



亞洲水泥
ASIA CEMENT CORPORATION

Stock Code: 1102

<http://www.acc.com.tw>

<http://emops.twse.com.tw>

ASIA CEMENT CORPORATION

2025 Annual Report

Notice to readers

This English version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

Convening method: Video Assisted Shareholders' Meeting

(Physical Shareholders' Meeting convened and assisted by video)

Website: <https://stockservices.tdcc.com.tw/>

Printed on March 31, 2026

Spokesperson

Name: C.Y. Wang

Title: Assistant Vice President

Tel: 886-2-27338000 #8342

E-mail: cy.wang@acc.com.tw

Deputy Spokesperson

Name: Karen Yang

Title: Assistant Vice President

Tel: 886-2-27338000 #8960

E-mail: karen.yang@acc.com.tw

IR Contact

Name: Linus Chen

Title: Manager

Tel: 886-2-27338000 #8336

E-mail: ir@acc.com.tw

Stock Affairs Agent

Oriental Securities Corporation

Address: 13F., No. 16, Xinzhan Rd., Banqiao

Dist., New Taipei City 220, Taiwan

Tel: 886-2-77531699

Website: <http://www.osc.com.tw/>

Auditors

Deloitte & Touche

Auditors: Tai, Hsin-Wei and Chih, Jui-Chuan

Address: 20F., No. 100, Songren Rd., Xinyi

Dist., Taipei City 110, Taiwan

Tel: 886-2-27259988

Website: <http://www.deloitte.com/>

Corporate Website

<http://www.acc.com.tw/>

Headquarter and Plants**Headquarter**

Address: 30~ 31F, No.207, Sec. 2, Dunhua

South Rd., Da'an Dist., Taipei City 106,

Taiwan

Tel: 886-2-27338000

Hsinchu Plant

Address: No.109, Sec. 2, Zhongfeng Rd.,

Hengshan Township, Hsinchu County 312,

Taiwan

Tel: 886-3-5931011

Hualien Plant

Address: No.125, Xinxing Rd., Xincheng

Township, Hualien County 971, Taiwan

Tel: 886-3-8612101

Table of Contents

I REPORT TO SHAREHOLDERS	3
II CORPORATE GOVERNANCE REPORT.....	13
2.1 DIRECTORS AND MANAGEMENT TEAM.....	13
2.1.1 Directors	13
2.1.2 The First and Most Recent Date for Institutional Investors Elected as Directors	16
2.1.3 Major Shareholders of ACC's Directors are Institutional Shareholders	17
2.1.4 Major Shareholders of the Major Shareholders That Are Juridical Persons	19
2.1.5 Information on Directors.....	23
2.1.6 Diversity and independence of the board of directors:	25
2.1.7 Management Team	28
2.1.8 Remuneration of Directors, President, and Vice Presidents.....	30
2.1.9 Employees Remuneration to Management Team	39
2.2 IMPLEMENTATION OF CORPORATE GOVERNANCE	40
2.2.1 Board of Directors.....	40
2.2.2 Other mentionable items.....	41
2.2.3 The Audit Committee	44
2.2.4 The Sustainability Committee	48
2.2.5 The Nomination Committee.....	50
2.2.6 The Remuneration Committee	52
2.2.7 Corporate Governance Execution Status and Deviations from "Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies"	54
2.2.8 Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons	68
2.2.9 Climate Related Information	102
2.2.10 Implementation Status of Ethical Management	113
2.2.11 The Training for Directors	125
2.2.12 The Training for Managers	126
2.2.13 The Execution Status of Internal Control System	129
2.2.14 Major Resolutions of Shareholders' Meeting and Board Meetings	129
2.3 INFORMATION OF CPA SERVICE FEE	131
2.4 RELEVANT LICENSES AND CERTIFICATES OBTAINED ABOUT TRANSPARENT FINANCIAL INFORMATION	133
2.5 CHANGES IN SHAREHOLDINGS AND PLEDGE OF DIRECTORS, MANAGERS, AND SHAREHOLDERS WITH MORE THAN 10% SHAREHOLDING	134
2.6 INFORMATION DISCLOSING THE RELATIONSHIP BETWEEN ANY OF THE COMPANY'S TOP 10 SHAREHOLDERS	135
2.7 SHAREHOLDING PROPORTION OF ACC TO INVESTEES.....	140
III CAPITAL FORMATION	141
3.1 CAPITAL AND SHARES.....	141
3.1.1 Capital Increase in the Recent Five Years	141
3.1.2 Capital	142
3.1.3 Shelf Registration : None	142
3.1.4 List of Major Shareholders.....	142
3.1.5 Dividend Policy & Implementation Status.....	142
3.1.6 Effects on Business Performance and EPS Resulting from Stock Dividend Distribution.....	143
3.1.7 Employees' Compensation and Directors' Remuneration.....	143
3.1.8 Buyback of Treasury Stock: None.....	144
3.1.9 Preferred Stock: None.....	144
3.1.10 Employee Stock Option: None.....	144
3.1.11 Restricted Stock Awards for employees: None.	144
3.1.12 Merger or acquisition of other company' share to issue new share: None.	144
3.2 SUMMARY OF CORPORATE BONDS.....	145
3.3 SUMMARY OF ISSUED GDR	150
3.4 STATUS ON EXECUTION OF CAPITAL UTILIZATION PLANS	150
IV OVERVIEW OF BUSINESS OPERATION	151

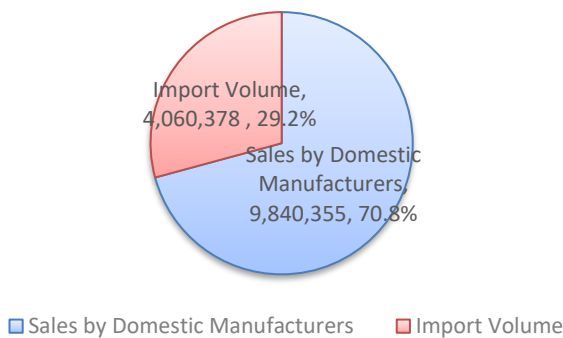
4.1 BUSINESS INTRODUCTION	151
4.1.1 Business Scope.....	151
4.1.2 Industry Overview	151
4.1.3 Technology and Research Development	154
4.1.4 Short-term Business Plan	155
4.1.5 Long-term Business Plan.....	156
4.2 GENERAL INFORMATION OF MARKET & PRODUCTION	156
4.2.1. Markets Analysis	156
4.2.2 Application of Major Cement Products	158
4.2.3 Supply Condition of Main Raw Materials.....	158
4.2.4 Major Suppliers Information for the Last Two Years	158
4.2.5 Major Clients Information for the Last Two Years.....	159
4.3 HUMAN RESOURCES	159
4.4 EXPENDITURES ON ENVIRONMENTAL PROTECTION	159
4.4.1 ISO-14001 Environmental Management Systems (EMS)	160
4.4.2 Air Pollution Prevention.....	160
4.4.3 Greening and Beautification for Quarry Restoration	161
4.4.4 Major Environmental Protection Work in the Future	161
4.4.5 Fulfill Social Responsibilities	162
4.5 LABOR RELATIONS	162
4.6 INFORMATION SECURITY MANAGEMENT	167
4.7 MAJOR CONTRACTS	169
V FINANCIAL INFORMATION	170
5.1 ANALYSIS OF FINANCIAL STATUS.....	170
5.2 ANALYSIS OF FINANCIAL PERFORMANCE	171
5.3 ANALYSIS OF CASH FLOW	172
5.3.1 The Analysis for Changing of Cash Flow for 2025.....	172
5.3.2 Remedy plans for insufficient liquidity for 2025 :Not Applicable.	172
5.3.3 Liquidity Analysis for the Coming Year.....	172
5.4 IMPACTS OF MAJOR CAPITAL EXPENDITURES ON FINANCE AND OPERATION DURING THE MOST RECENT FISCAL YEAR.....	172
5.4.1 Major Capital Expenditures and Funding Sources	172
5.4.2 Expected Benefit to Finance and Operation from the Major Capital Expenditure	173
5.5 INVESTMENT STRATEGIES IN THE MOST RECENT YEAR, THE MAJOR REASONS FOR ITS GAIN OR LOSS AND IMPROVEMENT PLAN AND INVESTMENT PLANS FOR NEXT YEAR.....	173
5.6 ANALYSIS AND EVALUATION OF RISK MANAGEMENT.....	173
5.6.1 The Impact of Fluctuation of Foreign Exchange, Interest Rates, and Inflation on the Company's Profit and Loss and Its Countermeasures	173
5.6.2 The Impact of Highly Risky Investments, Highly Leveraged Transaction, Loaning to Others, Endorsement and Guarantee for Others, and Derivatives	175
5.6.3 The Prevention of Legal Risks	176
5.6.4 R&D project and estimated expenditures in the future:.....	176
5.7 OTHER MENTIONABLE ISSUES	177
VI SPECIAL DISCLOSURE.....	178
6.1 INFORMATION ON AFFILIATED COMPANIES	178
6.2 PRIVATE PLACEMENT OF SECURITIES	178
6.3 OTHER REQUIRED SUPPLEMENTARY EXPLANATIONS	178

I Report to Shareholders

1.1 Overview of Business in 2025

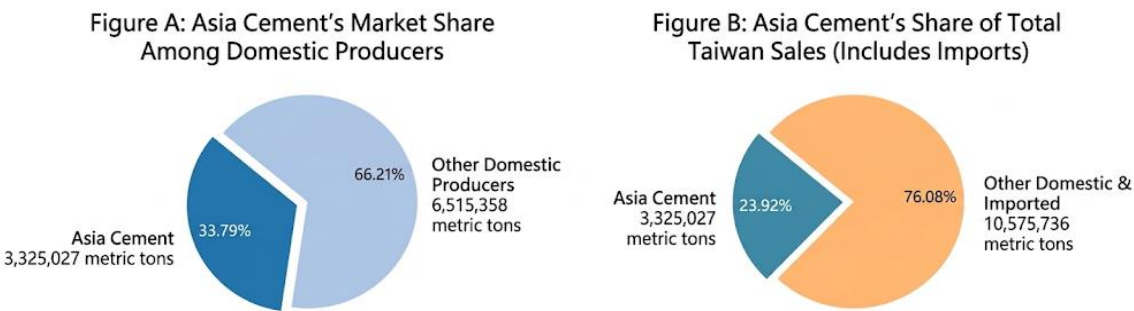
1. The Company started as a cement manufacturer. With nearly 70 years of development, guided by the strategy of "diversified operations and multiple profit streams," it has actively utilized the circular economy to build industrial competitiveness in response to carbon fees and green construction trends. According to statistics from the Ministry of Economic Affairs and related industrial analysis reports, the Taiwan cement market in 2025, influenced by the global economic environment and the progress of domestic public works, exhibited a pattern of "steady domestic demand, weak exports, and increased imports". According to statistics from the Taiwan Cement Manufacturers' Association, total cement sales by all industry players in 2025 reached 13,900,733 metric tons, a year-on-year (YoY) increase of approximately 3.54%. Among this, domestic sales, benefiting from the continued momentum of technology plant construction and public works, reached 9,840,355 metric tons, a slight YoY decrease of only 0.28%. Export sales, restricted by weak international demand, transportation costs, and trade conditions, fell to approximately 109,500 metric tons, a YoY decrease of 15.9%. Additionally, due to changes in international supply, total cement imports in Taiwan grew to 4,060,378 metric tons, a YoY increase of 14.15%.

2025 Domestic Cement Consumption: 13,900,733 MT



(Source: Taiwan Cement Manufacturers' Association, 2025)

2. Regarding individual corporate performance, the Company's domestic cement sales in 2025 reached 3,325,027 metric tons, a YoY increase of 9.22%, outperforming the overall industry level. The Company accounted for approximately 33.79% of the market share among domestic manufacturers and approximately 23.92% of total domestic cement sales (including imports). This demonstrates the Company's stable supply capacity and market position in the domestic cement market.



(Source: Taiwan Cement Manufacturers' Association, 2025)

3. Reviewing the domestic economic performance in 2025, in addition to the continuous expansion of semiconductor plants driven by the AI supply chain, enterprises also increased investments in power infrastructure and energy-saving buildings in response to net-zero emission policies, driving domestic demand. In the construction market, the government continued its expansionary fiscal policy, accelerating major public projects such as the latter stages of the Forward-Looking Infrastructure Development Program and social housing, maintaining steady growth for the overall domestic economy in 2025. According to relevant statistics, total domestic cement consumption in 2025 was approximately 13,900,763 metric tons, a YoY increase of approximately 3.54%. The average annual per capita cement consumption rose to 597 kg, a YoY increase of approximately 4.01%, indicating stable demand in domestic infrastructure and construction markets.
4. In 2025, total cement production in China reached 1.693 billion metric tons, a decrease of 6.9% compared to 2024, reaching a new annual low since 2010. During the same period, our invested companies in China achieved a total clinker production of 17,608 thousand metric tons, a YoY decrease of 9.49%. Combined sales of cement, clinker, and slag powder totaled 22,392 thousand metric tons, a YoY decrease of 7.32%.
5. The Company has vertically integrated its operations across the upstream, midstream, and downstream sectors of the construction market, from mining, clinker, cement, ready-mixed concrete, precast elements, and construction materials to general construction projects, enhancing the overall value of its cement business. Furthermore, it has expanded into electricity, steel, transportation, and energy storage, maximizing corporate value through diversified management. In 2025, non-cement businesses and investments accounted for 37.68% of the operating profit, demonstrating the parallel development of recovered profit momentum in the core business and stable contributions from diversified sectors, reflecting the strategic value of diversification.
6. Asia Cement has long implemented the core strategy of "Strengthening the core business, diversifying development, and moving towards sustainability". In addition to deepening its core cement business, it actively enhances international competitiveness through strategic investments in enterprises such as Far Eastern New Century and U-Ming Marine Transport. In terms of resource integration and global deployment, the Company partners with Far Eastern New Century to deepen the circular economy, implementing low-carbon product R&D through its world-leading green material technology. Through U-Ming Marine Transport's high-efficiency eco-friendly fleet and international shipping network, the Company optimizes cross-border logistics efficiency and enhances operational resilience. Through resource linkage across industries and regions, the Company has successfully built a more competitive supply chain system.
7. In 2025, the Company's consolidated operating revenue was NT\$71,038,529 thousand, a YoY decrease of 6.89%, while consolidated operating profit was NT\$8,406,187 thousand, a YoY increase of 5.56%. Investments recognized under the equity method, primarily consisting of Far Eastern New Century, U-Ming Marine Transport, and China Shanshui Cement, totaled an investment gain of NT\$2,242,810 thousand. Consolidated net profit after tax reached NT\$10,215,115 thousand, with a net profit margin of 14.38%. Net profit attributable to the Company's shareholders was NT\$10,029,823 thousand. The distribution of 2025 earnings, approved at the 12th meeting of the 28th Board of Directors, consists of a cash dividend of NT\$2.3 per share.

1.2 Operation Performance in 2025

1. Production

Unit: 1000 MT

Region \ Item	Cement	Difference Compared to 2024	%	Clinker	Difference Compared to 2024	%
ACC (Taiwan)	3,379	270	8.69	3,074	132	4.50

* Key Performance Index:

Total cement production reached 3,379 thousand metric tons, compared to planned production of 3,080 thousand metric tons, resulting in an achievement rate of 109.71%.

Total clinker production reached 3,074 thousand metric tons, compared to planned production of 2,750 thousand metric tons, resulting in an achievement rate of 111.78%.

Unit: 1000 MT

Region \ Item	Cement	Difference Compared to 2024	%	Clinker	Difference Compared to 2024	%
ACC (China)	20,889	(811)	(3.74)	17,608	(1,846)	(9.49)

* Key Performance Index:

Total Cement production reached 20,889 thousand metric tons, compared to planned production of 21,804 thousand metric tons, resulting in an achievement rate of 95.80%.

Total Clinker production reached 17,608 thousand metric tons, compared to planned production of 17,976 thousand metric tons, resulting in an achievement rate of 97.95%.

2. Sales

Asia Cement (Taiwan)

Unit: 1000 MT; NT\$1,000

Volume & Value Product	2025				Difference Compared to 2024			
	Domestic Sales		Export Sales					
	Volume	Value	Volume	Value	Volume	%	Value	%
Cement & Clinker	3,374	9,911,630	42	159,511	235	7.37	703,437	7.51

* Key Performance Index:

Total sales of self-produced cement and clinker reached 3,416 thousand metric tons, compared to estimated sales of 3,160 thousand metric tons, resulting in an achievement rate of 108.10%.

Asia Cement (China)

Unit: 1000 MT; NT\$1,000

Volume & Value Product	2025				Difference Compared to 2024			
	Domestic Sale		Export Sales					
	Volume	Value	Volume	Value	Volume	%	Value	%
Cement & Clinker	21,189	19,642,756	729	677,468	(2,149)	(8.93)	(4,052,280)	(16.63)

* Key Performance Index:

Total sales of self-produced cement and clinker reached 21,918 thousand metric tons, compared to estimated sales of 22,510 thousand metric tons, resulting in an achievement rate of 97.37%.

1.3 Deployment of investment in China

1. Asia Cement was the first cement company to invest in China after the government opened up its investment policy by allowing domestic enterprise to invest in cement industry in China and has been present for 30 years.
2. Asia Cement (China), a subsidiary of the Company, was listed on the main board of HKEX on May 20, 2008, with total assets amounting to approximately RMB 19.8 billion. Currently, Asia Cement (China) operates 25 subsidiaries and maintains strategic partnerships with 5 other companies in Mainland China. The business is primarily located in Jiangxi, Sichuan, Hubei, Jiangsu, and Shanghai, with Jiangxi Yatung Cement Co., Ltd., Sichuan Yatung Cement Co., Ltd., and Hubei Yatung Cement Co., Ltd. serving as the core operating entities in the Southeast, Southwest, and Central China regions, respectively. Building upon this foundation, Asia Cement (China) has established numerous integrated cement plants, grinding mills, cement product plants, and transportation companies, along with distribution centers and sales offices, thus forming a comprehensive and efficient production, transportation, and sales network.

1.4 Overview of investment in China

1. Jiangxi Yatung Cement owns 6 cement kilns and is one of the largest cement production bases in Jiangxi Province, with an annual production capacity of 14 million metric tons. Sichuan Yatung Cement owns 3 kilns with an annual production capacity of 6 million metric tons and features a long conveyor belt system for limestone transportation, ensuring both efficiency and environmental sustainability. Sichuan Lanfeng Cement owns 2 kilns with an annual production capacity of 5 million metric tons. These two companies form the core of Asia Cement's presence in the Chengdu market.
2. Hubei Yatung and Huanggang Yatung own 3 kilns with a total annual production capacity of 6 million metric tons. Huanggang Yatung is also currently expanding with a new production line boasting an annual capacity of 3 million metric tons and is expected to commence operations in 2026. Asia Cement (China) also deploys grinding mills in Yangzhou, Wuhan, and Nanchang to supply nearby regional markets, thereby enhancing service efficiency and market share.
3. In addition, Jiangling Yatung Building Materials Co., Ltd. commenced plant construction in early April 2025. Overall, the Company's investments in Mainland China have established Asia Cement's significant presence in the Central China, Southwest China, and Southeast China markets.
4. Asia Cement (China) has equipped all production lines with high-efficiency waste heat recovery power-generating systems, which effectively helps to reduce electricity costs and reliance on external power sources.

1.5 Prospect of performance of cement industry in Taiwan and China

1. Taiwan

In the Taiwanese construction market, government policy remains a key factor

influencing the structure of cement demand. Looking back at 2025, the central bank's credit control measures continued to take effect, and bank lending conditions tightened, gradually cooling the real estate market's transaction momentum, with private construction investment decisions becoming more cautious. Looking ahead to 2026, the tone of relevant financial and housing market policies is expected to remain stable, and private construction demand will continue to maintain a conservative trend.

In public investment, the government continues its expansionary fiscal policy to support domestic demand. The Executive Yuan has approved the 2026 central government general budget, with expenditures reaching NT\$3 trillion, covering several ongoing and new major construction projects. High levels of funding are still allocated for infrastructure investments such as water management, transportation construction, and industrial upgrading, indicating that the government's policy direction of supporting economic growth through public works remains unchanged.

On the policy front, to promote the "2050 Net-Zero Architecture" goal, the government has further extended the focus of carbon reduction to "low-embodied carbon" management throughout the entire life cycle of construction projects. The Architecture and Building Research Institute of the Ministry of the Interior has pointed out that low-embodied carbon labeling has been included in the FSC's ESG report as a sustainable economic activity item. In conjunction with the "Guidelines for Energy Conservation and Carbon Reduction throughout the Life Cycle of Public Building Projects" issued by the Ministry of the Interior, it is planned that from July 2027, new public buildings for office and service use must apply for low-carbon (low-embodied carbon) building labels concurrently when applying for green building labels and building energy efficiency assessments, formally incorporating material carbon footprints into the public works and building evaluation system.

Overall, in 2026, as government public works gradually strengthen green procurement and the application of low-carbon building materials, coupled with the increasing importance placed on the carbon emission performance of materials in the construction market, the rigid demand for low-carbon cement and low-carbon concrete is expected to grow significantly. In line with policy trends and social expectations, the company will continue to invest resources in advancing environmental protection processes and low-carbon technologies, with "low-carbonization" and "high added value" as its strategic core, to consolidate market competitiveness and strive to create sustainable and stable long-term value for shareholders.

2. Mainland China

2026 China Cement Industry Development Outlook: Macro Support Builds Resilience, Transformation and Integration Begin a New Chapter

In 2025, the domestic economy moved towards new and better quality and efficiency, with annual GDP growing by 5.0% year-on-year, successfully achieving the annual growth

target. Looking ahead to 2026, as the inaugural year of the "15th Five-Year Plan," China's economy will continue to feature "stable growth, deep structural optimization, and accelerated conversion of old and new driving forces." Macro policies will continue to anchor on the core drivers of expanding domestic demand and technological innovation. The annual economic growth rate is expected to be in the reasonable range of 4.5%-5.0%, providing solid macroeconomic support for the recovery of the cement industry.

Although the cement market in 2025 was severely affected by the dual impact of demand contraction and oversupply, showing a grim operating situation of "reduced volume, weak prices, and pressure on efficiency," in 2026, with the continued efforts of a series of policy combinations to stabilize investment and expand domestic demand, the growth rate of domestic fixed asset investment is expected to reverse its downward trend and achieve stabilization and recovery. This will, in turn, lead to a marginal improvement in cement market demand and a gradual restoration of industry prosperity. It is expected that cement prices in 2026 will continue to follow a trend of "low in the front, high in the back, with a steady upward movement of the fluctuation center."

Demand Side: Policy Efforts Build Resilience, Structural Increments Continue to be Released

In 2026, the synergistic efforts of macro policies will provide core support for cement demand. Proactive fiscal policy and prudent, appropriate monetary policy will continue to work in tandem. New special-purpose bonds and ultra-long-term special government bonds will continue to increase investment in effective areas. The accelerated implementation of the "Three Major Projects", construction of affordable housing, renovation of urban villages, and urban renewal, will continue to drive steady growth in infrastructure investment and stabilize the bottom of the real estate industry chain, offsetting the demand gap caused by the downturn in traditional real estate and becoming the core support for cement demand. At the same time, the continued implementation of work such as strengthening county-level infrastructure, deepening the rural revitalization strategy, and upgrading rural infrastructure will further unlock the potential of domestic demand in lower-tier markets, opening up long-term structural growth space for the cement market. The industry's overall demand scale still has sufficient support potential.

