pay attention to human rights protection and employee wellbeing, and strive to create a diverse and inclusive workplace environment. This year, USI, APC, TTC and CGPC were all recognized as outstanding enterprises in the "Occupational Health and Safety Indicators" of the Occupational Safety and Health Administration. Through the USI Education Foundation, we have been committed to fulfilling corporate social responsibility by way of long-term investment in education in the rural areas, caring for the indigenous people and environmental protection.

ESG Achievements in 2024

The EVA production line of Gulei Project successfully commenced trial production with material input in 2023. The Intercontinental Container Terminal (ICT) Project Phase 2 is expected to be completed and commissioned in 2025. It aims to make continuous efforts to vertically integrate upstream, midstream and downstream sectors and expand the sources of imported ethylene materials. In 2024, we developed and improved 17 products to continuously transit towards energy conservation and high-value products. In energy conservation and carbon reduction, we saved electricity by 1.88% (average electricity saving of 1.45% from 2015 to 2024) and water by 6.2%. We also obtained the verification of water recycling from the Foundation of Taiwan Industry Service that the water recycling rate for 2023 amounted to 92.2%. Starting from 2020, we have implemented the Resin Pellet Recycling Project with contractors to continue to reduce microbeads and dust from contaminating the marine environment at the source. At the invitation of a customer, we participated in the Ministry of Economic Affairs' "Supply Chain Low-carbon Transition Coaching Program" for the second year, aiming to collaborate with the customer's supply chain to achieve the goal of reducing carbon emissions by ten thousand tons by 2025.

Looking ahead, in the face of the challenges and opportunities brought about by the transformation of semiconductor materials and B2C markets, we will continue to strengthen market awareness and production line flexibility, and join hands with partners in the industry chain to create sustainable value through innovation and foresight. We believe that with the concerted efforts of all employees, we will definitely lead the Group to stride forward in a steady manner, make solid progress towards sustainable development, and create a long-term future together.

Quintin Wu, Chairperson