Supply Side: Capacity Control Continues to Tighten, Industry Structure Accelerates Optimization

Under the general guidance of the "dual carbon" goals and the "dual control" policy for energy consumption, the supply-side structural reform of the cement industry will continue to deepen in 2026. On one hand, the industry will continue to promote the special rectification of clinker capacity compliance, strictly control illegal overproduction, rigidly implement normalized staggered production requirements, and promote an orderly contraction of the industry's total clinker capacity to alleviate the supply-demand imbalance from the source. On

the other hand, rigid control of capacity in key industries will continue to be strengthened. Through in-depth rectification of the industry's "involutionary" disorderly competition, the orderly exit of backward and inefficient capacity and the smooth succession of high-quality capacity will be accelerated. Industry concentration will continue to increase, and the competitive landscape will be continuously optimized.

2026 is the final year of the implementation phase for the inclusion of the cement industry in the national carbon market. Starting in 2027, the industry will officially enter a new stage of "dual control of total volume and intensity" of carbon emissions, and the cost of carbon emissions will fully enter a period of explicit, rigid, hard constraints. This key policy node will force the entire industry to accelerate the promotion of ultra-low emission retrofits, the large-scale application of carbon capture, utilization, and storage (CCUS) technologies, and the implementation of green and low-carbon technologies such as "photovoltaics + cement" and hydrogen energy substitution for calcination, pushing the green and low-carbon transformation of the cement industry into a full-scale assault period.

Industry Outlook: Leading Enterprises Drive Transformation and Upgrading, Dual-Wheel Drive Opens a New Chapter

Leading cement enterprises, by virtue of their solid operating fundamentals, leading technological innovation capabilities, and advantages in full-industry chain layout, will continue to play the core role of industry integration leaders and market operation stabilizers, leading the transformation and upgrading of the entire industry. At the same time, the entire industry will accelerate the deep integration and application of digital and green technologies, continue to advance in directions such as intelligent manufacturing, green building materials, low-carbon processes, and unmanned intelligent mines, and accelerate the cultivation of new quality productive forces for industry development.

1.6 Operation Plan of the Company in 2026

In 2026, Asia Cement (Taiwan) plans to produce a total of 2,710 thousand metric tons of clinker and 3,042 thousand metric tons of cement. The total sales of self-produced cement and clinker are projected to be 3,102 thousand metric tons. Asia Cement (China) plans to produce a total of 15,743 thousand metric tons of clinker and 19,647 thousand metric tons of cement, with total sales of self-produced cement and clinker projected at 20,015 thousand metric tons. In terms of investment businesses, covering diversified fields such as ready-mixed concrete, stainless steel, electricity, transportation, and energy storage, we will continue to deepen the competitive strength and digital transformation of each core business, and seize the profit opportunities brought by industrial upgrading. This will ensure that the company can demonstrate excellent operating performance and risk resistance capabilities in a rapidly changing global economic environment, thereby realizing the long-term value goal of co-

prosperity with stakeholders.

1.7 Implementation of ESG by the Company

In response to the implementation of the carbon fee system and the global trend of net-zero transition, the Company coordinates and integrates ESG issues through the Corporate Sustainability Committee. It has incorporated relevant climate risks and opportunities into the board-level management structure to strengthen strategic planning and oversight mechanisms. While maintaining financial stability and operational flexibility, the Company prudently assesses the impact of the carbon fee system on its operations, prioritizing investments in the circular economy and innovative carbon reduction technologies. This ensures that the results of the low-carbon transition can be stably converted into operational performance, allowing for the continuous creation of long-term value for shareholders while balancing environmental responsibility and economic performance.

1. Climate Governance: Aligning Achievements with International Standards

In the 2025 CDP rating, the Company's overall performance on climate change was upgraded to the highest “A” level, a recognition received by only about 4% of participating companies worldwide. This shows that the Company's climate governance, risk identification, and management actions are in line with international benchmarks. Additionally, in September 2025, the Company officially passed the review for the most stringent 1.5°C near-term carbon reduction target by the SBTi, covering Scope 1 to Scope 3. This makes it the fourth cement company in Asia to complete this target setting. The Company has also achieved its SBTi science-based reduction targets for the past five consecutive years, demonstrating the scientific basis, execution capability, and continuity of its carbon reduction path, laying a solid foundation for the long-term sustainable operation of the Company.

2. Circular Economy: Deepening Carbon Reduction Benefits with Innovative Technology

In terms of industrial transformation, the Company continues to use the "circular economy" as its core carbon reduction path. In 2025, the amount of reused materials reached 680,000 tons, successfully reducing CO₂e by 280,000 tons. Concurrently, we are investing in the research and development of innovative Carbon Capture and Utilization (CCU) technology, which is currently in the medium-scale trial phase. Its future implementation is expected to further enhance overall carbon reduction efficiency. Facing the growing demand for low-embodied carbon buildings in the construction market, the Company is also collaborating with its subsidiary, Yadong Ready-Mixed Concrete, to continuously develop more competitive low-carbon building materials. Through a comprehensive carbon reduction path covering raw materials, processes, and applications, we are helping the construction industry reduce carbon at the source.

3. Biodiversity: Promoting Habitat Conservation and Education Based on Science

Building on its expertise in mine vegetation restoration, the company systematically promotes biodiversity actions. By the end of 2025, the cumulative revegetated area in mining zones reached 74.3 hectares. Ecological surveys have recorded indicator species such as the yellow-throated marten, crab-eating mongoose, Swinhoe's pheasant, and crested serpent eagle, indicating continuous improvement in habitat quality. The Asia Cement Ecological Park is the largest privately-owned butterfly garden in Taiwan, having successfully restored about 40 species of butterflies, including the protected golden birdwing, gradually forming a regional biodiversity demonstration site. The company also replicates its experience in creating butterfly habitats in 43 schools and communities across Taiwan through an ex-situ conservation model, helping to build butterfly gardens and deepen ecological education and local participation. Furthermore, the park has long been open to the public for free visits with guided tours, attracting over 5,000 visitors annually. This extends conservation actions from the plant area to society, allowing the results of biodiversity governance to be implemented and continuously spread, becoming an important foundation for the company's sustainable operation.

4. Talent Sustainability: Supporting Transformation with Full-Lifecycle Care

In terms of talent sustainability, the Company has long centered its efforts on employee career care. From onboarding, training, and stable development to post-retirement stages, we have systematically built a comprehensive talent care system, which has become a key force supporting the Company's low-carbon and digital transformation. The employee retention rate over the past three years is as high as 91%. Our human resources policies and achievements have also been recognized with awards such as the "HR Asia Best Companies to Work for in Asia Award," the "1111 Job Bank Happy Enterprise - Manufacturing Gold Award," and the "CommonWealth Magazine Talent Sustainability Award."

5. Social Participation: Deepening Local Disaster Prevention and Community Protection

In terms of social participation, the Company has long been deeply involved in the communities where its plants are located and their surroundings. Facing the disaster risks brought by extreme weather, we actively participate in local disaster prevention and response operations. In September 2025, during the initial stage of the landslide lake incident in Hualien's Guangfu Township, we quickly dispatched large machinery and professional personnel to the disaster area and donated NT\$6 million to assist the local government and community in alleviating the post-disaster recovery burden. Subsequently, during the red alert period for the landslide lake at Swallow Grotto in Taroko, we worked closely with the Xiulin Township Office in accordance with the "Disaster Relief Support Agreement," activated the disaster response mechanism, and opened our plant dormitories to accommodate affected residents, protecting the community's safety and basic living needs with practical actions.

Deepening Governance Momentum, Steadily Realizing the Vision of Sustainability

Facing a rapidly changing global situation, the Company will continue to deepen its governance foundation in Taiwan and actively align with international standards. In the future, the Company will be guided by governance and powered by innovation to accelerate industrial transformation and upgrading. This will enable the enterprise to strengthen its market competitiveness while playing a key foundational role in supporting climate governance and resource circulation, continuously creating long-term and stable shared value for all shareholders and stakeholders.

II Corporate Governance Report

2.1 Directors and Management Team

2.1.1 Directors

As of 2026.03.30

Title Name	Elected Date	Gender Age	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Experience (Education)	Other Position	Executives or Directors who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman Douglas Tong Hsu	2023. 06.27	M >70	3	1975. 04.28	23,278,334	0.66%	23,278,334	0.66%	6,352,467	0.18%	Honorary Doctor, Chiao Tung University Master of University of Notre Dame, Master of Economics, Columbia University	Chairman, Far Eastern New Century Corp. Chairman, Far Eastone Telecommunications Co., Ltd Chairman, Far Eastern Department Stores Ltd.	Director Director	Peter Hsu Johnny Shih	Sibling relatives by marriage
Director Johnny Shih	2023. 06.27	M >70	3	1984. 04.25	453,745 *750,511,324	0.01% *21.16%	453,745 *705,509,004	0.01% *19.89%	4,989,993	0.14%	Master of Computer, Columbia University	Vice Chairman, Far Eastern New Century Corp. Vice Chairman, Oriental Union Chemical Corp.	Chairman Director	Douglas Tong Hsu Peter Hsu	relatives by marriage relatives by marriage
Director C.V. Chen	2023. 06.27	M >70	3	1987. 04.16	338,429 *750,511,324	0.01% *21.16%	338,429 *705,509,004	0.01% *19.89%	0	0%	S.J.D., Harvard University	Senior Partner, Lee and Li Attorneys-At-Law Chairman, Taipei European School	-	-	-
Director Kun Yen Lee	2023. 06.27	M >70	3	2005. 06.09	2,361,557 *1,895,136	0.07% *0.05%	4,933,557 *1,895,136	0.14% *0.05%	0	0%	Yi-Lan Elementary School Director, Tamkang University Supervisor, Far Eastern New Century Corp.	President, Asia Cement Corp. Director, U-Ming Marine Transport Corp.	-	-	-
Director Peter Hsu	2023. 06.27	M >70	3	2002. 06.07	13,454,981 *6,218,800	0.38% *0.18%	13,454,981 *8,637,180	0.38% *0.24%	0	0%	Master of Operations	Vice Chairman, Far Eastone	Chairman	Douglas Tong Hsu	Sibling

Title Name	Elected Date	Gender Age	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Experience (Education)	Other Position	Executives or Directors who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
											Research, Stanford University Master of Information Science, UCLA	Telecommunications Co., Ltd Director, Far Eastern New Century Corp.	Director	Johnny Shih	relatives by marriage
Director Chen Kun Chang	2023. 06.27	M >70	3	2011. 06.22	29,745 *6,218,800	0.00% *0.18%	27,745 *8,637,180	0.00% *0.24%	5,358	0.00%	Mechanical Section, National Taipei Institute of Technology	CEO, Asia Cement (China) Holdings Corp.	-	-	-
Director Ruey Long Chen	2023. 06.27	M >70	3	2011. 06.22	0 *1,560,068	0% *0.04%	0 *1,560,068	0% *0.04%	0	0%	Bachelor of Economics, National Chung Hsing University Minister of Economic Affairs	Chairman, China Petrochemical Industry Development Co., Ltd.	-	-	-
Director Champion Lee	2023. 06.27	M >70	3	2002. 06.07	0 *181,566,797	0% 5.12%	0 *182,775,987	0% 5.15%	0	0%	Master of Business Administration, Texas A&I University	Director, Far Eastern New Century Corp. Director, U-Ming Marine Transport Corp.	-	-	-
Director Kwan-Tao Li	2023. 06.27	M >70	3	1973. 04.27	642,936 *1,505,585	0.02% 0.04%	642,936 *1,505,585	0.02% 0.04%	0	0%	Master of Laws, New York University, USA Master of Business Administration, Kellogg School of Management, Northwestern University, USA/ Hong Kong University of Science and Technology	Chief Counselor, Lee and Li Attorneys-At-Law Chairman of Far Eastern Memorial Foundation	-	-	-
Director Doris Wu	2023. 06.27	F 50~59	3	2023. 06.27	180,000 *3,849,468	0.01% 0.11%	305,000 *3,849,468	0.01% 0.11%	0	0	Bachelor of Accounting, California State University Chief Auditor	Director, Yadong Securities Investment Advisory Corp. Director, U-Ming Marine Transport Corp.	-	-	-

Title Name	Elected Date	Gender Age	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Experience (Education)	Other Position	Executives or Directors who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
											and Head of Financial Planning, Far EasTone Telecommunications Co., Ltd				
Independent Director Chi Schive	2023.06.27	M >70	3	2014.06.16	0	0%	0	0%	0	0%	PhD. in Economics, Case Western Reserve University Former Chairman, Taiwan Stock Exchange	Chair Professor, Soochou University	-	-	-
Independent Director Gordon S. Chen	2023.06.27	M 60~69	3	2014.06.16	0	0%	0	0%	0	0%	PhD. in Business Administration, National Taiwan University Former Chairman, Financial Supervisory Commission	Chairman, Central Investment Corp.	-	-	-
Independent Director Chang-Pang Chang	2023.06.27	M >70	3	2023.06.27	0	0%	0	0%	0	0%	Master of Laws, National Chengchi University Deputy Minister, Ministry of Economic Affairs Deputy Secretary-General, Executive Yuan Deputy Minister, Ministry of Finance	Chairman, Global Investment Holdings Co., LTD.	-	-	-
Independent Director Flora Chia-I Chang	2023.06.27	F 60~69	3	2023.06.27	0	0%	0	0%	0	0%	PhD. in Educational Administration, Stanford	Chairman, Tamkang University Honorary President, Chinese Excellent	-	-	-

Title Name	Elected Date	Gender Age	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Experience (Education)	Other Position	Executives or Directors who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
											University President, Tamkang University Chairman, Foundation for International Cooperation in Higher Education	Management Association			

Note 1: Information on Directors that are Representatives of Institutional Investors:

Representatives of Far Eastern New Century Corp.:	Director Johnny Shih, C.V. Chen
Representative of Yue Ding Industry Co., Ltd.:	Director Kun Yen Lee
Representatives of Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation:	Director Peter Hsu, Chen Kun Chang
Representative of Ta Chu Chemical Fiber Co., Ltd.:	Director Ruey Long Chen
Representative of Far Eastern Medical Foundation:	Director Champion Lee
Representative of U-Ming Corp.:	Director Kwan-Tao Li
Representative of Bai-Yang Investment Holdings Corp.:	Director Doris Wu

Note 2: “*” indicates the number of shares held by Institutional Investors respectively represented by directors listed above.

Note 3: The shareholding excludes the shareholding that the trustor retains the power to decide the allocation of the trust fund.

Note 4: There is no director holding shares in the name of other person.

Note 5: All Directors are Taiwanese Citizens. The chairman and CEO of the Company is not the same person, nor kinship.

2.1.2 The First and Most Recent Date for Institutional Investors Elected as Directors

Title	Name of the Institutional Investors	First Date Elected	Most Recent Date Elected
Directors	Far Eastern New Century Corp	1987.04.16	2023.06.27
	Bai-Yang Investment Holdings Corp.	2001.05.16	2023.06.27
	Yue Ding Industry Co., Ltd.	2005.06.09	2023.06.27
	Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation	2005.06.09	2023.06.27
	Huey Kang Investment Corp.	2008.06.17	2023.06.27
	Ta Chu Chemical Fiber Co., Ltd.	2011.06.22	2023.06.27
	Far Eastern Medical Foundation	1987.04.16	2023.06.27
	U-Ming Corp.	1993.05.07	2023.06.27

2.1.3 Major Shareholders of ACC's Directors are Institutional Shareholders

As of Mar. 30, 2026

Name of Institutional Shareholder	Major Shareholders of the Institutional Shareholders	%
Far Eastern New Century Corporation	Asia Cement Corporation	22.92
	Asia Eastern University of Science and Technology	4.81
	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF	4.18
	Far Eastern Medical Foundation	3.61
	Far Eastern Memorial Foundation	3.42
	Yuan-Ze University	2.74
	Douglas Tong Hsu	1.71
	Cathay Life Insurance Co., Ltd.	1.65
	Chunghwa Post Co., Ltd.	1.31
	Peter Hsu	1.13
Bai Yang Investment Corp.	Far Eastern Department Stores Co., Ltd.	100.00
Yue Ding Industry Co.,Ltd.	Fu Da Transportation Co., Ltd.	26.95
	Yue-Tung Investment Corp.	25.36
	An Ho Garment Co., Ltd.	15.66
	Ding Yuan International Investment Corp.	13.20
	Ton Fu Investment Corp.	4.61
	Ta Chu Chemical Fiber Co., Ltd.	3.89
	Ya Li Precast Prestressed Concrete Industries Corp.	3.89
	Yuan Ding Co., Ltd.	2.59
	Bai Ding Investment Co., Ltd.	2.31
	Ding Shen Investment Co., Ltd.	1.53
	Far Eastern Apparel Co., Ltd.	0.01
Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation	Far Eastern International Bank	25.00
	Far Eastern New Century Corporation (Original from Far Eastern Textile Ltd.)	23.00
	Asia Cement Corporation	18.00
	Far EasTone Telecommunications Co., Ltd	8.00
	Far Eastern Department Stores Co.,Ltd.	8.00
	U-Ming Marine Transport Corp.	4.00
	Oriental Union Chemical Corp.	4.00
	Yuan Ding Investment Company	2.00
	Oriental Securities Co., Ltd.	2.00
Ta Chu Chemical Fiber Co.,Ltd.	Yuan Ding Investment Company	41.86
	Yue Ding Industry Co., Ltd.	30.26
	Yue-Lee Investment Company	19.38
	Yu Ming Trading Corp.	8.50
Far Eastern Medical Foundation	Y. Z. Hsu (deceased)	76.90
	He Zongyan (deceased)	2.31
	Wang Shu-peng (deceased)	2.31
	Hsu Wei Yuan (deceased)	2.31

Name of Institutional Shareholder	Major Shareholders of the Institutional Shareholders	%
	Huang Ying Chung (deceased)	2.31
	Douglas Tong Hsu	2.31
	Laurence M. Yang (deceased)	2.31
	John Hsu	2.31
	Johnny Shih	2.31
	S.S. Hsu (deceased)	2.31
	Yu Wei San (deceased)	2.31
U-Ming Corp.	Far Eastern Department Stores Co., Ltd.	100.00

2.1.4 Major Shareholders of the Major Shareholders That Are Juridical Persons

As of Mar. 30, 2026

Name of Juridical Person	Major Shareholders of the Juridical Person	%
Asia Cement Corporation	Far Eastern New Century Corporation	19.89
	Far Eastern Medical Foundation	5.15
	Yuanta/P-shares Taiwan Dividend Plus ETF	4.43
	Yuan Ding Investment Company	1.80
	UOB Taiwan High Dividend Recovery ETF	1.77
	Yuanta Taiwan High Dividend Low Volatility ETF	1.72
	Chunghwa Post Co., Ltd.	1.41
	Far Eastern Department Stores Co., Ltd.	1.41
	Yuan-Ze University	1.37
	Labor Pension Fund Committee of Far Eastern New Century Corporation	1.26
Asia Eastern University of Science and Technology	Asia Cement Corporation	50.00
	Far Eastern New Century Corporation (Original from Far Eastern Textile Ltd.)	50.00
Far Eastern Medical Foundation	Y. Z. Hsu (deceased)	76.90
	He Zongyan (deceased)	2.31
	Wang Shu-peng (deceased)	2.31
	Hsu Wei Yuan (deceased)	2.31
	Huang Ying Chung (deceased)	2.31
	Douglas Tong Hsu	2.31
	Laurence M. Yang (deceased)	2.31
	John Hsu	2.31
	Johnny Shih	2.31
	S.S. Hsu (deceased)	2.31
	Yu Wei San (deceased)	2.31
Far Eastern Memorial Foundation	Y. Z. Hsu (deceased)	50.00
	Hsu Yi Chu (deceased)	50.00
Yuan-Ze University	U-Ming Marine Transport Corp.	55.21
	Far Eastern Medical Foundation	26.05
	Far Eastern New Century Corporation (Original from Far Eastern Textile Ltd.)	5.52
	Fu Ming Transportation Co., Ltd.	5.25
	Far Eastern Memorial Foundation	4.91
	Asia Cement Corporation	2.76
	Connie Hsu (deceased)	0.28
	Y. Z. Hsu (deceased)	0.01
	Yu Chao-Chung (deceased)	0.01
Cathay Life Insurance Company, Ltd	Cathay Financial Holding Co., Ltd	100.00
Chunghwa Post Co., Ltd.	Ministry of Transportation and Communications	100.00

Name of Juridical Person	Major Shareholders of the Juridical Person	%
Far Eastern Department Stores Co.,Ltd.	Far Eastern New Century Corporation	17.06
	Yuan Ding Investment Co., Ltd.	7.66
	Yuan Tong Investment Co., Ltd.	6.17
	Asia Cement Corporation	5.65
	Yuan-Ze University	4.75
	Mega International Commercial Bank Co., Ltd. Treasury Department	2.26
	The Committee of Employee Pension Fund of Far Eastern Department Stores Co., Ltd.	2.11
	Yu Yuan Investment Co., Ltd.	2.06
	Tranquil Enterprise Ltd.	2.04
	Far Eastern Memorial Foundation	1.71
Fu Da Transportation Co., Ltd.	Fu Ming Transportation Co., Ltd.	99.97
	Asia Investment Corp.	0.03
Yue-Tung Investment Corp.	U-Ming Marine Transport Corp.	73.54
	U-Ming Marine Transport (Singapore) Private Ltd.	26.46
An Ho Garment Co., Ltd.	Far Eastern New Century Corporation	100.00
Ding Yuan International Investment Corp.	Far Eastern New Century Corporation	100.00
Ton Fu Investment Corp.	Oriental Union Chemical Corp.	100.00
Ta Chu Chemical Fiber Co., Ltd.	Yuan Ding Investment Company	41.86
	Yue Ding Industry Co., Ltd.	30.26
	Yue-Lee Investment Company	19.38
	Yu Ming Trading Corp.	8.50
Ya Li Precast Prestressed Concrete Industries Corp.	Asia Cement Corporation	83.97
	Far-Eastern Construction Engineering Co.,Ltd.	16.03
Yuan Ding Co.,Ltd.	Asia Cement Corporation	35.50
	Far Eastern New Century Corporation	33.78
	Yuan Ding Investment Company.	16.22
	Der Ching Investment Corp.	14.50
	Yu Ming Trading Corp.	0.002
	Far Eastern Department Stores Co., Ltd.	0.001
Bai Ding Investment Corp.	Far Eastern Department Stores Co., Ltd.	66.66
	Bai Yang Investment Corp.	33.34
Ding Shen Investment Co., Ltd.	Yue-Tung Investment Corp.	18.00
	Asia Investment Corp.	18.00
	Bai Ding Investment Co., Ltd.	18.00
	Ton Fu Investment Corp.	18.00

Name of Juridical Person	Major Shareholders of the Juridical Person	%
	Yuan Tong Investment Co., Ltd.	18.00
	Yue Ding Industry Co., Ltd.	5.00
	Ta Chu Chemical Fiber Co.,Ltd.	5.00
Far Eastern Apparel Co., Ltd.	Far Eastern New Century Corporation	100.00
Far Eastern International Bank	Yu Yuan Investment Co., Ltd.	4.73
	Special Account for trust property of Far Eastern International Bank employee in custody of FEIB	4.31
	Yue Li Investment Corp.	4.19
	Asia Investment Corp.	3.85
	Der Ching Investment Corp.	3.85
	Yuan Ding Investment Co., Ltd.	3.40
	Kai Yuan International Investment Co., Ltd.	3.07
	Yuan Tong Investment Co., Ltd.	3.06
	Ding Yuan International Investment Corp.	2.53
	Far Eastern New Century Corporation	2.50
Far Eastern New Century Corporation	Asia Cement Corporation	22.92
	Asia Eastern University of Science and Technology	4.81
	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF	4.18
	Far Eastern Medical Foundation	3.61
	Far Eastern Memorial Foundation	3.42
	Yuan-Ze University	2.74
	Douglas Tong Hsu	1.71
	Cathay Life Insurance Co., Ltd.	1.65
	Chunghwa Post Co., Ltd.	1.31
	Peter Hsu	1.13
Far EasTone Telecommunications Co., Ltd	Yuan Ding Investment Co., Ltd.	29.57
	Cathay Life Insurance Co., Ltd.	4.79
	Yuanta Taiwan High Dividend Low Volatility ETF	3.47
	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	3.40
	Hon Hai Precision Industry Co., Ltd.	3.25
	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF	3.20
	Prudential International Insurance Holdings, Ltd.	2.65
	Chunghwa Post Co., Ltd.	2.26
	Asia Cement Corporation	2.25
	New Labor Pension Fund	1.53
U-Ming Marine Transport Corp.	Asia Cement Corporation	39.25

Name of Juridical Person	Major Shareholders of the Juridical Person	%
	Capital Tip Customized Taiwan Select High Dividend ETF	6.95
	Yuanta Taiwan High Dividend Low Volatility ETF	2.55
	Yuan Ding Investment Co., Ltd.	1.05
	Yu Yuan Investment Co., Ltd.	0.94
	Asia Investment Co., Ltd.	0.92
	E.SUN Commercial Bank, Ltd.	0.81
	Ya Li Transportation Corporation	0.75
	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.-Equity Trading Division (Proprietary Trading Desk)	0.72
	Taiwan Cooperative Financial Holding Co.,Ltd.	0.70
Oriental Union Chemical Corp.	Far Eastern New Century Corporation	9.17
	Asia Cement Corporation	7.20
	Yuan Ding Investment Company	6.40
	Yuan Tong Investment Co., Ltd	5.64
	Yu Yuan Investment Co., Ltd	3.75
	Kai Yuan International Investment Co., Ltd.	3.67
	Ding Yuan International Investment Co., Ltd.	3.09
	Ding Shen Investment Co., Ltd.	2.31
	Labor Pension Fund Committee of Far Eastern New Century Corporation	1.39
	An Ho Garment Co., Ltd.	1.26
Yuan Ding Investment Company	Far Eastern New Century Corporation	100.00
Oriental Securities Co., Ltd.	Yuan Ding Investment Company	25.96
	Far Eastern Department Stores Co.,Ltd.	19.66
	Far Eastern New Century Corporation	19.65
	Asia Cement Corporation	18.93
	Bai Ding Investment Co., Ltd.	13.61
	An Ho Garment Co.,Ltd.	1.23
	Ta Chu Chemical Fiber Co.,Ltd.	0.51
	Douglas Tong Hsu	0.09
	Shaw Y. Wang	0.07
	Fan Yu Chen	0.03
Yue Ding Industry Co.,Ltd.	Fu Da Transportation Co., Ltd.	26.95
	Yue-Tung Investment Corp.	25.36
	An Ho Garment Co., Ltd.	15.66
	Ding Yuan International Investment Corp.	13.20
	Ton Fu Investment Corp.	4.61
	Ta Chu Chemical Fiber Co., Ltd.	3.89

Name of Juridical Person	Major Shareholders of the Juridical Person	%
	Ya Li Precast Prestressed Concrete Industries Corp.	3.89
	Yuan Ding Co., Ltd.	2.59
	Bai Ding Investment Co., Ltd.	2.31
	Ding Shen Investment Co., Ltd.	1.53
	Far Eastern Apparel Co., Ltd.	0.01
Yue-Lee Investment Company	U-Ming Marine Transport Corp.	68.18
	Yue-Tung Investment Corp.	31.82
Yu Ming Trading Corp.	Yuan Ding Investment Company	45.50
	Ta Chu Chemical Fiber Co., Ltd.	38.23
	Bai Ding Investment Co., Ltd	15.45
	Yuan Ding Co., Ltd.	0.33
	Ding & Ding Management Consultants Co., Ltd	0.33

2.1.5 Information on Directors

Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors:

Qualification Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Douglas Tong Hsu	Specialties: business management, leadership decision-making, business economics Experience: Chairman of Far Eastern New Century, Asia Cement, Oriental Union Chemical, Uming Marine, Far Eastern Department Store, Far Eastone and Vice Chairman of Far East Bank	Not applicable.	0
Johnny Shih	Specialties: business management, leadership decision-making, industry knowledge Experience: Vice Chairman of Far East New Century, Chairman of Everest Textile, Vice Chairman of Oriental Union Chemical, Director of CTCI		0
C.V. Chen	Specialties: Legal, business management, public welfare Experience: Senior Partner of Lee & Li Law Firm, Chairman of Taipei European School, Consultant of the Executive Yuan, Chairman of the International Law, Chairman of the Red Cross		0
Kun Yen Lee	Specialties: Business management, leadership decision-making, industry knowledge Experience: President of Asia Cement, Supervisor of Far East New Century, Director of Uming Marine.		0
Peter Hsu	Specialties: Business management, leadership		0

Qualification Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
	decision-making, information technology Experience: Vice Chairman of Far EasTone Telecom, Director of Far East New Century, Director of Uming Marine		
Chen Kun Chang	Specialties: Business management, industrial knowledge, engineering construction Experience: Director of Asia Cement, CEO of Asia Cement (China) Holdings Corporation		0
Ruey Long Chen	Specialties: Economics, Business management, leadership decision-making Experience: Minister of Economy, Chairman of China Petrochemical Industry Development Co., Ltd., Chairman of Sinocon Foundation, Secretary General of Cross-Strait CEO Summit		3
Champion Lee	Specialties: Business Management, Financial Accounting, Business Economics Experience: Director of Far EasTone Telecom and Uming Marine, Senior Vice President of Far East New Century		0
Kwan-Tao Li	Specialties: Legal, Intellectual Property, Business Management, Public Welfare Experience: Special Chief Senior Consultant of Lee & Li Law Firm, Chairman of Far Eastern Memorial Foundation		0
Doris Wu	Specialties: Financial accounting, business economics, business management Experience: General Auditor and manager of the Financial Planning Department of Far EasTone Telecommunications, Director of U-Ming Marine Transport Corporation, CFO and Executive Vice President of the Company.		0
Chi Schive	Specialties: Economics, Economic Development, Industrial Organization Experience: Minister without Portfolio, Chairman of the Taiwan Stock Exchange, President of the Taiwan Financial Research Institute	All of the following situations apply to each and every of the Independent Directors: 1. Satisfy the requirements of Article 14-2 of “Securities and Exchange Act” and “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by Taiwan’s Securities and Futures Bureau. 2. Received no compensation or benefits for providing	0
Gordon S. Chen	Specialties: Business Economics, Economic Development, Industrial Organization Experience: Chairman of Taiwan Stock Exchange, Chairman of Taiwan Financial Research Institute and Chairman of Corporate Governance Association		3
Chang-Pang Chang	Specialties: Business Economics, Economics Development, leadership decision-making. Experience: Deputy Minister of Economic Affairs, Deputy Secretary-General of the Executive Yuan, Deputy Minister of Finance		3
Flora Chia-I Chang	Specialties: Educational administration, business management, leadership decision-		0

Qualification Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
	making Experience: President of Tamkang University, Chairman of the School Foundation, Honorary Chairman of the Chinese Excellence Management Association	commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service”. 3. Shareholding of the Company’s shares of Independent Director (or nominee arrangement) as well as his/her spouse and minor children: Independent Director Chi Schive: 10,000 shares by his spouse and minor children.	

* No director is subject to any of the provisions of Article 30 of the Company Act.

2.1.6 Diversity and independence of the board of directors:

1. Diversity of the Board of Directors:

The 12th meeting of the 27th board of directors of the Company on November 9, 2022 adopted "the Code of Corporate Governance" and formulated a diversity policy in Chapter 3 "Strengthening the Functions of the Board of Directors". In addition, in 2021, the shareholders' meeting passed the amendment to the "Director Election Rules", and detailed the policy of diversification of the composition of the board of directors in Article 3.

The nomination and election of the board of directors of the Company follows the provisions of the company's Articles of Incorporation and adopts the candidate nomination system. In addition to evaluating the education and experience qualifications of each candidate, it also refers to the opinions of stakeholders and abides by the "Director Election Rules" and "the Code of Corporation Governance" to ensure the diversity and independence of directors.

Director's professional goals and implementation status:

The Board of Directors of the Company guides corporate strategy, supervises the management team, and is accountable to the Company and its shareholders. The Company's corporate governance system and related arrangements are designed to ensure that the Board exercises its powers in accordance with applicable laws, the Articles of Incorporation, and resolutions of the shareholders' meeting. Board members receive reports from the management team, provide guidance and advice, and maintain effective communication with management to maximize shareholder value.

- (1) Each board member should possess multiple areas of professional expertise, and each area should be represented by at least two members. All 15 current directors possess diverse expertise and are respected figures in society, thus achieving the set goal.

- (2) There must be at least two female directors or independent directors. The current board includes one female director and one female independent director, meeting the target.
- (3) The actual attendance rate of board members at meetings should reach at least 90%. In 2025, the actual attendance rate was 95%, achieving the goal.

The Company has three directors who are also employees, accounting for 21% of the board, and four independent directors, accounting for 29%. In terms of expertise, 64% of directors have business judgment capability, 64% have financial and accounting expertise, 29% have legal and business expertise, and 43% have industry knowledge.

Based on the composition of the Company's 28th Board of Directors, Douglas Hsu, Johnny Shih, Peter Hsu, Kun-Yen Lee, Champion Lee, and Chen Kun-Chang possess strengths in leadership, business judgment, management, and crisis handling, along with extensive industry knowledge and international market insight.

C.V. Chen and Kwan-Tao Lee specialize in legal affairs and business management. Ruey-Long Chen previously served as Minister of Economic Affairs. Doris Wu has many years of professional experience in accounting and management and holds CPA qualifications in both the United States and Taiwan.

Independent directors Chi Schive and Gordon S. Chen are experienced in administrative and financial affairs. Chang-Pang Chang was formerly Deputy Minister of Economic Affairs and Deputy Secretary-General of the Executive Yuan. Flora Chia-I Chang, with expertise in educational administration, previously served as President of Tamkang University.

All members of the Company's Board of Directors possess extensive experience in management, business judgment, and relevant industry knowledge. Their academic and professional backgrounds span law, finance, economics, computer science, education, and manufacturing. The Company will continue to assess the diversity and complementary expertise of board members and remain committed to implementing its board diversity policy.

Future goals:

- (1) Each board member should possess a diverse professional background.
- (2) Evaluate the independence and impartiality of independent directors.
- (3) The target for the board members' actual attendance rate at board meetings in the next fiscal year is to exceed 85%.

Implementation status:

The company has achieved its set goals after the election of the 28th board of directors. In the future, the Company will continue to promote the rejuvenation of the Board of Directors and plans to increase the number of Independent Directors, as well as to achieve the target that directors of any one gender account for at least one-third of the Board.

Diversity and Independence of the Board of Directors:

Name	Gender	Age	Serving as employee	Tenure Length of independent director	Director Diversity and Competence							
					Business Judgment	Management	Finance & Accounting	Legal & Business	Crisis Management	Industrial Knowledge	International Market Outlook	Leadership
Douglas Tong Hsu	M	>70			V	V	V	V	V	V	V	V
Johnny Shih	M	>70			V	V	V	*	V	V	V	V
C.V. Chen	M	>70			*	V	*	V	V	*	V	V

Name	Gender	Age	Serving as employee	Tenure Length of independent director	Director Diversity and Competence							
					Business Judgment	Management	Finance & Accounting	Legal & Business	Crisis Management	Industrial Knowledge	International Market Outlook	Leadership
Kun Yen Lee	M	>70	V		V	V	*	*	V	V	V	V
Peter Hsu	M	>70			V	V	*	*	V	V	V	V
Chen Kun Chang	M	>70	V		V	V	*	*	V	V	V	V
Ruey Long Chen	M	>70			V	V	V	*	V	*	V	V
Champion Lee	M	>70			*	V	V	*	V	V	V	V
Kwan-Tao Li	M	>70			*	V	*	V	V	*	V	V
Doris Wu	F	<60	V		V	V	V	*	V	*	V	V
Chi Schive	M	>70		12	V	V	V	*	V	*	V	V
Gordon S. Chen	M	60~69		12	V	V	V	*	V	*	V	V
Chang-Pang Chang	M	>70		3	*	V	V	V	V	*	V	V
Flora Chia-I Chang	F	>70		3	*	V	V	*	V	*	V	V

* is referred to possessing partial ability.

All Directors are Taiwanese Citizens. For the education and experience of directors, as well as their other positions, please refer to section 2.1.1.

2. Independence of the Board of Directors:

The current board of directors consists of 14 directors, including 4 independent directors, accounting for 29% of the total number of directors. Among the 14 directors, 11 have no relatives within the second degree. None of the four independent directors have kinship relationships with other directors. Please refer to the director's information on the relationship between the directors in section 2.1.1.

3. If the proportion of directors of either gender on the board of a listed company is less than one-third, the reason should be explained along with the measures planned to improve gender diversity among board members:

Specific Reasons:

Several directors of the Company have served multiple consecutive terms and therefore possess a thorough understanding of the Company. In view of their professional expertise and relevant work experience, which are of significant benefit to the Company, they are able to exercise their professional strengths and provide professional opinions to the Board in the performance of their duties and in fulfilling the Board's supervisory functions. Accordingly, the Company has not replaced several director candidates.

Measures Adopted:

To further enhance gender diversity of the Board, the Company will continue to seek suitable female director candidates both domestically and internationally through various channels. Subject to the fulfillment of all relevant considerations upon consultation, the composition of the Board will move toward the goal of having directors of any one gender account for at least one-third of the total number of Board seats.

2.1.7 Management Team

Title	Name	Gender	Effective Date	Shareholding		Spouse & Minor Shareholding		Experience(Education)	Other Title
				Shares	%	Shares	%		
President	Kun Yen Lee	Male	2000.08.01	3,333,557	0.0940	0	0	Chairman of Ya Tung Ready-Mixed Concrete Co., LTD	Director, U-Ming Marine Transport Corp.
Executive Vice President	Doris Wu	Female	2016.04.01	180,000	0.0051	0	0	Bachelor degree in Accounting, California State University	Director, Oriental Securities Investment Advisory Co., Ltd
Vice President & General Plant Manager	Z.P. Chang	Male	2009.07.01	33,999	0.0010	53,588	0.0015	Bachelor degree in Electrical Engineering, National Taiwan University	Director, Asia Engineering Co.
Vice President	T.L. Yu	Male	2019.01.01	122,202	0.0034	98	0.0000	Bachelor degree in Business Administration, University of the Philippines	Director, Yu Yuan Investment Co., Ltd
Assistant Vice President of Finance Dept.	Dana Lee	Female	2019.03.01	0	0	0	0	Master degree in Business Administration,, Soochow University	Supervisor, Ya Li Transportation Corp.
Assistant Vice President	Karen Yang	Female	2024.07.01	8,971	0.0003	0	0	Master degree in Business Administration, Pace University USA	Supervisor, Der Ching Investment Corp.
Assistant Vice President of Secretarial Dept.	C.Y. Wang	Male	2021.01.01	0	0	0	0	PhD, University of Frankfurt, Germany	-
Assistant Vice President of Finance Dept.	Y.P. Lee	Female	2021.11.01	0	0	0	0	Bachelor degree in Accounting, National Chengchi University	-

Title	Name	Gender	Effective Date	Shareholding		Spouse & Minor Shareholding		Experience(Education)	Other Title
				Shares	%	Shares	%		
Assistant Vice President of Sales Dept.	C.H. Chung	Male	2018.09.01	0	0	0	0	Master degree in International Business Administration, Da Yeh University	Director, China Hi-Ment Corporation
Manager of Purchasing Dept.	H.J. Kao	Female	2023.03.01					Master degree in Business Administration, Oklahoma State University	
Manager of Auditor Dept.	David Liao	Male	2024.07.01	0	0	0	0	Bachelor degree in Accounting, Fu Jen Catholic University	
Manager of IT Dept.	H.P. Song	Male	2025.01.08					Master degree in computer Science & Information Management, Soochow University	
Manager of the Hualien Plant	Walker Chen	Male	2026.01.01					Master degree in Chemical Engineering Chung Yuan Christian University	
Manager of the Hsinchu Plant	M.H. Jiang	Male	May 22,2022	0	0	0	0	Bachelor degree in Mechanical Engineering, National Taiwan Institute of Technology	-

* Manager Gary Lee retired effective November 1, 2025.

* There is no manager holding shares in the name of any other person.

* Managers are spouse or within second- degree of consanguinity to each other: None.

* All managers are Taiwanese citizens.

2.1.8 Remuneration of Directors, President, and Vice Presidents

1. Remuneration of Directors

Unit: NT\$

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees						Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company (Note 1)
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)				
		The company	All companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	
Chairman	Douglas Tong Hsu	23,040	31,901	0	0	110,400	114,555	864	1,969	134,304	148,426	9,152	12,396	216	216	5,215	5,215	148,887	166,253	231,536
Director	Far Eastern New Century Corp. Representatives: Johnny Shih																			
Director	C.V. Chen																			
Director	Yue Ding Industry Co., Ltd. Representative: Kun Yen Lee																			
Director	Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation Representatives: Peter Hsu																			
Director	Chen Kun Chang																			
Director	Ta Chu Chemical Fiber Co.,Ltd Representative: Ruey Long Chen																			
Director	Far Eastern Medical Foundation Representative: Champion Lee																			
Director	Bai-Yang Investment Holdings Corp Representative:																			

Director	Doris Wu																			
Director	U-Ming Corp Representative: Kwan-Tao Li																			
Independent Director	Chi Schive Gordon S. Chen Yun-Pen Chu Chang-Pang Chang(New) Flora Chia-I Chang(New)	0	0	0	0	10,600	10,600	600	600	11,200 0.112%	11,200 0.112%	0	0	0	0	0	0	11,200 0.112%	11,200 0.112%	0

* In addition to the above remuneration, director remuneration received from companies included in the consolidated financial statements in the most recent year to compensate directors for their services, such as being independent contractors: None.

* Please refer to Consolidated Operational Report for the list of All Companies.

* Pensions funded according to applicable laws.

* No stock bonus, warrant, or restricted stock awards for employees have been distributed from ACC and all companies listed in consolidated operational report.

* Director and President Kun Yen Lee is assigned one vehicle. The monthly rental is NT\$ 50,300, and the annual remuneration of driver is about NT\$ 700,000.

* Within recent two fiscal years, all ACC directors' remuneration accounted for 1.376% and 1.596% of ACC net income. Total directors' remuneration paid by all companies listed in consolidated operational report accounted for 1.511% and 1.769% of net income received from those companies.

Classification of Remuneration Paid to ACC Directors	Name of Directors			
	A+B+C+D (Please refer to listed information above)		A+B+C+D+E+F+G (Please refer to listed information above)	
	ACC	All companies listed in Consolidated Operational Report	ACC	All companies listed in Consolidated Operational Report
Under NT\$1,000,000	Yue Ding Industry Co., Ltd., Chen Kun Chang, Ruey Long Chen, Champion Lee	Yue Ding Industry Co., Ltd., Champion Lee	Yue Ding Industry Co., Ltd., Chen Kun Chang, Ruey Long Chen, Champion Lee	Yue Ding Industry Co., Ltd.
NT\$1,000,000~NT\$2,000,000	C.V. Chen, Kwan-Tao Li	Chen C.V. Chen,Chen Kun Chang, Ruey Long, Kwan-Tao Li	C.V. Chen, Kwan-Tao Li	Ruey Long Chen, C.V. Chen
NT\$2,000,000~NT\$3,500,000	Chi Schive, Gordon S. Chen, Yun-Pen Chu, Chang-Pang Chang ,Flora Chia-I Chang	Chi Schive, Gordon S. Chen, Yun-Pen Chu,Chang-Pang Chang ,Flora Chia-I Chang	Chi Schive, Gordon S. Chen, Yun-Pen Chu,Chang-Pang Chang ,Flora Chia-I Chang	Kwan-Tao Li, Chi Schive, Gordon S. Chen, Yun-Pen Chu, Chang-Pang Chang ,Flora Chia-I Chang
NT\$3,500,000~NT\$5,000,000	-	-	-	Chen Kun Chang
NT\$5,000,000~NT\$10,000,000	Doris Wu ,Bai-Yang Investment	Doris Wu, Bai-Yang Investment	Bai-Yang Investment Holdings	Champion Lee, Bai-Yang

	Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern Y.Z.Hsu Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation	Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern Y.Z.Hsu Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation	Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern Y.Z.Hsu Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation	Investment Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern Y.Z.Hsu Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation
NT\$10,000,000~NT\$15,000,000	Kun Yen Lee, Johnny Shih, Peter Hsu	Peter Hsu	Johnny Shih, Peter Hsu, Doris Wu	-
NT\$15,000,000~NT\$30,000,000	Far Eastern New Century Corp., Douglas Tong Hsu	Kun Yen Lee, Johnny Shih, Far Eastern New Century Corp., Douglas Tong Hsu	Kun Yen Lee, Far Eastern New Century Corp., Douglas Tong Hsu	Kun Yen Lee, Doris Wu, Far Eastern New Century Corp.,
NT\$30,000,000~NT\$50,000,000	-	-	-	Johnny Shih
NT\$50,000,000~NT\$100,000,000	-	-	-	Peter Hsu
Over NT\$100,000,000	-	-	-	Douglas Tong Hsu
Total	22	22	22	22

2. Relevant information on the remuneration of Directors, President and Vice President:

A. The Comparison of the percentage of remuneration paid to directors, President, and Vice Presidents in last 2 years:

Item Title	The Company				All companies in the consolidated statement			
	2024		2025		2024		2025	
	Total	Percentage of net income after tax	Total	Percentage of net income after tax	Total	Percentage of net income after tax	Total	Percentage of net income after tax
Directors	151,170	1.173%	148,887	1.484%	165,046	1.281%	166,253	1.657%
Independent Directors	11,200	0.087%	11,200	0.112%	11,200	0.087%	11,200	0.112%
President, Executive Vice Presidents, Senior Vice Presidents and Vice Presidents	26,684	0.207%	26,096	0.260%	27,900	0.216%	27,264	0.272%
Total	189,054	1.467%	186,183	1.856%	204,146	1.584%	204,717	2.041%

The total remuneration for directors and independent directors in fiscal year 2025, as well as the total remuneration for the general manager and vice general managers, decreased slightly compared with fiscal year 2024, mainly due to a decline in after-tax net profit in fiscal year 2025, which resulted in lower remuneration payments.

B. Policies, Standards, Composition, and Procedures for Remuneration Determination, and the Relationship with Business Performance and Future Risks:

The policies, standards, composition, and procedures for remunerating directors, president, and vice president (hereinafter referred to as "executives") and the link between performance evaluation and remuneration, as well as the association with future risks, are as follows:

a. Policies, Standards, and Composition of Remuneration:

Directors	The remuneration for directors is determined according to the company's articles of incorporation and is approved by the Remuneration Committee and the Board of Directors before being reported in the annual shareholders' meeting in compliance with the law. The director's remuneration includes compensation (salary, bonuses, etc.), rewards (allocated based on annual profits as stipulated in Article 25 of the company's articles of incorporation), and business expenses (travel expenses), considering the remuneration standards of peers. Independent directors receive fixed compensation.
Executives	The remuneration for executives includes salary, various bonuses, special allowances, retirement fund contributions, and employee compensation. The salary is determined based on factors such as job responsibilities, external salary surveys conducted by professional consulting firms, and market salary levels that reflect performance. Various bonuses are related to the company's operational profitability as stipulated in the company's bonus regulations. Retirement fund contributions are made in accordance with the law. Employee compensation is allocated based on profits as stipulated in Article 25 of the company's articles of incorporation and is approved by the Remuneration Committee and the Board of Directors before being reported in the annual shareholders' meeting in compliance with the law.

b. Procedures for Remuneration Determination:

Directors	According to Article 25 of the company's articles of incorporation, if there is a profit for the year, director remuneration should be allocated not exceeding 2.5% of the profit. The actual distribution ratio, amount, and method of director remuneration are determined by the board of directors and reported to the shareholders' meeting. The allocation of director remuneration may consider the representative equity of each director, taking into account their contribution to the company's operations.
------------------	--

	Furthermore, according to the organization regulations of the Remuneration Committee, the responsibilities of the committee include regularly reviewing and evaluating the performance assessment and remuneration policies, systems, standards, and structures of directors and executives.
Executives	According to Article 25 of the company's articles of incorporation, if there is a profit for the year, employee compensation should be allocated between 0.1% and 4% of the profit. The actual distribution ratio and amount of employee compensation are determined by the board of directors and reported to the shareholders' meeting. The criteria, disbursement dates, and conditions for the distribution of employee compensation are implemented in accordance with the company's employee compensation regulations.

c. Performance Evaluation and Linkage with Remuneration:

Directors	The procedures for determining remuneration are based on the company's "Director Performance Evaluation Guidelines." The remuneration for directors is determined by considering their level of participation and the results of performance evaluations (such as their dedication to company affairs, communication with the management team on future development strategies, discussions on creating ESG management performance, professional expertise and continuous education of directors, and attendance rates, etc.). Additionally, according to the organization regulations of the Remuneration Committee, the committee is responsible for regularly reviewing and evaluating the performance assessment of directors and executives, as well as the policies, systems, standards, and structures of their remuneration.
Executives	Employee compensation is implemented according to the company's employee compensation regulations, which cover the achievement of company operational profit goals and individual annual targets. Company goals include financial indicators (such as achieving company revenue and net profit), while individual annual targets include achieving business objectives, controlling operating costs, managing internal control compliance and risk control, providing high-quality products and excellent customer service in the development of a circular economy, emphasizing talent development, and embodying the core values of the group (sincerity, diligence, simplicity, prudence, innovation) and corporate social responsibility indicators (such as reducing energy consumption and emissions for sustainable ESG management). Based on the achievement of these results, the actual distribution ratio and amount of employee compensation are determined in the following year through resolutions by the Remuneration Committee and the Board of Directors, showing a high correlation with the company's business performance.

d. Relationship with Future Risks:

Directors	The remuneration for directors, besides considering the company's past business performance, will also be flexibly adjusted based on future risk factors in terms of its standards, structure, and systems. Furthermore, the Remuneration Committee of the company will fulfill its duties by regularly reviewing and evaluating the remuneration of directors, and the recommendations proposed will be submitted to the board of directors for discussion, seeking a balance between sustainable business operations and risk management.
Executives	In addition to referring to the relevant industry standards and the company's past operating performance, the remuneration of our company's managers will also be reviewed and adjusted in a timely manner based on the actual operating conditions, overall financial conditions, operating environment risks, and changes in relevant laws and regulations. We will not guide managers to engage in behaviors that exceed the company's risks in pursuit of remuneration.

C. Policy on Linking Senior Executives' Compensation to ESG Performance Evaluation

To realize the vision of sustainable corporate management, the Company has published its Sustainable Development Strategy Blueprint, which comprehensively covers the three ESG pillars: Environmental, Social, and Governance. With clearly defined mid-to-long term goals, the Company is committed to integrating core business operations with sustainability values. As part of this effort, ESG-related performance indicators have been incorporated into the performance appraisal and compensation mechanisms of senior executives to enhance the organization's capacity to fulfill its sustainability responsibilities.

1. Method of Linkage and Applicable Scope

The compensation of the Company's President and senior executives is explicitly linked to key performance indicators (KPIs) related to ESG. The performance results directly impact the allocation ratio of their annual remuneration.

Each senior executive is required to include 2 to 3 sustainability-related KPIs in their annual objectives based on their respective functional responsibilities, with regular performance tracking and evaluation.

President: ESG performance indicators account for 20% of the annual performance evaluation weight.

Senior Executives: Depending on their roles, ESG indicators account for between 10% and 15% of the annual evaluation.

2. ESG Performance Indicators and Weighting

Performance Indicator	Weight (%)
-----------------------	------------

Low-Carbon Operations	4%
Circular Economy	4%
Human Resource Development	3%
Community Engagement	3%
Smart Innovation	3%
Corporate Governance	3%

3. ESG Indicator Categories (Selected Based on Role Responsibilities)

Environmental (E):	Carbon emissions from plant operations Alternative rate of raw materials and fuels under circular economy Water resource use efficiency
Social (S):	Retention rate of high-performing employees Number of zero-accident days in workplace safety Community communication and co-prosperity
Governance (G):	Zero incidents of legal or compliance violations Effectiveness of functional committee operations Corporate governance effectiveness

4. Linkage Between Evaluation Results and Compensation

The ESG performance of senior executives is incorporated into the overall performance appraisal results, which directly affect the proportion of variable pay and performance-based bonuses granted annually. This mechanism reinforces corporate governance and accountability and institutionalizes a top-down approach to embedding a culture of sustainability throughout the organization.

D. The succession planning of the Company's Board of Directors and important managers

Member of the Board of Directors:

- a. In 2020, the Shareholders' meeting amended the "Director Election Rules" which stipulates the director diversity policy in article 3.
- b. The Company complies with the Company's AOI and the board of directors adopts the nomination system for candidates. In addition to assessing the academic experience of each candidate, and referring to the opinions of stakeholders, abide by the "Director Election Rules" and "Corporate Governance Code" to ensure the diversity and independence of directors.
- c. 15 directors of the Company's 28th Board of Directors, including 5 independent directors, professional knowledge includes leadership, management, crisis management, industrial knowledge and international outlook, public welfare, legal affairs, legal compliance, economics, administration, finance , Agriculture, etc.
- d. The succession of directors is partly from the senior executives of the company, but most of them still have to be promoted from the talent pool of the national society, especially independent directors who emphasize independence.
- e. The Far Eastern Group to which the company belongs has a corporate culture that values corporate governance and talents. Due to the long-term succession planning, there are many companies with professional managers as general managers, vice chairman and chairman of the group.

Scheduled succession planning:

- a. Increase the number of independent directors to one-third of the total board seats (Target achieved: 5 independent directors, accounting for 33% of board seats).
- b. Currently, there are 2 female directors, meeting the target for female board seats.
- c. In order to further enhance the gender diversity of the Company's board of directors, the Company intends to continue to seek suitable female directors at home and abroad through various channels before the re-election of the 29th Board of Directors. If all factors are met after consultation, candidates of either gender who hold one-third of the board seats will be included in the candidate list.

Succession planning for important managers:

The Company has cooperated with Yanzhi University to set up a "training class" for corporate elites. Course training, followed by 30 high-level conference internships and 30 special seminars, the training has achieved good results. At present, more than 90% of the trainees have been promoted. In addition, trainees need to receive about 12 hours of back-training courses every year in order to continue to grow and improve. Due to the effectiveness of the training, this training plan model has been copied to all subsidiaries of ACC (China).

3. Remuneration of President and Vice Presidents

Unit: NT\$1,000

Title	Name	Salary(A)		Pensions(B)		Reward and Allowance etc. (C)		Employees bonus from Distributable Earnings (D)		Total Amount (A+B+C+D)/Net Income		Other remuneration from investment business except subsidiary
		ACC	All companies*	ACC	All companies*	ACC	All companies*	ACC	All companies*	ACC	All companies*	
								Cash Bonus	Cash Bonus			
President	Kun Yen Lee	13,188	14,273	432	432	3,287	3,370	9,190	9,190	26,096	27,264	544
Executive Vice President	Doris Wu											
Vice President	T.L. Yu											
Vice President & General Plant Manager	Z.P. Chang									0.260%	0.272%	

* Please refer to Consolidated Operational Report for the list of All Companies.

* Pensions funded according to applicable law.

* No stock bonus, warrant, or restricted stock awards for employees have been distributed from ACC and all companies listed in consolidated operational report.

* Within recent two fiscal years, total remuneration of the President and Vice Presidents accounted for 0.207% and 0.260% of ACC net income. Total amount of President and Vice Presidents' remuneration paid by all companies listed in consolidated operational report accounted for 0.294% and 0.272% of net income received from those companies.

Classification of Remuneration Paid to ACC President and Vice Presidents	Name of President and Vice Presidents	
	ACC	All companies listed in Consolidated Operational Report
NT\$2,000,000 ~ NT\$3,500,000	-	-
NT\$3,500,000 ~ NT\$5,000,000	-	-
NT\$5,000,000 ~ NT\$10,000,000	Kun Yen Lee, Doris Wu, T.L. Yu, Z.P. Chang	Kun Yen Lee, Doris Wu, T.L. Yu, Z.P. Chang
Total	4	4

* The remuneration of President and Vice Presidents is divided into two parts:

1. Monthly salary based on fixed salary rank.

2. Based on ACC's bonus system, bonus and compensation are distributed mainly in consideration of the Company's operating performance and individual annual performance.

* The Remuneration Committee has approved current remuneration system for the President and Vice Presidents.

2.1.9 Employees Remuneration to Management Team

2025.12.31
Unit: NT\$1,000

	Title	Name	Stock Bonus	Cash Bonus	Total Amount	Total Amount/Net Income
Executive Officers	President	Kun Yen Lee	0	15,622	15,622	0.1558%
	Executive Vice President	Doris Wu				
	General Plant Manager	Z.P. Chang				
	Senior Assistant Vice President	T.L. Yu				
	Manager of Accounting Dept.	Karen Yang				
	Assistant Vice President	Dana Lee				
	Assistant Vice President	Anita Lee				
	Assistant Vice President	C.Y. Wang				

* The 2025 managers' remunerations have been approved by the BOD and will be reported to 2026 Shareholders' Meeting.

2.2 Implementation of Corporate Governance

2.2.1 Board of Directors

There are 4 meetings of the Board of Directors held in 2025. Directors' attendance condition was as follows:

Title	Name		Attendance in Person	By Proxy	Attendance Rate	Notes
Chairman	Douglas Tong Hsu		2	2	50%	Reappointment Jun.27, 2023
Director	Representatives of Far Eastern New Century Corp.	Johnny Shih	4	0	100%	Reappointment Jun.27, 2023
		C.V. Chen	4	0	100%	Reappointment Jun.27, 2023
Director	Representative of Yue Ding Industry Co., Ltd.	Kun Yen Lee	4	0	100%	Reappointment Jun.27, 2023
Director	Representatives of Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation	Peter Hsu	4	0	100%	Reappointment Jun.27, 2023
		Chen Kun Chang	4	0	100%	Reappointment Jun.27, 2023
Director	Representative of Ta Chu Chemical Fiber Co.,Ltd	Ruey Long Chen	4	0	100%	Reappointment Jun.27, 2023
Director	Far Eastern Medical Foundation	Champion Lee	4	0	100%	Reappointment Jun.27, 2023
Director	Bai-Yang Investment Holdings Corp.	Doris Wu	4	0	100%	Appointment Jun.27, 2023
Director	U-Ming Corp.	Kwan-Tao Li	3	1	75%	Reappointment Jun.27, 2023
Independent Director	Chi Schive		4	0	100%	Reappointment Jun.27, 2023
	Gordon S. Chen		4	0	100%	Reappointment Jun.27, 2023
	Yun-Pen Chu		4	0	100%	Resigned on Jan.29, 2026
	Chang-Pang Chang		4	0	100%	Appointment Jun.27, 2023
	Flora Chia-I Chang		4	0	100%	Appointment Jun.27, 2023

* Each Board of Directors Meeting has at least 3 independent directors who attended the meeting in person, which meets the requirements of Article 7 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies

2.2.2 Other mentionable items

1. Board of Directors

A. Items listed in the Article 14-3 of the Securities Exchange Act: Please refer to section 2.2.14 Major Resolutions of Shareholders' Meeting and Board Meetings

B. Except for the above matters, the five independent directors of the Company gave us valuable opinions with no objections or reservations on all discussed matters. The directors' statements were all set out in the minutes of the board meeting.

2. If there is Directors' avoidance of motions in conflict of interest, the Directors' names, contents of motions, causes for avoidance and voting should be specified: None.

3. The implementation of the Board evaluation:

Board evaluation has been completed in March 2026 and submitted it to the 13rd meeting of the 28th board of directors for approval.

Evaluation frequency and period	Evaluation scope	Evaluation content:	Result 1~5
Every year 2025.01.01~ 2025.12. 31	Board of Directors	Participation level, decision-making quality, composition and structure, director selection and continuing education, internal control and other items.	4.48
Every year 2025.01.01~ 2025.12. 31	Directors	Company goals and tasks, awareness of directors' responsibilities, degree of participation, internal relationship management and communication, directors' professional and continuing education, internal control and other projects.	4.36
Every year 2025.01.01~ 2025.12. 31	Remuneration Committee	Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items.	4.89
Every year 2025.01.01~ 2025.12. 31	Audit Committee	Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items.	4.65
Every year 2025.01.01~ 2025.12. 31	Sustainability Committee	Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items.	4.94
Every year 2025.01.01~ 2025.12. 31	Nomination Committee	Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items.	4.53

4. Measures taken to strengthen the function of the Board:

Goals:

Board Functionality and Committee Operations

Since the election of the 26th Board of Directors in 2017, the Company has established an Audit Committee, which is composed entirely of Independent Directors. In 2025, the Audit Committee convened four meetings. For details of its operations, please refer to the section 2.2.3 “Audit Committee.”

The Company has established an Audit Committee, a Remuneration Committee, and a Nomination Committee to assist the Board of Directors in carrying out its supervisory functions. The chairpersons of each committee regularly report their operations and resolutions to the Board of Directors.

The Company ensures transparent and timely external information disclosure. A bilingual (Chinese and English) corporate website is maintained, with dedicated personnel responsible for collecting and disclosing information related to financial results, business operations, and investor conferences. To facilitate access to information for both domestic and international shareholders and investors, bilingual disclosures are also provided through the Market Observation Post System (MOPS) and the Company’s website.

The Company conducts directors’ continuing education in accordance with the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies” issued by the Taiwan Stock Exchange Corporation. All Directors participate in continuing education on a regular basis. In 2025, the 15 Directors completed a total of 91.5 hours of continuing education. For details, please refer to the section 2.2.11 “The Training for Directors.”

Implementation Status and Assessment:

- A. The Board enacted “the Procedures for Evaluating the Board of Directors’ Performance” on May 13, 2015 and disclosed on the Company’s website. The Procedures has been revised on March 25, 2021. It is stipulated that at least every three years, experts and scholars from external professional independent institutions will conduct evaluations.
- B. In 2024, the company entrusts Taiwan Institute of Ethical Business to handle the external evaluation of the board of directors.

Evaluation scope and indicators:

● Board functions (board composition, structure, election and training): Evaluation indicators include compositional diversity, advanced education, utilization of external resources, etc.
● Decision-making effectiveness (the degree of participation in the company's operations, improving the quality of the board of directors' decision-making): Evaluation indicators include degree of participation, understanding of the Company's operations, risk management, and sufficient information for decision-making.
● Emphasis on and supervision of internal control: Evaluation indicators include the formulation and implementation of employee codes of conduct, the supervision of internal audit and control, the smooth flow of

communication and reporting channels, the disclosure and avoidance for conflicts of interests, etc.
● Attitude towards sustainable management: Evaluation indicators include ESG information disclosure, talent cultivation and succession planning, and sustainable operation.

Evaluation materials and methods: internal regulations and records, evaluation questionnaires, interviews with directors (Directors: Mr. Kun Yen Lee and Mr. Chen Kun Chang; Independent Directors: Mr. Chang-Pang Chang, Mr. Yun-Pen Chu, and Mr. Chi Schive).

C. Suggestions:

- (1) Continuously review the composition of the Board of Directors from the perspective of sustainable development.
- (2) The Board of Directors integrates talent development with business strategies from the perspective of sustainable development.
- (3) The Board of Directors reviews regulatory compliance and management systems from the perspective of sustainable development, including the implementation of the whistleblower reporting mechanism.

D. Improve and implement plans and actions:

- (1) Under the direction of the Board of Directors, the Company has established a Nomination Committee to continuously incorporate stakeholder perspectives and review the composition of the Board. Through a diversified approach, the Company seeks to enhance the competitiveness of the evaluated enterprise in achieving sustainable development.
- (2) Members of the Board of Directors are required to possess the capability to oversee sustainable development. From the Board level downward, particularly among key executives, there is also a need to plan and execute operational plans in accordance with the business strategies determined by the Board of Directors. The Company will strengthen the linkage between business strategy and talent strategy, and will continue to assess talent requirements from the perspective of sustainable development.
- (3) Both the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” emphasize the Board of Directors’ attention to ethical management policies and the implementation of related measures. In line with the Company’s anti-corruption policy, the “Procedures for Reporting and Investigating Unethical Conduct” have been established. The Secretarial and Audit Department serve as the reporting units, while the Audit Committee and the Head of the Audit Department are responsible for handling and investigating reported cases.

As of December 31, 2025, one report was received. Upon investigation, the case was determined not to be related to bribery, and the individual involved was a contractor of the Hualien Plant rather than an employee of the Company; therefore, the case was not accepted. This matter was reported to the 11th meeting of the 28th Board of Directors on November 7, 2025.

E. The Company’s external Board performance evaluation report has been disclosed on the Company’s website.

2.2.3 The Audit Committee

1. Professional Qualifications and Experience of Members

Title	Name	Professional Qualifications and Experience
Convener	Yun-Pen Chu	Former Minister without Portfolio, Executive Yuan; Former Commissioner, Fair Trade Commission, Executive Yuan; Currently Chair Professor, School of Big Data Management, Soochow University
Member	Chi Schive	Former Minister without Portfolio, Executive Yuan; Former Chairman, Taiwan Stock Exchange; Currently Chair Professor, Soochow University
Member	Gordon S. Chen	Former Chairperson, Financial Supervisory Commission, Executive Yuan; Former Chairman, Taiwan Stock Exchange; Currently Chairman, Central Investment Holding Co., Ltd.
Member	Chang-Pang Chang	Former Vice Minister of Economic Affairs; Former Deputy Secretary-General, Executive Yuan; Former Administrative Deputy Minister of Finance; Currently Chairman, Global Investment Co., Ltd.
Member	Flora Chia-I Chang	Former President, Tamkang University; Currently Chairperson, Tamkang University Foundation; Honorary Chairperson, Chinese Society for Quality Management Excellence.

* Convener Yun-Peng Chu has resigned effective from January 29, 2026.

For details on relevant qualifications and experience, please refer to section 2.1.1 in this Annual Report.

2. Annual priorities of Audit committee

The Audit Committee is designed to assist the Board in fulfilling its quality and integrity in overseeing the Company's accounting, auditing, financial reporting processes and financial controls.

The annual priorities reviewed by the Audit Committee mainly include: financial statements; audit and accounting policies and procedures; internal control systems and related policies and procedures; significant assets or derivatives transactions; major loans, endorsements or guarantees; raising or issuing securities; derivative products and cash investments; compliance; potential conflicts of interest for managers and directors; complaint report; fraud prevention and fraud investigation report; information security; company risk management; CPA independence and performance evaluation; appointment, dismissal or remuneration of CPA; appointment and dismissal of financial, accounting or internal audit managers; and other major matters prescribed by laws and regulations.

According to the laws, members of the Audit Committee shall be composed of all independent directors. The members of the Audit Committee of the Company has complied with the above-mentioned laws.

The Audit Committee of the Company fully understands that in order to perform its duties, it has the right to conduct any appropriate audits and investigations, and has direct communication with the Company's internal auditors, CPA, and all employees. At the same time, the Audit Committee also understands it has the right to hire and supervise lawyers, accountants or other consultants to assist the Audit Committee in performing its duties.

Please refer to the Company's website for the organization and working procedures of the Audit Committee of the Company.

3. Attendance of Audit committee

There are 4 meetings of the Audit committee held in 2025. Independent directors' attendance condition was as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate	Note
Convener	Yun-Pen Chu	4	0	100%	-
Member	Chi Schive	4	0	100%	-
Member	Gordon S. Chen	4	0	100%	-
Member	Chang-Pang Chang	4	0	100%	-
Member	Flora Chia-I Chang	4	0	100%	-

4. Other mentionable items:

A. Items listed in Article 14-5 of the Securities Exchange Act:

Meeting date	Items	Items listed in Article 14-5 of the Securities Exchange Act:	The resolution of the audit committee's and the Company's handling
2025/03/10	Audit report of 2024 Q4.	V	All members present at the meeting agreed to pass the items and submitted it to the board of directors in which all attended directors approved without objection.
	Proposal of the Company's IFRS Sustainability Disclosure Standards Implementation Plan in response to the FSC's "Roadmap for Taiwan's Alignment with IFRS Sustainability Disclosure Standards"	V	
	Report on the list of non-assurance services provided by the CPA in 2024	V	
	Acquisition and disposal of real estate, equipment or right-of-use assets	V	
	Report of endorsements / guarantees with affiliates	V	
	Acquisition and disposal of securities.	V	
	In order to raise working capital, the Company applied for credit from financial institutions.	V	
	2024 consolidated financial report and individual financial report	V	
	2024 dividend distribution	V	
	Approval to 2024 "Internal Control System Statement"	V	
	Appointment of accountants auditing the financial statements for 2024.	V	
	To issue unsecured corporate bond with total amount not exceeding NT\$20 billion.	V	
	The Company's 2024 Business Report		
	To amend the Company's Articles of Incorporation		

Meeting date	Items	Items listed in Article 14-5 of the Securities Exchange Act:	The resolution of the audit committee's and the Company's handling
	Proposal to develop energy storage businesses through investments in large-scale battery energy storage systems to expand the electricity business portfolio and participate in behind-the-meter markets and Taipower services		
2025/05/08	Audit report of 2024 Q1	V	All members present at the meeting agreed to pass the items and submitted it to the board of directors in which all attended directors approved without objection.
	Acquisition and disposal of real estate, equipment or right-of-use assets	V	
	Report of endorsements / guarantees with affiliates	V	
	Report on issued unsecured Bonds	V	
	Consolidated financial report of 2025 Q1	V	
	No profit distribution of 2025 Q1	V	
2025/08/06	Communication meeting between Independent Directors and the Head of Internal Audit	V	All members present at the meeting agreed to pass the items and submitted it to the board of directors in which all attended directors approved without objection.
	Communication meeting between Independent Directors and the CPA	V	
	Audit report of 2024 Q2	V	
	Investigation Report on a Whistleblower Case Involving Unethical Conduct		
	Acquisition and disposal of real estate, equipment or right-of-use assets	V	
	Report of endorsements / guarantees with affiliates	V	
	Report on issued unsecured Bonds	V	
	Senior management personnel matters (Head of Internal Audit)	V	
	The consolidated financial statements for 2025 Q2	V	
	No profit distribution of 2025 Q2	V	
	Proposal to donate NT\$500 million to Yuan Ze University for the construction of the New Taipei Campus Medical and Nursing College and dormitory buildings, in support of the development of medical education		
	Proposal to invest in large-scale battery energy storage systems to develop new electricity businesses and participate in Taipower's ancillary services		
2025/11/06	Audit report of 2024 Q3	V	All members

Meeting date	Items	Items listed in Article 14-5 of the Securities Exchange Act:	The resolution of the audit committee's and the Company's handling
	Acquisition and disposal of real estate, equipment or right-of-use assets	V	present at the meeting agreed to pass the items and submitted it to the board of directors in which all attended directors approved without objection.
	Report of endorsements / guarantees with affiliates	V	
	Report on issued unsecured Bonds	V	
	Proposal to dissolve the Exporting Sales Department and consolidate its personnel into the Domestic Sales Department, which will be renamed as the "Sales Department."		
	The consolidated financial statements for 2025 Q3	V	
	No profit distribution of 2025 Q3	V	
	The Company proposes the renewal of directors, supervisors, and key personnel liability insurance for itself and its consolidated subsidiaries.	V	
	Establishment of the scope of grassroots employees, periodic assessment procedures, and implementation rules for internal control and internal audit systems	V	

- B. There are no other matters that did not pass the audit committee and agreed by more than two-thirds of all directors.
- C. If there is Independent Directors' avoidance of motions in conflict of interest, the Independent Directors' names, contents of motions, causes for avoidance and voting should be specified: None.
- D. Communications with internal audit manager and CPA:
- (1) Internal audit manager reports the plans and execution of audit works to Independent Directors every quarter and implements the instructions and follow-up of each independent director.
 - (2) CPA and accounting manager report financial and operation business to Independent Directors every quarter

Meeting date	Items discussed with internal auditor	Items discussed with CPA
2025/03/10	- Internal Audit Report for the Fourth Quarter of 2024. - Proposal to approve the issuance of the Internal Control System Statement.	- Independence declaration. - Audit scope and methodology. - Group audit review. - Significant accounting policies, estimates, events, or transactions. - Recommendations. - Other communication matters.
2025/05/08	Internal Audit Report for the First Quarter of 2025.	- Independence declaration. - Review scope and methodology. - Group audit review. - Significant accounting policies, estimates, events, or transactions. - Other communication matters. - Regulatory updates.
2025/08/06	Communication meeting between	Independence declaration.

Meeting date	Items discussed with internal auditor	Items discussed with CPA
	Independent Directors and the CPA 2. Internal Audit Report for the Second Quarter of 2025.	2. Review scope and methodology. 3. Group audit review. 4. Significant accounting policies, estimates, events, or transactions. 5. Recommendations and communication matters.
2025/11/06	1. Communication with the Head of Internal Audit 2. Internal Audit Report for the Third Quarter of 2025. 3. Proposal for the Company's 2026 Internal Audit Plan.	1. Independence declaration. 2. Audit scope and methodology. 3. Group audit review. 4. Significant accounting policies, estimates, events, or transactions. 5. Other communication matters. 6. Annual audit planning. 7. Significant risks. 8. Key audit matters.

The five independent directors of the Company gave us valuable opinions with no objections or reservations on all discussed matters. The directors' statements were all set out in the minutes of the Audit Committee meeting.

- **Communication meeting between independent directors and internal audit**

Date: Aug. 6, 2025

Attendees: Independent Directors: Yun-Pen Chu, Chi Schive, Gordon S. Chen, Chang-Pang Chang, Flora Chia-I Chang
Chief Auditor: David Liao

Nature of the meeting and communication topics:

A pre-meeting of the Audit Committee, during which the Head of Internal Audit presented the internal audit operations report.

Communication results:

The Head of Internal Audit responded to relevant inquiries and conducted discussions during the meeting. The Independent Directors raised no other recommendations or comments.

- **Communication meeting between independent directors and CPA**

Date: May 8, 2024

Attendees: Independent Directors: Yun-Pen Chu, Chi Schive, Gordon S. Chen, Chang-Pang Chang, Flora Chia-I Chang
Deloitte & Touche: CPA Hsin-Wei Tai, Associate Yu-Ying Chu, and Manager Pin-Feng Chen

Nature of the meeting and communication topics:

A pre-meeting of the Audit Committee, during which the CPA presented the audit report.

Communication results:

The CPA responded to relevant inquiries and conducted discussions during the meeting. The Independent Directors raised no other recommendations or comments.

2.2.4 The Sustainability Committee

The Corporate Sustainability Committee was established by our company on July 8th, 2021. The Corporate Sustainability Committee consists of 3 independent directors and 2 directors. Chairman Gordon S. Chen, an independent director, along with committee members Chi Schive and Yun-Pen Chu, also independent directors, possess expertise in business economics,

management, international market insights, leadership decision-making, risk management, and corporate governance sustainability. Committee member Director Peter Hsu, in addition to expertise in corporate sustainability, excels in industry knowledge; while committee member Director Kwan-Tao Li specializes in legal affairs.

Title	Name	Professional Qualifications and Experience
Convener	Gordon S. Chen	Former Chairperson, Financial Supervisory Commission, Executive Yuan; Former Chairman, Taiwan Stock Exchange; Currently Chairman, Central Investment Holding Co., Ltd.
Member	Yun-Pen Chu	Former Minister without Portfolio, Executive Yuan; Former Commissioner, Fair Trade Commission, Executive Yuan; Currently Chair Professor, School of Big Data Management, Soochow University
Member	Chi Schive	Former Minister without Portfolio, Executive Yuan; Former Chairman, Taiwan Stock Exchange; Currently Chair Professor, Soochow University
Member	Peter Hsu	Vice Chairman, Far Eastern New Century Corporation; Director, Far EasTone Telecommunications Co., Ltd.
Member	Kwang-Tao Lee	Senior Consultant, Lee and Li Attorneys-at-Law; Director, Far Eastern New Century Corporation; Chairman of Far Eastern Memorial Foundation

*Committee Member Yun-Peng Chu resigned effectively from January 29, 2026. Please refer to the Company's Annual Report – Section 2.1.1.

The purposes and responsibilities of Sustainability Committee are as follows:

1. Implementation of corporate governance.
2. Development of a sustainable environment.
3. Maintenance of social welfare.

The committee shall fulfill the following duties with the care of a prudent manager and shall be accountable to the board of directors:

1. Promote and strengthen corporate governance and integrity management systems.
2. Promote and develop matters related to corporate sustainability.
3. Supervise other sustainability-related work items as resolved by the board of directors.

Operational Status of the Committee

There are 2 meetings of the Committee held in 2025. Attendance condition was as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate	Notes
Convener	Yun-Pen Chu	2	0	100%	Independent Director
Member	Chi Schive	2	0	100%	Independent Director
Member	Gordon S. Chen	2	0	100%	Independent Director
Member	Peter Hsu	2	0	100%	Director
Member	Kwan-Tao Li	2	0	100%	Director

Meeting date	Items discussed	Decision Result	The resolution of the audit committee's and the Company's handling
2025/05/08	1. The meeting minutes and status of execution. 2. Report on the Company's 2024 sustainability initiatives and performance. 3. Report on the Company's ESG ratings from 2024 through the first quarter of 2025. 4. In response to the FSC's "Sustainable Development Roadmap for TWSE/TPEX Listed Companies," planning of the Company's greenhouse gas inventory and verification timeline. 5. Report on ESG initiatives of Asia Cement (China) for 2024. Resolution: All attending committee members unanimously agreed to acknowledge and accept the above reports.	V	All members present at the meeting agreed to pass the discuss items.
2025/11/06	1. The meeting minutes and status of execution. 2. The Company's 2026 corporate sustainability objectives and the status of ESG initiatives in 2025. 3. Progress of the Company's implementation plan for the IFRS Sustainability Disclosure Standards. 4. The implementation status of the Company's risk management procedures and anti-bribery management system in 2025. Resolution: All attending committee members unanimously agreed to acknowledge and accept the above reports.	V	All members present at the meeting agreed to pass the discuss items.

2.2.5 The Nomination Committee

The Company appointed Chi Schive and Yun-Pen Chu, independent directors, and Director Peter Hsu as members of the first "Nomination Committee" of the Company at the 2nd meeting of the 28th Board of Directors on August 11, 2023. All members of the committee possess expertise in business economics, management, international market insights, leadership decision-making, risk management, and corporate governance sustainability."

Title	Name	Professional Qualifications and Experience
Convener	Chi Schive	Former Minister without Portfolio, Executive Yuan; Former Chairman, Taiwan Stock Exchange; Currently Chair Professor, Soochow University
Member	Yun-Pen Chu	Former Minister without Portfolio, Executive Yuan; Former Commissioner, Fair Trade Commission, Executive Yuan;

Title	Name	Professional Qualifications and Experience
		Currently Chair Professor, School of Big Data Management, Soochow University
Member	Peter Hsu	Director, Far Eastern New Century Corporation; Vice Chairman, Far EasTone Telecommunications Co., Ltd.

*Committee Member Yun-Peng Chu resigned effectively from January 29, 2026.

The purpose and responsibilities of its establishment are as follows:

In accordance with the authorization of the Board of Directors, this committee shall exercise due care as a prudent manager, faithfully fulfilling the following duties, and submit recommendations to the Board of Directors for discussion:

1. Establishing standards for the professional knowledge, skills, experience, diversity of backgrounds including gender, and independence of board members, and using them to search for, review, and nominate director candidates.
2. Constructing and developing the organizational structure of the Board of Directors and its committees, conducting performance evaluations of the Board of Directors, its committees, and individual directors, and assessing the independence of independent directors.
3. Formulating and periodically reviewing director training programs and succession plans for directors.
4. Establishing the Company's corporate governance best practices."

Operational Status of the Committee

Title	Name	Attendance in Person	By Proxy	Attendance Rate	Notes
Convener	Chi Schive	2	0	100%	Independent Director
Member	Yun-Pen Chu	2	0	100%	Independent Director
Member	Peter Hsu	2	0	100%	Director

Meeting date	Items discussed	Decision Result	The resolution of the audit committee's and the Company's handling
2025/03/10	1. The meeting minutes and status of execution. 2. Report on the Qualifications and Independence Assessment of Independent Directors (During Their Tenure). 3. Report of the training of directors. Resolution: All attending committee members approved the reports.	V	All members present at the meeting agreed to pass the discuss items.
2025/08/06	1. Planning and schedule for the 2025 performance evaluations of the Board of Directors and functional committees. 2. Submission of directors' training hours. Resolution: All attending committee members approved the reports.	V	All members present at the meeting agreed to pass the discuss items.

2.2.6 The Remuneration Committee

1. Professional Qualifications and Independence Analysis of Members of the Remuneration Committee

Position	Name	Criteria	Professional qualifications and experience	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Members of the Remuneration Committee
Independent Director, Convener	Chi Schive		Please refer to the annex “Disclosure of information on the professional qualification and independence of Board Director” on section 2.1.4 of this annual report for details.	Please refer to the annex “Disclosure of information on the professional qualification and independence of Board Director” on section 2.1.4 of this annual report for details.	1
Independent Director	Yun-Pen Chu				1
Others	M.X. Lin		Ms. M.X. Lin, graduated from Department of Industrial Education of National Taiwan Normal University with Master degree. She worked at Far EasTone as Human Resources vice president.	None of the matters in Note 1 occurred	1

*Committee Member Yun-Peng Chu resigned effectively from January 29, 2026.

Note 1: Independence requirement: The independence of the members of the Remuneration Committee, including but not limited to whether the members, their spouse, or relatives within the second degree of kinship are serving as directors, supervisors, or employees of the Company or the Company’s affiliates; the shareholding and shareholding ratio held by the members, their spouse, or relatives within the second degree of kinship (or held in the name of others); whether they are serving as directors, supervisors, or employees of a company that has a specific relationship with the Company; and the amount of remuneration received for providing business, legal, financial, and accounting services to the Company or the Company’s affiliates.

The responsibilities of the Company’s Remuneration Committee include:

- (1) Formulating and periodically reviewing the policies, systems, standards, and structures for the performance evaluation and remuneration of Directors and managerial officers.
- (2) Periodically evaluating and determining the remuneration of Directors and managerial officers.

2. Implementation Status of the Remuneration Committee

There are 3 members of the Remuneration Committee.

Their terms of office start from Aug. 11, 2023. Totally, 2 meetings of the Remuneration Committee were held in the latest year. Members' attendance condition was as follows:

Position	Name	Attendance in Person	Attendance in Proxy	Attendance rate	Notes
Convener	Chi Schive	2	0	100	Independent Director
Member	Yun-Pen Chu	2	0	100	Independent Director
Member	M.X. Lin	2	0	100	Member

Other mentionable items:

If the board of directors declined to adopt, or modified a recommendation of the Remuneration Committee, please specify the date, term, content, resolution, and the Company's processing situations for Remuneration Committee's resolution: None.

If any objections or reservations expressed by any committee member in record or in written to Remuneration Committee's resolution, please specify the date, term, content, and the committee's processing situations for objections or reservations: None.

Meeting Date	Discussion item	Approve	Opinion processing situations
2025/11/06	2024 directors', president's, and vice presidents' remuneration, and the situation of the cement industry	V	All members present at the meeting agreed to pass the items without objection.
2025/03/11	President and vice president's 2025 performance evaluation	V	
	2025 directors' and employees' remuneration	V	
	President and vice president's 2026 performance evaluation items	V	

2.2.7 Corporate Governance Execution Status and Deviations from “Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies”

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		The Company has established the Corporate Governance Codes with reference to “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” on Nov. 11, 2014 and revised on Aug. 11, 2023. The information has been disclosed on MOPS and the Company’s website.	None
2. Shareholding structure & shareholders’ rights				
(1) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		The Company has appointed spokesman or his deputy as well as stock agency, Oriental Security Corporation, to handle these issues. If involved in litigation matters, the spokesman will handle that with the Secretarial Department, and legal staff. If significant event happens, legal consultants, Lee and Li, and accounting consultants, Deloitte & Touche, will help deal with the matter. This complies with our internal operating procedures.	None
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		The Company keeps tracking the list of shareholders and their the ultimate owners and follows the Article 3 of Market Information Post Regulation Reporting by Listed Companies to post related information before 31th July.	None
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?			In addition to enacting “Regulations for Monitoring Subsidiaries” as the risk management mechanism for its subsidiaries, the Company has	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(4) Does the company establish internal rules against insiders trading with undisclosed information?	V		also enacted “Regulations for Managing Client’s Credit” and assigned the Credit Committee to be responsible for risk control of accounts receivable. Meanwhile, to establish risk management and firewall, we have signed up with affiliates for “Procedures of Assets Acquisition and Disposal”, “Procedures for Loaning of funds to Others”, “Procedures for Endorsement and Guarantee,” and “Rules on the Management of Related Party Transaction.” The Auditing Department will report regularly to the Board of Directors and Audit Committee about any abnormal conditions and their improvements. The Auditing Department will also report to the Financial Supervisory Commission and other government agencies in accordance with relevant regulations.	None
	V		The Board of Director approved “the Procedure Dealing with Internal Material Information of Asia Cement Corporation” on Dec. 21, 2009, and revised it on Aug. 10, 2017. It states that “directors, supervisors, managers and other employees shall not disclose internal material information to others, nor involve in any transaction of the Company’s stock or any other forms of security.” The Procedure has been post on the Company’s website and internal bulletin board.	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
3. Composition and Responsibilities of the Board of Directors				
(1) Does the Board develop and implement a diversified policy for the composition of its members?	V		On November 12, 2020, the board of directors of the Company revised the "Corporate Governance Code" and formulated a diversification policy in Chapter 3 "Strengthening the Functions of the Board". In addition, in 2017, the shareholders' meeting passed an amendment to the "Director Election Rules", which specified the diversification policy for the composition of the board of directors in Article 3. The Company adopts candidate nomination system for the election of directors. In addition to the assessment of each candidate's education and experience, opinion of the stakeholder and full compliance with “the election rules for directors ” and “Corporate Governance Codes” are also considered to ensure the diversity and independence of directors. Please refer to Section 2.1.6 for the diversity policy of the board of directors, targets and implementation. The diversified policy for the composition of the Board of Directors has been disclosed on the Company’s website and MOPS.	None
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit	V		The Company has established Remuneration Committee and Audit Committee pursuant to	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(4) Does the board of directors of the company regularly (at least once a year) evaluate the independence and suitability of CPA with	V		directors' decision-making, the composition and structure of the board of directors, the selection and appointment of directors and continuing education, internal control, etc.) The evaluation conducts annually. 2. In 2025, the performance evaluation results of the company's board of directors, audit committee, remuneration committee, sustainability committee and Nomination Committee were "outstanding". 3. The "Procedures for Evaluating the Board's Performance" requires evaluation by external institutions every three years. The 2024 external evaluation of the Company's board of directors was conducted by Taiwan Institute of Ethical Business. The above performance evaluation and external evaluation results are not only reported to the board of directors, but also provided to the remuneration committee as a reference for remuneration payment and company nomination for renewal. The performance evaluation methods and procedures of the board of directors and the external evaluation report of the board of directors are disclosed on the company's website. 1. The Company regularly evaluates the independence of CPA every year and reports	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
reference to the audit quality indicators (AQIs), and disclose the evaluation procedures in detail?			to the Audit Committee and the Board of Directors. The independence and suitability of CPA have been evaluated by the audit committee on March 10, 2026 and the board of directors on March 11, 2026. CPA have no interest, relatives, etc. relationship with the company, and when providing professional services Maintain a fair and objective attitude and obtain a independence statement issued by a certified accounting firm, which meets the standards of independence and eligibility. 2. The Audit Committee on March 10, 2026 and the Board of Directors on March 11, 2026 refer to the audit quality in accordance with Article 14-5 of the Securities Exchange Law and Article 25 and Article 29 of the Code of Practice for Corporate Governance of Listed OTC Companies Indicators (AQIs), through the assessment of the independence and suitability of the appointed accountants. Audit Quality Index (AQI) Independence and Competency Assessment Form for Certified Accountants.	
4. Does the company establish specialized units or dedicated members and personnel responsible for corporate governance affairs, as well as carrying out key actions and reporting statuses (e.g. : including but not limited to provide the information that board directors and supervisors request to perform their	V		1. On Nov. 9, 2022, lawyer Chao Yu Wang is appointed as Corporate Governance Officer. The Secretarial Dept. serves as the secretary of the board of directors to promote corporate governance. Each member of the Secretarial Dept. has sufficient working experience in the	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
duties, ensuring the general affairs of board meetings and shareholders’ meetings are held in accordance with regulations, applying and changing of company registration, and taking meeting minutes for board meetings and shareholders’ meetings.)			management of legal affairs and board affairs. 2. The main responsibilities are as follows: • Convene internal corporate governance regulations seminars twice a year. • Develop company and organizational structure to promote the independence of the board of directors, transparency, corporate governance, and internal control. • Plan to convene the Board of Directors and Audit Committee and their agenda at least prior 7 days before the meetings with sufficient meeting information to facilitate the directors to understand the contents of the relevant issues and conflict of interests in advance. • To registry the date of the shareholders' meeting every year, and to issue the meeting notice, annual report and handbook in both English and Chinese. The relevant documents shall be approved by the assistant vice president and president. • To survey the Board’s performance evaluation and report to the board of directors annually. 3. At least 12 hours of Training for Corporate Governance Officer have been declared to MOPS according to the regulations.	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders, as well as handle all the	V		The Company provides “Stakeholder Area” section of the Company’s website for the communication channel with shareholders and	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
issues they care for in terms of corporate social responsibilities?			stakeholders with respect to any ESG issues. http://www.acc.com.tw/en https://esg.acc.com.tw/en	
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company designates stock agency, Oriental Security Corporation, to deal with shareholder affairs.	None
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		The Company has set up a Chinese/English website (www.acc.com.tw) to disclose information regarding the Company’s financials, business and corporate governance status.	None
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	V		The Company has assigned a spokesman or his deputy to handle information collection and disclosure. The Company will also convene the institutional investors’ conference upon request and post relevant information on MOPS and ACC website. Please refer to Section 2.2.7 8(2) Investor Relations of this Annual Report.	None
8. Is there any other important information to facilitate a better understanding of the company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing	V		(1) Status of employee rights and employee wellness: Please refer to the “Section 4.5 Labor Relation” of this Annual Report. (2) Investor Relations: For the efficient communication between investors and the Company, in addition to the spokesman or his deputy, the Company specifies its Finance Department to serve as investor relation contact. Moreover, the	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
insurance for directors and supervisors)?			Company will attend or hold an investor conference if necessary. In order to ensure the information symmetry of disclosure, the Company will post relevant information and materials to MOPS and the Company's website. (3) Supplier relations: The Company regards our suppliers as partners. Except requiring good service, high quality, and reasonable prices to our suppliers, the Company also brings our construction contractors into its safety management system, and set up safety regulations for contractors, such as access control and issuing construction permission, and holds training courses to help contractors fulfill safety requirements. (4) Stakeholders' Rights: For the transparency and timely disclosure of the Company, the information of finance, business, and corporate governance could be accessed on the Company's website and MOPS in both Chinese and English. (5) The training for directors: Please refer to section 2.2.11 for detail. (6) Implementation of the Risk Management Policy and Risk Assessment Standards: The Company's “Risk Management Policy and Procedures” was approved at the 3rd meeting of the 27th Board of Directors on	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			November 12, 2020. The policy covers the purpose and principles of risk management, risk categories, organizational structure and responsibilities, risk management procedures (including risk identification, assessment, response, monitoring, and reporting), execution, and information disclosure. For the implementation status in 2024, please refer to the Company’s website: Corporate Governance > Operating Procedures. (7) Customer policy: The Company serves its customers with the principles of “good service, high quality, and reasonable prices, and customer-oriented”. The Company will also meet all customers’ need by stringent quality control. (8) Responsibility insurance purchase for directors and supervisors: On November 7, 2025, the Board of Directors agreed to renew the liability insurance for directors, and supervisors, and important employees of the Company and affiliates in the consolidated financial statements, and it took effect on December 1, 2025.	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
9. Base on the result of ”Corporate governance Evaluation” announced by TWSE (Taiwan Stock Exchange Corporation) in a recent year to illustrate the status of matters have been already improved and priority measures to reinforce matters haven’t been improved:	V		The Company ranked 6%~20% in “the 2025 Corporate Governance Evaluation” by the TWSE. This year the Company will focus on improving non-scored items: 1. Submission of the Sustainability Report to the Board of Directors for review and approval. 2. Formulation of a plan to enhance corporate value and review of its implementation status. 3. Development of personal data and privacy protection and management policies, and review of their implementation status. 4. Introduction of internal carbon pricing mechanisms to assess potential financial impacts on the Company. 5. Active participation in domestic and international evaluations to seek certifications or awards.	None

Note 1: Independent Assessment of Appointed Certified Public Accountants

Item	Circumstances Affecting Independence	Complies with Independence	
		Yes	No
1	As of the most recent audit engagement, the CPA has not served continuously for seven years without rotation.	✓	
2	The CPA has no material financial interest with the client.	✓	
3	The CPA avoids any inappropriate relationship with the Company.	✓	
4	The CPA requires assistant personnel to adhere to principles of integrity, objectivity, and independence.	✓	

5	The CPA has not audited or certified the financial statements of any entity where the CPA was employed within the preceding two years.	✓	
6	The CPA does not allow his/her name to be used by others.	✓	
7	The CPA does not hold shares of the Company or its related parties.	✓	
8	The CPA has no lending or borrowing relationship with the Company or its related parties.	✓	
9	The CPA has no joint investment or profit-sharing relationship with the Company or its related parties.	✓	
10	The CPA does not concurrently hold a regular position with fixed remuneration at the Company or its related parties.	✓	

Note 2:

Audit Quality Indicators (AQI) – Assessment of Independence and Competence of the Signing Certified Public Accountants

AQI Indicators		Measurement Focus		Assessment Based on the Audit Quality Indicators Report Provided by the CPAs		Complies Audit Quality Indicators	
						Yes	No
Dimension I Professionalism	(1-1) Audit Experience	Whether senior audit personnel possess sufficient audit experience to perform audit engagements	1	Firm Level	The signing CPAs (including lead and concurring partners), EQCR partners, and audit personnel at manager level and above possess sufficient audit experience to perform audit engagements.	✓	
			2	Engagement Level			
	(1-2) Training Hours	Whether CPAs and senior audit personnel receive sufficient annual training to continuously acquire professional knowledge and skills	1	Firm Level	The signing CPAs and audit personnel at manager level and above receive sufficient annual professional training to continuously enhance their knowledge and skills.	✓	
	(1-3) Turnover Rate	Whether the CPA firm maintains sufficient experienced human resources	1	Firm Level	The turnover rate of audit personnel at manager level and above, compared with peers and prior years, shows no abnormally high level or upward trend, and the firm maintains sufficient experienced personnel.	✓	

AQI Indicators		Measurement Focus		Assessment Based on the Audit Quality Indicators Report Provided by the CPAs		Complies Audit Quality Indicators	
						Yes	No
	(1-4) Professional Support	Whether the CPA firm has sufficient professionals (e.g., valuation specialists) to support audit teams	1	Firm Level	The firm has sufficient professional personnel (including IT audit, financial valuation, and tax professionals within the firm and its affiliates) to support audit teams.	✓	
Dimension II Quality Control	(2-1) CPA Workload	Whether the CPA's workload is excessive	1	Firm Level	Based on the number of public companies for which the signing CPA serves as lead partner and the allocation of available working hours, the CPA's workload is assessed as not excessive.	✓	
			2	Engagement Level			
	(2-2) Audit Effort	Whether audit team members devote appropriate effort at each audit stage	1	Firm Level	The allocation of effort by CPAs, senior audit personnel, and relevant specialists at each audit stage is reasonable and appropriate.	✓	
			2	Engagement Level			
	(2-3) Engagement Quality Control Review (EQCR)	Whether the EQCR partner devotes sufficient time to reviewing audit engagements	1	Firm Level	The EQCR partner meets independence and objectivity requirements, possesses appropriate experience and expertise, and devotes sufficient time to engagement quality control reviews.	✓	
			2	Engagement Level			
	(2-4) Quality Control Support Capability	Whether the CPA firm has sufficient quality control personnel to support audit teams	1	Firm Level	The firm has sufficient quality control personnel (including risk management, audit quality control, accounting/auditing technical consultation, and training personnel) to support audit teams.	✓	

AQI Indicators		Measurement Focus			Assessment Based on the Audit Quality Indicators Report Provided by the CPAs	Complies Audit Quality Indicators	
						Yes	No
Dimension III Independence	(3-1) Non-Audit Service Fees	Impact of non-audit service fees on independence	1	Engagement Level	Non-audit service fees charged by the CPA firm and its affiliates to the Company account for approximately 30%. Such services mainly include corporate income tax, business tax, and tax consulting services, and do not directly affect significant audit matters or compromise independence.	✓	
	(3-2) Client Familiarity	Impact of cumulative years of signing audit reports on independence	1	Engagement Level	To maintain CPA independence and implement internal rotation mechanisms, the Company regularly rotates its signing CPAs with Board approval. Accordingly, no individual CPA has served as a signing CPA for more than five years.	✓	
Dimension IV Oversight	(4-1) External Inspection Deficiencies and Sanctions	Whether the CPA firm's quality control and audit engagements comply with applicable laws and standards	1	Firm Level	The Company's signing CPAs have not been subject to regulatory inspection deficiencies or sanctions by the competent authorities in the past three years.	✓	
			2	Engagement Level			
	(4-2) Regulatory Improvement Letters	Whether the CPA firm's quality control and audit engagements comply with applicable laws and standards	1	Firm Level	The Company's signing CPAs have not received regulatory improvement letters from the competent authorities in the past three years.	✓	
			2	Engagement Level			
Dimension V Innovation Capability	(5-1) Innovation Planning or Initiatives	The CPA firm's commitment to enhancing audit quality, including innovation capability and planning	1	Firm Level	Over the past three years, the CPA firm has implemented or planned the adoption of audit innovation tools, expansion of audit support centers, and introduction of cloud-based audit platforms and other initiatives, which contribute to enhancing audit quality.	✓	

2.2.8 Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1.Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	☒		1. The Company's Board of Directors serves as the highest governing body overseeing sustainable development, reviewing the core operational capabilities of the enterprise, as well as the mid- and long-term for sustainable business operations. On July 28, 2021, the board of directors approved the establishment of a functional committee " Sustainability Committee". Three independent Directors and two directors serve as committee members, and independent director Gordon S. Chen serves as the convener, responsible for supervising the implementation of corporate sustainability policies, systems or related management guidelines, and regularly reporting the progress to the board of directors. In 2025, the Sustainability Committee convened twice, on May 8 and November 6. Reports were submitted to the Board of Directors on May 9 and November 7, respectively. 2. Delegation by the Board of Directors to Senior Management and Oversight by the Board: (1) The Company has established the Sustainability Implementation Committee under the Board of Directors as the dedicated unit for sustainability. This committee is responsible for the consolidation and disclosure of sustainability information, planning and execution of sustainability projects, and coordination and submission of materials for external ESG evaluations. Under the three ESG pillars—Environmental (E), Social (S), and Governance (G)—the Corporate Sustainability Promotion	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			Committee oversees various ESG working groups, including: Net-Zero Emissions, Pollution Prevention, Biodiversity, Health and Safety, Community Relations, Labor Rights and Talent Development, Governance and Risk Management, and Anti-Corruption. These ESG working groups are responsible for planning and implementing corporate sustainability projects. (2) The Corporate Sustainability Implementation Committee is chaired by the President, with the Head of the Secretariat serving as Executive Secretary. The Executive Secretary is responsible for compiling sustainability performance and operational results, reporting twice a year to the Corporate Sustainability Committee, and, as instructed, presenting to the Board of Directors to ensure effective oversight and understanding of sustainability-related matters. (3) Reports submitted to the Board of Directors in 2025 include: a. Sustainable Development and Climate Governance • Status of greenhouse gas inventory and verification schedule implementation • Progress of IFRS Sustainability Disclosure Standards adoption plan • Reports to the Board on sustainability initiatives and performance • Corporate sustainability targets and ESG implementation status in 2025	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			b. Environmental and Occupational Safety and Health Management • Reports to the Board on occupational safety, health, and environmental protection c. Community Engagement and Social Contribution • Donations for local development and infrastructure • Donations supporting medical and educational development • Donations for relief and reconstruction related to the Hualien landslide-dammed lake incident d. Corporate Governance and Risk Management • Report on the implementation of external Board performance evaluation • Performance evaluation results of the Board of Directors and functional committees • Implementation status of internal control and annual audit plan • Implementation status of risk management policy and anti-bribery management system • Intellectual property management plan and implementation status • Corporate Value Enhancement Plan e. Ethical Management • Implementation status of ethical management practices	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			(4) Oversight of sustainable development by the Board: The Board of Directors regularly reviews the implementation of major ESG matters, including sustainable development, environmental management, occupational safety and health, community development, corporate governance, and ethical management, and makes decisions on key plans, performance results, and future directions. (5) Review and response to oversight: ESG working groups submit quarterly progress reports on oversight topics. The Sustainability Implementation Committee convenes quarterly meetings to follow up on Board suggestions, evaluate implementation status, and report improvements and progress to the most recent Board meeting.	
2.Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)	☒		1. The Company has established a sound risk management mechanism to control possible risks within an acceptable range. The Board of Directors has approved an "Internal Control System" and established "Risk Management Policies and Procedures", which are implemented by the Board of Directors, the Sustainability Committee and all competent authorities accordingly. 2. The risk management process of the Company includes risk identification, risk measurement, risk response, risk monitoring and risk reporting. The types of risk include operational risk, financial risk, hazard risk, information security risk, compliance risk and other risks (climate change). 3. The Company's risk assessment process and standards for material	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			environmental, social and corporate governance issues are based on AA 1000 Stakeholder Engagement Standard (AA1000 SES) 2015. The Company identified key stakeholder groups based on its operational characteristics and conducted an assessment to determine stakeholder significance. The top five stakeholder groups, in terms of materiality, are: employees, investors/shareholders, customers, communities/local groups and Indigenous peoples, and business partners. Additionally, stakeholders in the vicinity of the mining sites were included as a priority group. A stakeholder survey was conducted using a structured questionnaire. A total of 735 responses were collected, with 484 valid responses. The results helped identify the sustainability issues that stakeholders consider most important, serving as a foundation for formulating the Company's sustainability strategies and action plans 4. In alignment with the European Sustainability Reporting Standards (ESRS) and the principle of double materiality, the Company evaluated sustainability issues from two dimensions: (1) Impact materiality (external perspective): assessing the Company's impacts on the economy (e.g., revenue), environment, people (including human rights), and stakeholders at large. (2) Financial materiality (internal perspective): assessing the financial impacts of sustainability issues on the Company's operations and performance. 5. Following adjustments made in accordance with GRI 14: Mining Sector 2024, Asia Cement identified a total of 11 material topics in 2025, comprising 4 positive topics and 7 negative topics.	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			6. The Corporate Sustainability Implementation Committee compiled the materiality assessment procedures and results, as well as stakeholder engagement outcomes, and submitted them to the President for review and confirmation to ensure that all topics were covered. The information was then submitted to the Corporate Sustainability Committee and the Board of Directors for confirmation. For further details, please refer to the “Material Topics and Stakeholders” chapter of the Company’s Sustainability Report. 7. In consideration of the material impacts that climate change may have on the Company’s operations, financial position, and long-term development, the Company refers to frameworks including the United Nations Sustainable Development Goals (UN SDGs), the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and IFRS Sustainability Disclosure Standard S2 to disclose information in its Sustainability Report on the governance, strategy, risk management, and metrics and targets related to climate-related risks and opportunities.	
3.Environmental Issues (1) Has the Company set an environmental management system designed to industry characteristics?	☒		1. The Company has implemented relevant environmental management systems, including the ISO 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 14064-1 organizational greenhouse gas inventory, and ISO 14067 product carbon footprint verification (for cement products). 2. The above management systems have been verified by a third party. For details, please refer to the chapter "Appendix: Third-party Verification System of Asia Cement Corporation and Subsidiaries" of the	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			Sustainability Report or the "Resource Center - Certifications" on the corporate sustainability website.	
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	☒		1. To improve energy efficiency and implement energy conservation and carbon reduction, the Company continues to maintain the ISO 50001 Energy Management System and has established an Energy Policy and Energy Management Plan. Using 2019 as the base year, the Company has set quantitative management targets to reduce both total energy consumption and energy intensity by 1% annually, and promotes implementation through process optimization, equipment improvement, renewable energy use, innovative power management, and employee training. In 2025, Asia Cement's total energy consumption was 12,500 TJ (equivalent to 3,472,354 MWh), and its energy intensity was 1.00 MWh/ton of cementitious material. For details, please refer to the "Energy Resource Management" chapter of the Sustainability Report. 2. In 2025, the Company implemented a total of 22 energy-saving and carbon reduction action plans, achieving total heat savings of 299 TJ, including 4.07 million kWh of electricity savings, equivalent to the annual electricity consumption of approximately 980 households. The investment amounted to NT\$400 million. 3. The Company continues to promote the use of clean and green energy in active support of the government's green energy policy, and continues to install solar power facilities. In 2025, renewable energy generation, including self-consumption and wheeling, reached 4,446 thousand kWh. In addition, the Company signed a contract with a	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			virtual power plant operator in 2025 and plans to participate in Taiwan's electricity trading platform for supplementary reserve ancillary services starting in 2026 to enhance energy management efficiency. 4. The Company continues to conduct energy efficiency education and training. In 2025, a total of 31 energy management-related courses were offered, with 561 trainee attendances, to enhance employees' energy-saving awareness, operational capabilities, and improvement effectiveness. 5. In terms of circular economy, the Company promotes circular economy and resource management with a focus on the efficient use of natural resources, and reduces waste generation through prevention, reduction, recycling, and reuse. Considering the characteristics of the cement manufacturing process, including high temperature, long retention time, and strong turbulence, the Company has incorporated alternative raw materials, alternative fuels, and the recycling and reuse of waste resources into its circular economy policy, and uses the raw material substitution rate and fuel substitution rate as key performance indicators. 6. The Company has established policies including the "Regulations for the Acquisition and Reuse of Circular Economy Raw Materials and Fuels" and the "Circular Economy Management Operating Procedures" to review economic, environmental, and social risks and opportunities. Before introducing alternative materials, the Company conducts prudent assessments of ecological environment, traffic, occupational safety and health, and operational impacts, and has set short-, medium-,	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			and long-term circular economy targets, using the raw material substitution rate and fuel substitution rate as key performance indicators. In 2025, the Company continued to promote the reuse of waste and resource-based products and to advance toward resource circulation and zero waste. For details, please refer to the “Circular Economy Resource Management” chapter of the Company’s Sustainability Report.	
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	☒		The climate change risk management process of Asia Cement Corporation consists of three main steps: (1) identification and assessment of climate-related risks and opportunities; (2) financial impact analysis of material risks and opportunities; and (3) response measures and cost estimation for material risks and opportunities. During the identification and assessment stage, Asia Cement Corporation conducts annual evaluations in accordance with the TCFD framework, scoring transition risks, physical risks, and climate-related opportunities based on their relevance, level of impact, and time horizon, and establishing a risk and opportunity assessment matrix as the basis for subsequent management and decision-making. In addition, in line with the FSC’s “Roadmap for Alignment with IFRS Sustainability Disclosure Standards in Taiwan,” Asia Cement Corporation is promoting the adoption of IFRS Sustainability Disclosure Standards S1 and S2, and discloses relevant information in its Sustainability Report according to the implementation progress. For further details, please refer to the “Climate Risks and Opportunities” and “IFRS Sustainability Disclosure Standards Adoption Plan” chapters of the Company’s Sustainability Report.	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	☒		1. The Company annually collects data on GHG emissions, waste usage, waste volume, and other metrics. The policies, objective, and measures established by the Company, have been disclosed in the sustainability report. The relevant data are verified by SGS Taiwan Ltd. For the management of various sustainability performance, please refer to the chapter “Accelerating Low-Carbon Solutions” and “Environmental Protection and Harmonious Coexistence with Nature” of the Company's Sustainability Report. 2. The Company conducts an annual greenhouse gas inventory in accordance with applicable requirements and obtains third-party verification from SGS each year. The Company’s greenhouse gas data for the past two years have all been third-party verified. The Company achieved its original SBTi science-based reduction target ahead of schedule in 2024, demonstrating the effectiveness of its continued carbon reduction management. Asia Cement Corporation commits to reduce gross Scope 1 and 2 GHG emissions 22.90% per tonne of cementitious product by 2030 from a 2021 base year. Asia Cement Corporation also commits to reduce absolute Scope 3 GHG emissions from investments 25% within the same timeframe. In 2025, the Scope 1 and Scope 2 greenhouse gas emission intensity was 0.781. 3. In waste management, the Company promotes waste reduction, recycling, and reuse in accordance with its Environmental Policy and Environmental Management System. Using 2021 as the base year, the Company has set management targets to maintain a waste recycling and reuse rate of 90%, keep hazardous waste generation at 0 tons, and	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			reduce the amount of general waste sent off-site for disposal by 2.5% annually, with a 2025 target of a 10% reduction compared with the base year. To achieve these targets, the Company continues to promote waste sorting, source reduction, recycling and reuse, and employee training. In 2025, the Company conducted 41 related training sessions with a total of 701 trainee attendances. No hazardous industrial waste was generated from the production process in 2025, and the amount of hazardous waste generated was 0 tons.	
4.Social Issues (1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	☒		1. To safeguard and uphold employees' fundamental human rights and to create a workplace with dignity, the Company complies with applicable laws and regulations in the locations where it operates, treats all personnel equally, and respects all individuals. The Company also follows and supports the principles of the International Bill of Human Rights, the Universal Declaration of Human Rights, the United Nations Global Compact, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights (UNGPs). In accordance with these principles, Asia Cement Corporation has established and implemented a Human Rights Policy. The policy applies to all managers and employees of the Company and its subsidiaries, and, where reasonably practicable, extends to customers, suppliers, contractors, and local communities in areas where the	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			Company operates. 2. With respect to the human rights governance structure, oversight and implementation are carried out by the Corporate Sustainability Committee of the Board of Directors and the management team. Regular reporting is conducted, and any actions that violate human rights principles are investigated to ensure appropriate handling. In 2025, the Company issued a Human Rights Due Diligence Report and conducts due diligence at least once every three years to identify and prevent human rights risks affecting individuals in the Company's operations and value chain. The Company also regularly communicates and reviews the implementation of human rights issues within its management systems in order to identify significant human rights issues, assess management performance, develop improvement plans, and publicly disclose the due diligence report. In recent years, global attention to corporate responsibility for human rights has continued to increase, particularly in areas such as supply chain management, labor rights, community impacts, and diversity and inclusion, with increasingly stringent international regulatory and market expectations. Through the implementation of human rights due diligence, Asia Cement Corporation not only reduces operational risks but also enhances corporate reputation and ensures transparency and sustainable development across the value chain. 3. With reference to the AA1000 Stakeholder Engagement Standard, the Company has defined the stakeholder groups covered by its human rights due diligence as employees, first-tier suppliers and contractors,	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			community residents and Indigenous peoples, and customers. The Company's human rights due diligence approach is based on the Corporate Sustainability Due Diligence Directive (CSDDD) of the European Union and the OECD Due Diligence Guidance for Responsible Business Conduct. The Company has established due diligence procedures accordingly. Through risk identification and impact assessment of human rights issues, the Company designs appropriate risk management and mitigation measures, implements improvement actions, and conducts follow-up monitoring to effectively reduce potential human rights risks and impacts in its operations and supply chain. 4. The human rights due diligence implementation steps are as follows: (1) Integration: Incorporating responsible business conduct and human rights management requirements into Company policies and management systems (2) Identification and Assessment: Identifying potential adverse human rights impacts arising from the Company's operations and supply chain (3) Prevention, Mitigation, or Remediation: Taking actions to prevent, mitigate, or address adverse impacts associated with material human rights risks (4) Tracking: Continuously monitoring the implementation of management and improvement measures (5) Communication: Communicating risk management and improvement actions through appropriate internal and external	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			channels. 5. Risk identification and assessment were conducted by referencing the matrix method under ISO 31010 risk assessment standards as the primary analytical tool, while also taking into consideration the recommendations on risk identification and prioritization set forth in the “Guidelines for Responsible Business Conduct Due Diligence.” The likelihood of occurrence and the severity of impact were used as the basis for prioritizing and determining the sequence of responses under this human rights due diligence process, with issues of higher likelihood and greater severity being addressed as a priority. 6. The major human rights issues assessed include: human trafficking; occupational health and safety; child and young workers; anti-bullying and harassment; prevention of forced labor; data security and privacy protection; protection of working and labor conditions; equal pay for equal work; anti-discrimination and diversity and inclusion; freedom of association and collective bargaining; communication channels and grievance mechanisms; maternity protection; protection of minority rights; and the right to an adequate living environment. 7. By integrating the above methodologies, the Company ensures that the risk assessment process is systematic, transparent, and consistent, serving as a basis for subsequent risk response and decision-making. In the human rights due diligence process, likelihood and severity are categorized to establish a risk matrix. The results of the human rights risk assessment for the current year are consolidated and ranked by level of risk, categorized into five levels: critical risk, high risk, significant	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons						
	Yes	No	Summary description							
			risk, moderate risk, and low risk. Based on the results of this due diligence analysis, Asia Cement Corporation identifies critical risks as priority issues for response and mitigation, and has identified key risk issues for each stakeholder group as follows: (1) Employees: occupational health and safety; anti-bullying and harassment (2) Suppliers and contractors: occupational health and safety (3) Customers: occupational health and safety 8. Mitigation, prevention, and remediation measures are as follows: Target: Employees Occupational health and safety <table><tr><th>Risk Scenario Description</th><th>Mitigation and Prevention Measures</th><th>Remediation Measures</th></tr><tr><td>Failure to provide a safe, healthy, and secure working environment; failure to appoint occupational health and safety-related supervisors or departments to manage related mechanisms; or failure to regularly conduct occupational health</td><td>The Corporate Sustainability Committee at the Board of Directors level is responsible for formulating the medium- and long-term development strategy for health and safety practices. An "Occupational Health and Safety Policy" has</td><td>An employee grievance mechanism has been established: hr@acc.com.tw. For noise prevention in the plant, the main principles are management control, wearing protective equipment, and engineering improvements, along</td></tr></table>	Risk Scenario Description	Mitigation and Prevention Measures	Remediation Measures	Failure to provide a safe, healthy, and secure working environment; failure to appoint occupational health and safety-related supervisors or departments to manage related mechanisms; or failure to regularly conduct occupational health	The Corporate Sustainability Committee at the Board of Directors level is responsible for formulating the medium- and long-term development strategy for health and safety practices. An "Occupational Health and Safety Policy" has	An employee grievance mechanism has been established: hr@acc.com.tw. For noise prevention in the plant, the main principles are management control, wearing protective equipment, and engineering improvements, along	
Risk Scenario Description	Mitigation and Prevention Measures	Remediation Measures								
Failure to provide a safe, healthy, and secure working environment; failure to appoint occupational health and safety-related supervisors or departments to manage related mechanisms; or failure to regularly conduct occupational health	The Corporate Sustainability Committee at the Board of Directors level is responsible for formulating the medium- and long-term development strategy for health and safety practices. An "Occupational Health and Safety Policy" has	An employee grievance mechanism has been established: hr@acc.com.tw. For noise prevention in the plant, the main principles are management control, wearing protective equipment, and engineering improvements, along								

Item	Implementation status (Note 1)					Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description			
			and safety-related educational training, health consultations for employees and suppliers, etc., to raise health and safety awareness.	been established with the goal of ensuring the health and safety of all workers. The ISO 45001 occupational health and safety management system has been introduced and certified by a third party. An occupational health and safety management organization and personnel have been established to provide good OSH management and legal, safe machinery and equipment for workers, ensuring their health and safety. Based on the occupational health and safety	with reducing the exposure time of operators. Those exposed to over 85 decibels must wear protective equipment. For special health examination results classified under level 3 management or above, follow-up health examinations will be scheduled, and a face-to-face evaluation by the on-site physician at the Hualien Plant will be arranged. The physician will refer to the length of service and historical hearing test results to evaluate the effectiveness of the personal hearing protection plan and	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons			
	Yes	No	Summary description				
				management plan, the goal of zero workplace disasters, and various management performance indicators, an annual management review is conducted to evaluate implementation performance and confirm the achievement of targets.	propose improvement measures.		
			Target: Employees Anti-bullying and harassment				
			Risk Scenario Description	Mitigation and Prevention Measures	Remediation Measures		
			Subjected to any form of abuse, corporal punishment, physical and mental oppression, verbal insults, threats of violence, and harassment (not	The "Human Rights Policy" includes a commitment to anti-discrimination and anti-harassment. Educational training on human rights-related issues is	An employee grievance mechanism and a sexual harassment prevention mailbox have been established: hr@acc.com.tw.		

Item	Implementation status (Note 1)					Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description			
			limited to sexually related harassment) against a person's will and unwelcome, or subjected to verbal, physical, or visual harassment related to sex or gender, or the use of technological devices to engage in sexually suggestive words or actions or sexual demands through power, coercion, or intimidation.	conducted, and course videos are utilized to promote "labor human rights" and "gender equality at work," which are publicly available for employees to read. Grievance mechanisms have been established for different stakeholders.		
			Target: Customers Occupational health and safety			
			Risk Scenario Description	Mitigation and Prevention Measures	Remediation Measures	
			Failure to provide a safe, healthy, and secure working environment; failure to appoint occupational	The "Human Rights Policy" includes a commitment to occupational health and safety.	A customer grievance mechanism has been established: Customer Complaint Handling Procedures. If there	

Item	Implementation status (Note 1)					Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description			
			health and safety-related supervisors or departments to manage related mechanisms; or failure to regularly conduct occupational health and safety-related educational training, health consultations for employees and suppliers, etc., to raise health and safety awareness.		are relevant potential risks, this channel allows customers to communicate and provide feedback in real time. If an accident occurs, immediate first aid and referral will be provided, and dedicated personnel will be arranged to assist with rehabilitation and return to work. Compensation claims will be provided for customer injuries caused by products. Furthermore, incident investigations will be conducted, SOPs and equipment operating specifications will be revised, and these will	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons		
	Yes	No	Summary description			
					be incorporated into the annual control of the management system.	
			Target: Suppliers and contractors Occupational health and safety			
			Risk Scenario Description	Mitigation and Prevention Measures	Remediation Measures	
			Failure to provide a safe, healthy, and secure working environment; failure to appoint occupational health and safety-related supervisors or departments to manage related mechanisms; or failure to regularly conduct occupational health and safety-related educational training, health consultations for employees and suppliers, etc., to raise	Suppliers and contractors are required to sign and adhere to the "Supplier Social Responsibility Commitment," which includes commitments related to occupational safety, reduction of occupational injuries, and occupational diseases. Contractors must sign the "Occupational Safety and Health Commitment" prior to commencing	A supplier grievance hotline has been established: (02) 27338000 #6029, 8594, and a supplier grievance mailbox: ecome@feg.com.tw. For noise prevention in the plant, the main principles are management control, wearing protective equipment, and engineering improvements, along with reducing the exposure time of	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons	
	Yes	No	Summary description		
			health and safety awareness.	operations. An "Occupational Health and Safety Policy" has been established with the goal of ensuring the health and safety of all workers. Through rotational educational training, on-site contractors are provided with guidance and training. An independent OSH management performance improvement project for contractors has been implemented.	operators. Those exposed to over 85 decibels must wear protective equipment.
			Target: Suppliers and contractors Protection of working and labor conditions		
			Work environments or labor conditions do not comply with regulations or are unequal, leading to a	Suppliers and contractors are required to sign and adhere to the "Supplier Code of Conduct and	A supplier grievance hotline has been established: (02) 27338000 #6029, 8594, and a supplier

Item	Implementation status (Note 1)					Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description			
			lack of protection for employees' basic work rights (such as working hours, wages, health, and safety); or the unreasonable use of other types of employment contracts (such as a large number of contract workers, dispatched workers, foreign workers, etc.) to deprive legitimate work needs.	Social Responsibility Commitment," which includes commitments regarding wages and benefits (ensuring personnel are paid no less than the minimum wage required by local laws), working hours, and rest periods (working hours must comply with local national laws).	grievance mailbox: ecome@feg.com.tw. If relevant risk events occur, suppliers can communicate and provide feedback in real time. Suppliers are required to sign the "Supplier Code of Conduct and Social Responsibility Commitment."	
			Work environments or labor conditions do not comply with regulations or are unequal, leading to a lack of protection for employees' basic work rights (such as working hours, wages, health, and safety); or	Suppliers and contractors are required to sign and adhere to the "Supplier Code of Conduct and Social Responsibility Commitment," which includes commitments regarding wages and benefits (ensuring	A supplier grievance hotline has been established: (02) 27338000 #6029, 8594, and a supplier grievance mailbox: ecome@feg.com.tw. If relevant risk events occur, suppliers can communicate and	

Item	Implementation status (Note 1)					Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description			
			the unreasonable use of other types of employment contracts (such as a large number of contract workers, dispatched workers, foreign workers, etc.) to deprive legitimate work needs.	personnel are paid no less than the minimum wage required by local laws), working hours, and rest periods (working hours must comply with local national laws).	provide feedback in real time. Suppliers are required to sign the "Supplier Code of Conduct and Social Responsibility Commitment."	
			9. Specific management and implementation of the Company's Human Rights Policy: In 2025, the Company organized educational training on human rights-related issues (including courses on workplace diversity and gender equality, prevention of sexual harassment, prevention of workplace violence, and human rights advocacy). These comprised 4 training themes, totaling approximately 6.5 hours, with a total attendance of 1,864 person-times. The Company instills the importance of health in its employees by arranging annual health examinations for employees at the head office and plants, and organizing specialized health seminars. Additionally, the Company promotes the Employee Assistance Program (EAP) in collaboration with the Hsinchu Lifeline Association, providing employees with professional advisory services to help them resolve physical, mental, and spiritual issues.			

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	☒		The article 25 of the Company's Articles of Incorporation clearly stipulates that if the Company has a profit in the year, it shall allocate 0.1% to 4% as employee compensation. The salary and compensation policy stipulates that the salary and compensation of employees includes the bonus of the Company's operating performance, and bonus calculations are reviewed and awarded based on the operating results achieved by the Company during the year. The operating performance and results are shared with our employees to motivate all employees to work together for the Company's goals. 1. In setting the salary and compensation system, we will not only consider our employees' education degrees, work experiences, whether they have licenses and professional skills, but also treat all of them as equals regardless of their gender, age, race, socio-economic class, religion, marital and family status, etc. 2. To plan a fair and reasonable salary and compensation system, in addition to the above-mentioned philosophy, our company also participates in annual market salary and compensation surveys to ensure that our employees' salaries and compensation rank among the best in the industry. 3. Due to the rational participation of the labor unions of Hsinchu and Hualien plants over the years, all those members have jointly realized our company's reasonable salary and compensation policy and we have been awarded the "the high-performance organization signing	None

			collective bargaining agreement in Year 2013" by the Ministry of Labor. Both our employers and employees received the award. 4. The rules of conduct for employees' work performance, training results, and corporate volunteer services are integrated with the annual performance appraisal of employees as set forth in our "Work Rules for staff", and a clear system of rewards and punishments has been established. Please refer to the description of our 2022 Sustainability Report on Happy Workplace. 5. Every year, the Company will consider the profitability of the company's operation and make salary adjustments and promotions accordingly based on the results of individual performance appraisals, with an average salary adjustment of 1% to 3%. 6. The Company has established a welfare system for full-time employees, including the establishment of a "Labor Retirement Reserve Fund Supervisory Committee." In accordance with regulations, the Company contributes 6% of each employee's monthly salary to the individual pension account at the Bureau of Labor Insurance under the Labor Pension system. In addition, a monthly contribution (at a rate of 8%) is made to the Labor Retirement Reserve Fund to protect the rights and interests of employees who have chosen the old pension system. To further enhance employee protection and strengthen retirement benefits, for employees under the Labor Pension New System with a monthly insured salary of NTD45,800 (inclusive) or below, the Company has increased the employer contribution rate by 0.1% to 6.1% starting from January 2026, demonstrating care for grassroots employees. As of March 31, 2026, the Company has a total of 389 employees covered under the Labor Pension New System, of whom 143 employees fall within the NTD45,800 (inclusive) or below salary bracket and are subject to the 6.1% employer contribution rate, accounting for approximately 36.76%. 7. The Company has established an "Employee Welfare Committee" to allocate welfare funds in accordance with regulations and to organize various welfare activities. Facilities such as basketball courts, tennis	
--	--	--	---	--

			courts, badminton courts, table tennis courts, and swimming pools are widely available at plant sites for employee recreation. Additional benefits include vouchers for three major festivals, International Workers' Day (May 1), and birthdays; health examinations exceeding regulatory requirements; company-paid group insurance; scholarships for employees' children; wedding gifts; employee travel; and subsidies for club activities. 8. Leave, unpaid leave, and related systems are implemented in accordance with labor laws and regulations, including the Labor Standards Act and the Act of Gender Equality in Employment. 9. Gender Equality and Diversity Implementation The Company is committed to providing employees with a respectful and safe working environment. We implement diversity in hiring and ensure fairness in compensation and promotion opportunities, ensuring that employees are not subject to discrimination, harassment, or unequal treatment based on race, gender, religion, age, political affiliation, or any other status protected under applicable laws and regulations. The Company adheres to equal pay for equal work regardless of gender and provides equal opportunities for promotion. Female representation accounts for 23% of entry-level management positions, 28% of senior management positions, 7% of revenue-generating functions (business units), and 5% of STEM positions. Through fostering a gender-friendly workplace, employees of all genders can work with confidence. 10. The Company has established measures for the prevention of sexual harassment, along with complaint and disciplinary procedures, including the formation of a "Sexual Harassment Complaint Handling Committee" and a formal complaint handling process, as well as an employee complaint mailbox. In 2025, there were no reported incidents of sexual harassment in Asia Cement Corporation. In addition to posting information on workplace gender equality regulations on the electronic bulletin board, the Company also provides audiovisual training materials on workplace diversity, gender equality, and prevention of	
--	--	--	--	--

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			employment discrimination on the internal website, with a total of 466 participants. 11. The Company's workplace diversity is also reflected in ethnic representation. While indigenous peoples account for approximately 2.5% of Taiwan's population, indigenous employees represent as high as 24.8% of the Company's workforce. In addition to actively hiring indigenous employees, the Company supports and organizes cultural events and celebrations related to indigenous communities, respecting cultural traditions and demonstrating its commitment to ethnic diversity in the workplace. The Company has achieved 100% compliance with statutory requirements for the employment of persons with disabilities and provides a safe and accessible working environment to ensure that employees with disabilities can work comfortably and with peace of mind.	
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	☒		1. The Company has formulated occupational safety and health management policies, established a sound occupational safety and health management organization, and issues a management plans every year to be implemented. Additionally, we plan and conduct regular or project-based training for employees. Besides minimizing our own risks, we also provide guidance and training to subsidiaries and contractors through outreach education and training programs, aiming to enhance their employees' safety awareness and reduce the incidence of occupational accidents. In 2025, the Company conducted occupational safety training for 2,704 employees, and 1,379	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			contractors, for a total of 4,083 people. 2. In June 2023, Asia Cement Corporation and its subsidiaries obtained certifications for the Occupational Health and Safety Management System TSOHMS (for Hualien Plant) or CNS45001/ISO45001 (for the Headquarters Hsinchu Plant, and other subsidiaries). These certifications cover the entire industry chain of Asia Cement Corporation and its contractors. 3. In 2025, one injury (falling case) occurred at the Hualien Plant of Asia Cement Corporation, involving one injured employee and resulting in five lost workdays, accounting for 1/466 of the total number of employees. The occupational accident analysis indicated that the primary cause was a slip due to poor mountain path conditions while setting up equipment during a hiking activity, resulting in an ankle injury. Following the review, it has been determined that, in the future, personnel engaged in non-professional tasks shall receive prior training, and experienced hiking collaborators shall be invited to accompany such activities to ensure safety. Please refer to section 4.5 Occupational Health and Safety in Labor-Management Relations in this annual report, and chapter " Occupational Health and Safety " of the Company's Sustainability Report. The number of fire incidents, the number of casualties, the ratio of casualties to the total number of employees, and related improvement measures in response to fire incidents for 2025: No fire incidents occurred.	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(4) Has the Company established effective career development training programs for employees?	☒		The Company conducts training programs each year based on the competency requirements of different departments and levels, in conjunction with the Company's development strategies. These programs provide supervisors and employees with sufficient opportunities for learning and training, not only achieving the objective of integrating training with application, but also linking such training with employees' career development. The content and implementation approach of the training programs are also announced on the electronic bulletin board and distributed to all employees via email. In 2025, the training programs were structured around the dual pillars of digital transformation and ESG sustainable development. Courses were designed based on the competency requirements of employees at different job functions and levels. Training programs included new employee orientation, core competency training, professional/functional training, management training, digital transformation and ESG sustainability training series, and low-carbon cement business development programs. These programs continuously strengthen employees' capabilities to respond to changes and challenges. The Company also encourages internal instructors to share knowledge through training sessions, facilitating more comprehensive and institutionalized knowledge transfer. In 2025, a total of 453 sessions were conducted, with 7,591 participant attendances and 17,210 training hours. In addition, the Company has established the "Modern Management Talent Development Program for Asia Cement and Its Subsidiaries" to cultivate high-potential successor talent. The program is conducted by leading	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			professors in various fields related to enterprise leadership and management. Training outcomes have been positive, with over 97% of participants having been promoted in their respective positions, becoming core members of their units, and some participants have advanced to the highest management positions within their units or have become general managers of subsidiaries. For more detailed information regarding the Company's employee development and training programs, please refer to Section 4.6.	
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	☒		The Company has always followed government regulations and industry-related norms to ensure customer health, customer privacy, marketing labeling, and service quality. Customer privacy: Asia Cement Corporation attaches great importance to the privacy of its customers, and is committed to maintaining the confidentiality of information provided by customers during business dealings. In order to ensure customer feel at ease in dealing with Asia Cement Corporation and avoid leakage of business information, we strictly requires all our employees to comply with our company's relevant confidentiality regulations. Article 6 (Duty of Confidentiality) of our company's internal code of ethical conduct requires that all employees of our company shall be obligated to maintain confidentiality of technical or non-technical information about our company, or the information of our company's purchase and sales customers, unless they are authorized or required by law to disclose such information. Information that should be kept confidential includes all undisclosed information that may be used or leaked by others to the detriment of our company or its customers. Documents with confidential information arising	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			from business transactions will be destroyed periodically or immediately, depending on the degree of confidentiality. There were no cases of violation of customer privacy in 2025. Marketing labeling: In 2025, the Company did not violate any product-related laws, nor did it sell any disputed products. Service quality: Our company has established a "Customer Complaint Handling Procedures" which require relevant departments to file and initiate the complaint handling process within 24 hours of receiving a customer complaint. The process is jointly handled by the sales units, regional offices, and technical staff from manufacturing plants. We provide transparent and effective grievance channels (customer visits, official website platform, phone, email) to respond to customer needs in a timely manner. Once a complaint is received regarding quality or service processes, whether domestic or international, a dedicated person will handle it to ensure fair and immediate resolution of consumer complaints. For further details, please refer to the 'Customer Service and Information Security' section in our company's sustainability report."	
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and	☒		1. To ensure that suppliers comply with the principles of sustainable development in terms of environmental, social, and economic aspects, our company has established a supplier policy and requires suppliers to sign the 'Supplier Code of Conduct and Corporate Social Responsibility Commitment Statement' in accordance with the policy. The supplier policy includes: (1) Labor and Human Rights: Prohibition of forced labor, prohibition	None

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
what is the status of their implementation?			of child labor, wages and benefits, working hours and rest periods, freedom of association and collective bargaining, non-discrimination, prohibition of harassment and promotion of humane treatment, and protection of female employees. (2) Health and Safety: Occupational safety, maternity protection, prevention of occupational injuries and illnesses, emergency preparedness and response, access to medical services and first aid, industrial hygiene, management of physically demanding work, machine safeguarding, sanitation, food, and housing conditions, and health and safety communication. (3) Environmental: Environmental permits and reporting, pollution prevention and control, energy and resource conservation, management of hazardous substances, water resources management, solid waste and noise control, air emissions management, restrictions on materials and services, climate change mitigation and adaptation, biodiversity protection, and zero deforestation and land conservation. (4) Ethics: Business integrity, transparent information disclosure and cooperation, protection of intellectual property and trade secrets, grievance mechanisms with identity protection, privacy protection, fair business practices, advertising, and competition, prohibition of unauthorized subcontracting, compliance with shipping and transportation laws, information security management, responsible sourcing of minerals, and avoidance of conflicts of interest. (5) Management Systems: Suppliers shall adopt or establish	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			management systems related to the contents of this Commitment Statement to ensure compliance with and continuous improvement in areas such as labor and human rights, health and safety, environmental protection, ethics, and information security. Suppliers shall clearly define management responsibilities to ensure the effective implementation of the management systems and related programs, and regularly review their performance. 2. The total number of suppliers that have signed the commitment letter in 2025 is 378. The risk assessment of Asia Cement Corporation 's suppliers is conducted in accordance with the "Criteria and Management Measures for the Selection of Suppliers". The risks are classified into four levels: significant, high, medium and low after scoring according to the relevant supervisors' assessment. For projects with moderate or higher risks, relevant control measures must be formulated, and the rest are listed as observation items. In 2025, Asia Cement conducted risk assessments on 254 tier-one suppliers, including 52 key tier-one suppliers, which accounted for approximately 66.65% of total procurement. All suppliers were classified as low risk. For details, please refer to the "Sustainable Supply Chain Management" section of the Company's Sustainability Report.	

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
5.Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	☒		1. The Company's 2025 Sustainability Report is prepared in accordance with the GRI Standards 2021, and is compiled and disclosed with reference to the Financial Supervisory Commission's "Corporate Governance 3.0 – Sustainable Development Blueprint," including climate-related financial disclosures in line with the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) Construction Materials industry standards. The report also discloses relevant information in accordance with the implementation progress of the IFRS Sustainability Disclosure Standards. In addition, the report follows relevant international guidelines and standards, including the Global Cement and Concrete Association (GCCA) Sustainability Charter, ISO 26000 Guidance on Social Responsibility, and the S&P Corporate Sustainability Assessment (CSA), to provide reliable public information for readers. 2. The Company's 2025 Sustainability Report has obtained third-party assurance from SGS Taiwan Ltd. in accordance with the AA1000 v3 standard, Type II moderate assurance.	None
6.If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: None.				
7.Other important information to facilitate better understanding of the company's promotion of sustainable development: A. Please refer to the chapter on environmental protection expenditure information (1) ISO-14001 environmental management system (2) Air pollution prevention and control (3) Revegetation and beautification (4) Future environmental protection work priorities (5) Fulfillment of social responsibility and labor relations (6) Occupational safety and health in this annual report. B. Please refer to our Sustainability Report and website for details. ESG website: https://esg.acc.com.tw/en/				

2.2.9 Climate Related Information

1. Implementing Status of climate related issues

Item	Status of Implementation
1. Stating the supervision and governance of board directors and management on climate related risks and opportunities.	Asia Cement's Board of Directors established the Sustainability Committee with five directors in which one independent director took the position of the convener. The Company also established the Sustainability Promotion Committee underneath the President and formed an ESG Promotion Team driving all departments to implement ESG issues. ESG Promotion Team reports to Sustainability Promotion Committee on the quarterly basis and Sustainability Promotion Committee reports to Sustainability Committee every six months about ESG related results. Sustainability Promotion Committee is responsible of examining and guiding strategies, important action plans, risk management policies, annual budget and business plans, as well as setting business goals for the organization, monitoring the status of implementation, supervising important capital expenditures and putting climate related issues into consideration. Furthermore, through Board of Directors it checks the progress on reaching Asia Cement's goal of net-zero emission. The Sustainability Promotion Committee is directly managed by the President. It requests all production units and business units to evaluate climate change-related risks and opportunities, especially the long-term impact of climate change on business operations, with impacts covering factory assets, manufacturing processes, raw material transportation, as well as laws and regulations and changes in consumer preferences. The Sustainability Promotion Committee is also responsible for reviewing the Company's risk management policy and reviewing management reports on significant risk issues. It is also in charge of overall risk management matters, including the integration and coordination of cross-departmental common risk management issues, promoting and communicating important risk management affairs, implementing and tracking all resolutions relating to risk management assigned by the Sustainability Committee, and preparing risk management reports. It reports to the Board of Directors and the Sustainability Committee every six months.

Item	Status of Implementation			
2. Stating how the business, strategies and finance (short, mid and long term) are impacted by the identified climate risks and opportunities.	Key Climates Risks	Transition risk: Policies and regulations increase the pricing of GHG emissions	Transition risk: Rising costs of materials and energy usage	Physical risk: Severe natural factors affect operations
	Corresponding strategies	Implement net zero solutions for circular economy, renewable energy, and energy efficiency improvement.	Implement the energy management system ISO 50001 and improve energy efficiency every year.	Increase the safety stock of raw materials and undertake factory improvements in response to heavy rainfall
	Impact to finance	For the current period of 2025, carbon fee expenses amounted to NT\$60 million. From 2026 to 2030, carbon fee expenses are expected to increase by a total of NT\$610 million	For the current period of 2025, energy costs increased by NT\$70 million. From 2026 to 2030, energy costs are expected to increase by a total of NT\$1.49 billion.	For the current period of 2025, there was no financial impact. From 2026 to 2030, capital expenditures are expected to amount to NT\$27 million.
	Key opportunities	Recycling and reuse (raw material substitution)	Use of low-carbon energy (fuel substitution)	Products and services
	Corresponding strategies	Increase the capacity for raw materials to increase income from disposal fees	Increase the capacity for fuel substitution to increase income from disposal fees and to save costs on coal	Develop and/or add low-carbon products and services
	Impact to finance	For the current period of 2025, revenue increased by NT\$130 million. From 2026 to 2030, revenue is expected to increase by a total of NT\$930 million.	For the current period of 2025, revenue increased by NT\$290 million. From 2026 to 2030, revenue is expected to increase by a total of NT\$2.41 billion.	For the current period of 2025, revenue increased by NT\$240 million. From 2026 to 2030, revenue is expected to increase by a total of NT\$3.76 billion.
	Please refer to Sustainability Report of the Company for the details.			

Item	Status of Implementation
3. Stating the impact caused by extreme climate events and transition actions to finance.	Extreme climate events, such as strong typhoons and intense rainfall, may cause raw materials to become wet and sticky and lead to coal collapse, which can in turn impact production efficiency and equipment operation, potentially resulting in capacity reduction, equipment damage, and logistics disruption. These are categorized as physical risks under climate change. In response to tightening climate-related regulations and increasing market demand for low-carbon solutions, Asia Cement has implemented a range of transition actions. While these actions will increase capital and operational expenditures, they include initiatives such as promoting a circular economy (use of alternative raw materials and fuels), improving energy efficiency, and researching and promoting low-carbon cement. Some existing assets may also be subject to early retirement due to climate-related transformations. Nevertheless, these efforts are expected to enhance the company's operational resilience, reduce long-term carbon risk, and create new market opportunities, thereby supporting long-term business sustainability. Based on the Company's internal climate scenario analysis, the total investment required for climate risk response measures is estimated at approximately NT\$2.507 billion.
4. Stating how to integrate the process of identifying, evaluating and managing climate risks into the overall risk management system.	Asia Cement's climate risk management system is integrated into the Company's corporate sustainability framework. The climate risk management procedure is composed of three steps: Step 1: Identifying and evaluating current risk and opportunities. Step 2: Defining significant risks and opportunities. Step 3: Analyzing financial impact, corresponding measures and cost estimate. Step 1: Each year the Company gives rating to the correlation, impact and cycles of occurrence of TCFD transition risk, physical risk and opportunity items to risks and opportunities items and creates evaluation matrix of risks and opportunities. The periods for risk and opportunity assessment are defined as 2026 for the short-term period, 2027 to 2030 for the mid-term period, and 2031 to 2035 for the long-term period. The possibility of occurrence and level of impact of each risk and opportunity issue are analyzed. Step 2: Define major risks and opportunities and analyze their financial impacts. Identify and quantify the impact of major risks in accordance with the "Risk Management Policies and Procedures" of the Company. These standards define the financial risk impact as five levels of "very low, low, medium,

Item	Status of Implementation
	high, and very high." "High" and "very high" impact are considered to have a substantial impact on Asia Cement Corporation: EBITDA margin of 4% to 5%; "Very High" impact: EBITDA margin more than 5%. In 2024, Asia Cement Corporation assessed two material transition risks: (1) policies and regulations leading to increased pricing of greenhouse gas (GHG) emissions, and (2) rising costs associated with material and energy usage. In addition, the company identified one physical risk, namely the impact of severe natural events such as typhoons, which may result in productivity losses, damage to facilities, and disruptions to supply chain operations. The three substantive opportunities for Asia Cement's assessment are: Resource recycling and reuse efficiency (raw material substitution), use of low-carbon energy sources (fuel substitution), and development or addition of low-carbon products and services. Step 3: Corresponding measures and cost estimate. Focusing on the evaluated substantial risks and opportunities to evaluate the corresponding measures of actions and the associated cost to ensure the effectiveness of expected results.
5. If scenario analysis is used to evaluate the resilience of facing the risks of climate change, then the scenario, parameters, assumptions, analysis factors and the major financial impact used in the analysis must be described.	Transition scenario: The first stage: IEA B2DS scenario (transition risk assessment) Asia Cement evaluated the transition risk based on the “Beyond 2°C Scenario (B2DS)” drafted by International Energy Agency (IEA). The result of analyzing IEA B2DS scenario was as follows: Asia Cement participated Science-Based Target Initiative of carbon reduction (SBTi) and created carbon reduction scenario by department in accordance with IEA B2DS scenario. The first stage is by 2025, comparing to 2019, the scopes 1+2 GHG emission intensity of cementitious material will be reduced by 8% per ton. The impact of IEA B2DS scenario to the target and strategy: Asia Cement sets the targets of carbon reduction every year based on the IEA B2DS scenario analysis. The reduction boundary is cementitious material production locations (Hsinchu plant and Hualien plant) plus the headquarter, and the low carbon transition strategy of the Company is to reach the target of reduction. The main strategies include promoting a circular economy through the use of alternative raw materials and alternative fuels, producing low-carbon cement, improving energy efficiency in production, and installing renewable energy systems. The second stage: IEA NZE 2050 scenario (transition risk assessment)

Item	Status of Implementation
	Based on the International Energy Agency Net Zero Emissions by 2050 (IEA NZE 2050) scenario, Asia Cement has set 2021 as the base year and targets a 22.9% reduction in Scope 1 and Scope 2 GHG emission intensity per ton of cementitious material by 2030. In addition, the Company has set a target to reduce absolute Scope 3 GHG emissions from investments across the value chain by 25% by 2030. Under its net-zero pathway, Asia Cement has also established an intermediate target of a 43.1% reduction in emission intensity by 2035, with net-zero emissions by 2050 as its long-term goal. Physical scenario: Sharing Socioeconomic Pathway SSP5-8.5 (Physical Risk Scenario Assessment) SSP5-8.5 is a hypothetical scenario in which GHG has the most emission. Asia Cement identified a risk matrix as controlling measure by multiplying hazard factor with vulnerability factor based on SSP5-8.5 scenario. The results of risk matrix identification conducted by Asia Cement showed that the major items of risks were slope land disasters and threats by strong wind, and the major items of impact included auxiliary raw material (clay) transporting system, raw material grinding system and rotary kiln system. The impact of SSP5-8.5 scenario to targets and strategies: Asia Cement drafted a disaster emergency response plan and continued to monitor climate related risks based on SSP5-8.5 scenario analysis.
6. If a transition plan is adopted in responding to the management of climate related risks, then the content of the plan, the indicators and goals used for identifying and managing physical and transition risks must be explained.	Climate change is an irreversible trend and has a far-reaching impact on Asia Cement. The Company is committed to achieving net-zero emissions by 2050. Based on the B2DS scenario, Asia Cement passed the science-based target setting process, using 2019 as the base year and targeting an 8% reduction in GHG emission intensity (Scope 1 and Scope 2 per ton of cementitious material) by 2025. The Company achieved the 2025 carbon reduction target ahead of schedule in 2024. In the second stage, the Company promotes net-zero emissions in line with the IEA NZE 2050 scenario. Using 2021 as the base year, Asia Cement targets a 22.9% reduction in Scope 1 and Scope 2 GHG emission intensity per ton of cementitious material by 2030. In addition, for Scope 3 absolute GHG emissions from investments across the value chain, the Company has set a target of a 25% reduction by 2030. Asia Cement has also set a mid-term target of a 43.1% reduction in emission intensity by 2035 and a long-term target of net-zero carbon emissions by 2050.

Item	Status of Implementation
	In addition, to ensure alignment with global climate governance requirements and actively fulfill its carbon reduction commitments, the Company has established key performance indicators (KPIs) and targets with reference to the TCFD guidance for the building materials sector, contributing to the low-carbon transition of the cement industry. For details, please refer to the “Climate Risks and Opportunities – Climate Change Indicators and Targets” section of the Company’s Sustainability Report.
7. If the internal carbon pricing is used as the planning tool, then the basis of pricing must be explained.	The Company sets the internal carbon pricing (shadow price) based on the progress of SBTi carbon reduction targets, and integrates carbon risk into investment, climate risk, management, and long-term strategy assessments. Key evaluation items include drive low-carbon investments and drive energy efficiency initiatives to facilitate achieving SBT carbon reduction goals. Asia Cement has implemented a phased approach to internal carbon pricing, with the price set as NTD 216/per ton of CO ₂ e for the period from 2021 to 2025.
8. If the goals relating to climate are set, then the covered activities, GHG emission scope, scheduled timeline and the progress to be reached in each year must be explained; if carbon offsets or renewable energy certificates (RECs) is used to reach the related goals, then the source and volume of carbon credit for offsetting or the number of RECs must be explained.	Asia Cement achieved its original SBTi science-based carbon reduction target ahead of schedule in 2024, demonstrating steady execution in carbon reduction management. In accordance with the SBTi 1.5°C scenario, using 2021 as the base year, the Company has set a target to reduce Scope 1 and Scope 2 emission intensity per ton of cementitious material by 22.9% by 2030. For Scope 3 absolute emissions from value chain investments, the Company targets a 25% reduction from the base year by 2030. As of 2025, Scope 1 and Scope 2 emission intensity had decreased to 0.781. Additionally, the Company has set a net-zero target for its headquarters. The main strategies include energy management, procurement of renewable energy, and carbon offsetting. In 2025, renewable energy accounted for 40% of energy use, and the Company aims to achieve net-zero emissions at the headquarters by 2030. As of 2025, the renewable energy usage rate at the headquarters had exceeded 40%. Asia Cement and its subsidiaries actively support the government’s green energy policy by continuously promoting the installation of solar photovoltaic facilities and accelerating the low-carbon transition of the electricity structure. The Company has also established renewable energy use targets. In 2025, the Company obtained a total of 3,464 renewable energy certificates from wheeled renewable energy and self-generated self-consumed renewable energy, and obtained a cumulative total of 3,905 renewable energy certificates from 2023 to 2025.
9. The status of the GHG inventory,	The third-party (SGS) verification was completed on March 15, 2026.

Item	Status of Implementation
verification, reduction targets, strategies, and specific action plans are provided separately in sections 1-1 and 1-2.	

2. Greenhouse Gas Inventory and Verification Status for the Past Two Years

A. Greenhouse Gas Inventory Information

The most recent two year GHG emissions (tons CO₂e), intensity (tons of CO₂e/ revenue in NTD million), and data coverage scope.

According to the requirements of the Roadmap for the Sustainable Development of TWSE Listed Companies, the disclosure covers the following scope:

(1) The parent company shall disclose the inventory information as of 2023.

(2) Subsidiaries in the consolidated financial statements shall disclose the inventory information from 2025.

The company has established a greenhouse gas (GHG) inventory system for the parent company in accordance with the ISO 14064-1 greenhouse gas inventory standards issued by the International Organization for Standardization (ISO); for consolidated subsidiaries, the GHG inventory system is established based on the Greenhouse Gas Protocol standards issued by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). Starting from 2025, GHG emissions for both the company and subsidiaries included in the consolidated financial report will be regularly inventoried each year, fully understanding the use and emissions of greenhouse gases, and verifying the effectiveness of reduction actions.

In addition, the GHG inventory data for the most recent two years have been compiled in accordance with the Operational Control Method, summarizing the GHG emissions of the parent company and all subsidiaries included in the consolidated financial statements as follows:

		FY2024		FY2025	
		Emissions (tons CO ₂ e)	Intensity (tons CO ₂ e/revenue in NTD million)	Emissions (tons CO ₂ e)	Intensity (tons CO ₂ e/revenue in NTD million)
The company	Scope 1	2,481,520		2,554,544	
	Scope 2	146,192		156,829	
	Subtotal	2,627,712		2,711,373	
All subsidiaries in the consolidated financial report	Scope 1	18,599,598		16,719,571	
	Scope 2	819,776		747,042	
	Subtotal	19,419,374		17,466,613	
Total		22,047,086	288.96	20,177,986	284.04

Note 1: Scope 1 refers to direct emissions from sources owned or controlled by the Company. Scope 2 refers to indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the Company. Scope 3 refers to all other indirect emissions that occur in the Company's value chain, not included in Scope 2, and are results of company activities from sources not owned or controlled by the Company.

Note 2: The data coverage of direct emissions and indirect energy emissions must be prepared in accordance with the schedule specified in

Article 10, Item 2 of the guidelines. Other indirect emissions information may be disclosed by the company itself.

Note 3: GHG inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 4: The intensity of GHG emissions can be calculated per unit of product/service or per sales revenue. However, the data calculated based on sales revenue (NTD million) must be specified.

B. Greenhouse Gas Verification Information

The most recent two year GHG emissions (tons CO₂e), intensity (tons of CO₂e/ revenue in NTD million), and data coverage scope.

According to the requirements of the Roadmap for the Sustainable Development of TWSE Listed Companies, the disclosure covers the following scope:

- (1) The parent company shall disclose the verification status as of 2024.
- (2) Subsidiaries in the consolidated financial statements shall disclose the verification status from 2027.

The company has established a greenhouse gas (GHG) inventory system for the parent company in accordance with the ISO 14064-1 greenhouse gas inventory standards issued by the International Organization for Standardization (ISO); for consolidated subsidiaries, the GHG inventory system is established based on the Greenhouse Gas Protocol standards issued by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). Starting from 2025, GHG emissions for both the company and subsidiaries included in the consolidated financial report will be regularly inventoried each year, fully understanding the use and emissions of greenhouse gases, and verifying the effectiveness of reduction actions.

The verification status on the implementation of GHG inventory for the Company and certain subsidiaries included in the consolidated financial statements in the last two years is described as follows:

		FY2024	FY2025
		Emissions (tons CO ₂ e)	Emissions (tons CO ₂ e)
The company	Scope 1	2,481,520	2,554,544
	Scope 2	146,192	156,829
	Subtotal	2,627,712	2,711,373
	Percentage in the inventory data disclosed in 1-1-1 above	100%	100%
All subsidiaries in the consolidated financial report	Scope 1	18,599,598	16,719,571
	Scope 2	819,776	747,042
	Subtotal	19,419,374	17,466,613
	Percentage in the inventory data disclosed in 1-1-1 above	100%	100%
Verification institutions		SGS Taiwan Limited	SGS Taiwan Limited

Description of assurance status	Parent Company: Reasonable Assurance in accordance with ISO 14064-3:2019. Subsidiaries: Limited Assurance in accordance with the Greenhouse Gas Protocol.	The third-party verification is expected to be completed in early June 2026.
Assurance Opinion / Conclusion	Unqualified Opinion	
Total	22,047,086	20,177,986

Note 1: In accordance with the schedule set forth in Article 10, Paragraph 2 of these guidelines, if the Company does not obtain complete GHG verification opinions by the publication date of the annual report, it should indicate “The complete verification information will be disclosed in the sustainability report”. If the Company does not prepare a sustainability report, it should indicate “complete verification information will be disclosed on the MOPS”, and include the complete verification information in the annual report of the following year.

Note 2: The verification institutions shall comply with the relevant regulations for sustainability report verification providers as set by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

3. Greenhouse Gas Emission Reduction Targets, Strategies and Specific Action Plans

Describe the Greenhouse Gas reduction base year and data, reduction targets, strategies, and specific action plans, as well as status of achieving reduction targets.										
1. Greenhouse Gas reduction base year and reduction targets										
(1) Carbon Reduction Targets of Asia Cement Corporation and Its Consolidated Subsidiaries										
To strengthen climate governance and greenhouse gas (GHG) management effectiveness, and in response to the Sustainability Roadmap for TWSE and TPEX Listed Companies, the Company has implemented GHG reduction plans for subsidiaries included in the consolidated financial statements. These initiatives assist subsidiaries in adopting standardized GHG inventory procedures and completing Scope 1 and Scope 2 emissions inventories and assurance, thereby establishing a comprehensive carbon emissions baseline. Based on the proportion of emissions from each business unit, and taking into account local regulations and operating conditions at each location, the Company has established specific carbon reduction targets. These targets cover more than 90% of the Company's total GHG emissions.										
Company	Scope 1 + Scope 2 Emissions Proportion	Base Year	Target Type	Target Scope	Target Unit	Base Year Emissions	2025 Emissions	2030 Short-Term Target	2035 Mid-Term Target	Long-Term Target
The company	12%	2021	Intensity Target	Scope 1 + Scope 2	tonCO ₂ e/ton of cementitious	0.853	0.781	0.657	0.482	Net-zero emissions by 2050

Subsidiaries	86%	2021	Absolute target	Scope 3 investment emissions	tonCO ₂ e/ton of cement	23,059,816	15,344,022	16,101,635	-	-
Ya Tung Ready-Mixed Concrete	0.05%	2021	Intensity Target	Scope 1 + Scope 2	kgCO ₂ e/Cu bic Meter of Ready-Mix Concrete	2.31	2.08	1.80	1.55	Net-zero emissions by 2050 -

Note 1: The Company passed the SBTi 1.5°C scenario target in 2025; therefore, the base year, target values, and related information were revised accordingly.

Note 2: Chiahui Power accounts for approximately 9% of the Company's total emissions. However, as an Independent Power Producer (IPP), all electricity generated by Chiahui Power is dispatched to the Taiwan Power Company grid. As a power supplier, the carbon emissions resulting from electricity consumption are borne by the electricity users rather than the power supplier.

(2) Asia Cement SBTi Carbon Reduction Target

As a global leading manufacturer of cement and concrete, Asia Cement Corporation is also a member of the Global Cement and Concrete Association (GCCA), a global initiative organization. In 2020, Asia Cement, along with all member companies, committed to the "2050 Climate Vision", transitioning from net zero practices to achieving complete net zero. Commit to reducing the carbon footprint of operations and production processes, and achieving net zero emissions from cement and concrete by 2050 in line with the global climate goals of the "Paris Agreement". The Company divides the carbon reduction path into two stages:

Stage 1: In 2021, the Company adopted the B2DS scenario and passed the science-based target setting process, targeting an 8% reduction in GHG emission intensity (Scope 1 and Scope 2 per ton of cementitious material) by 2025, using 2019 as the base year. The target was achieved ahead of schedule in 2024.

Stage 2: The Company follows the IEA NZE 2050 scenario and has established a near-term net-zero target to reduce Scope 1 and Scope 2 GHG emission intensity per ton of cementitious material by 22.9% by 2030, compared with the 2021 base year. In addition, for Scope 3 absolute GHG emissions from investments across the value chain, the Company has set a target of a 25% reduction by 2030. The Company has also established a mid-term target of a 43.1% reduction in emission intensity by 2035 and a long-term target of net-zero carbon emissions by 2050.

2. GHG reduction strategies and specific action plans

Asia Cement Parent Company: In order to achieve net zero by 2050, the Company has formulated short-, mid- and long-term carbon reduction strategies. In the short-term, we focus on implementing the best available technologies such as promoting circular economy to reduce clinker emission factors, producing low-carbon cement by reducing the clinker ratios in cement, and improving energy efficiency to reduce indirect emissions. We also continue to invest in the development of new carbon reduction technologies. In the mid-term, we will continue to scale up the aforementioned carbon reduction measures and develop new Supplementary Cementing Materials (SCM) for application in low-carbon cement to achieve greater reductions in unit cement emissions. In the long-term, once carbon reduction measures are mature and well-established, we will fully deploy Carbon Capture Utilization (CCU) technologies to complete the final stretch towards achieving net-zero emissions. In 2025, Asia Cement Corporation's actual Scope 1+2 carbon emission intensity was 0.781, demonstrating outstanding carbon reduction performance. For further details, please refer to the "Accelerating Low-Carbon Solutions" section of the Sustainability Report.

Subsidiaries Included in the Consolidated Financial Statements: Each business unit is required to propose concrete carbon reduction action plans, which include promoting circular economy practices, enhancing energy efficiency, phasing out and upgrading outdated equipment, adopting renewable energy, and implementing energy management systems. The Net Zero Task Force under the Company's Corporate Sustainability Promotion Committee is responsible for centralized supervision and resource coordination, as well as tracking the progress of each decarbonization initiative. Going forward, we will continue to enhance the carbon management capabilities of all business units and actively pursue the achievement of various carbon reduction targets. For further details, please refer to the "Accelerating Low-Carbon Solutions" section of the Sustainability

Report.

Note 1: Compliance should be based on the schedule specified in Article 10, Paragraph 2 of these guidelines.

Note 2: The base year should be the year that the GHG inventory is completed based on the boundaries of the consolidated financial statements. For example, according to Article 10, Paragraph 2 of these guidelines, companies with a capital of over NTD 10 billion should complete the inventory for 2024 in 2025. Therefore, the base year is 2024. If the Company has completed the inventory of consolidated financial statements ahead of schedule, the earlier year may be used as the base year. Additionally, the data for the base year may be calculated as a single year or as an average of several years.

2.2.10 Implementation Status of Ethical Management

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs (1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy? (2) Does the company have mechanisms in place	V		1. “Codes of Ethical Conduct” and “Principles for Ethical Management” of Asia Cement Corporation have been adopted by Board of Directors on June 27, 2012 and reported to the 2013 shareholders’ meeting. 2. The Company has post “Codes of Ethical Conduct” and “Principles for Ethical Management” on the Company’s intranet for compliance. 3. “Principles for Ethical Management” was amended on March 25, 2020. The company requires the directors and senior management to issue a statement of compliance with the integrity management policy, and require the employees to comply with the integrity management policy in terms of employment according Article 8. The Company establish precautions for directors,	None

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies? (3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?			managers, employees for preventing high-potential unethical conducts: 1. Set a standard distinguishing improper benefit, 2. Set procedures for political donations, 3. Set procedures for charity donations or sponsorship, 4. Set reporting and handling procedures to avoid job-related conflicts of interest, 5. Set an information firewall to prevent sensitive information or undisclosed information and to prevent the use of the non-disclosed information in insider trading, 6. Set working procedures dealing with dishonest actions involved by suppliers, customers, and trading partners and others, 7. Set working procedures dealing with violators of Principles for Ethical Management, 8. Set punishment for violators and reward for whistleblowers. 1. For the purpose of developing a corporate culture of ethical management and preventing unethical conduct, HR Department enacted “Working procedures and Guidelines for Ethical Management”. It clearly expresses all kinds of bad faith conducts, preventions, and punishments for violators.	

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			2. In order to promote the Company's honest operation and sustainable development, the 12th meeting of the 27th Board of Directors of the company approved the formulation of the "Anti-corruption Management Policy", and announced the Bribery Prevention Management Manual and related operating methods from December 9, 2022 , all 15 directors and 525 employees of the company have signed the anti-corruption prevention policy compliance statement. 3. To cooperate with the implementation of the bribery prevention and control policy, the company has formulated the "Measures for Reporting and Investigation of Dishonest Behaviors". 4. On May 11, 2023, the management review report on the ISO37001 anti-corruption management system has been submitted to the 14th meeting of the 27th board of directors. The British Standards Institution (BSI) was appointed as the external auditor for this project, and in 2023 The third-party verification process was completed on March 28, 2023 and the verification certificate has been issued in June 2023. The verification was renewed on June 12, 2026, with validity	

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			extended until June 11, 2029.	
2. Fulfill operations integrity policy				
(1) Does the company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?	V		All suppliers of the Company signed "Codes of Conduct and Commitment Statement for Suppliers". We will review, rate, and eliminate our suppliers based on past evaluation records and their implementations of ESG affairs. For fully implementation, the Purchasing Department has urged all suppliers to comply with our “Codes of Ethical Conduct” and “Principles for Ethical Management”. The Purchasing Department will include this item into commercial terms.	None
(2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	V		The HR Department is responsible for formulating policy and supervising ethical management for the Company. It will report the implementation status to the Board on a regular basis. In addition to report implementation status of ethical management to the Board, the HR Department will also report to independent directors. On March 25, 2020, the Board of Directors	

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		approved the establishment of the "Promoting Ethical Management Working Group" by the Corporate Governance Officer and the HR Department, responsible for policy formulation and implementation, and regularly (at least once a year) report to the Audit Committee and the Board of Directors. The Company's integrity management practices and annual implementation have been reported to the board of directors on November 7, 2025. The Company provides that no manager shall engage in any affairs with conflicts of interest to the Company unless otherwise released restriction by the Board and the shareholders' Meeting. All members of our Board of Directors are highly disciplined. Once there are conflicts of interests, such member will not participate in discussion and voting of the issue according to relevant regulation and keep it in the meeting minutes. The Company also has standard procedures for employees to report any potential conflicts of interests.	

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	V		The Company has a strict accounting system and dedicated accounting department. For ensuring accuracy and transparency, all financial statements are audited or reviewed by Deloitte & Touche in accordance with relevant regulation. In order to implement “Regulations Governing Establishment of Internal Control Systems by Public Companies” and “Principles for Ethical Management”, the Company has set up the Auditing Department which established its internal control system. And the Audit Department will regularly review and revise the internal control system. In addition, the Audit Department will develop and implement its annual internal audit plan in accordance with risk assessment. The Company does not use CPA for auditing.	
(5) Does the company regularly hold internal and external educational trainings on operational integrity?	V		1. To establish corporate culture of ethical management and prevent unethical behaviors, the Company holds internal training sections for employees understanding our commitment to ethical management and policies. 2. Our “Codes of Ethical Conduct”, “Principles for Ethical Management”, and relevant regulations have been posted on the Company's website and internal bulletin board. In addition, all sales representatives have signed and	

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			followed the code of conduct of integrity management/anti-corruption/ethical conduct. 3. Implementation of Integrity Management Training: In 2025, the Company invited professional lecturers to conduct two sessions of anti-bribery training. These sessions utilized practical case studies and relevant regulations to explain the responsibilities and handling procedures for violations of anti-bribery policies. All employees were required to attend and achieved a 100% pass rate on the post-training assessment. Dedicated training sessions were also held specifically for internal audit personnel. Additionally, the orientation program for new employees includes a dedicated module on integrity management, and all participants are required to sign a declaration agreeing to comply with the Company’s integrity principles.	
3. Operation of the integrity channel (1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	V		1. On November 9, 2022, the company's board of directors approved the "Anti-corruption Management Policy" and formulated the "Measures for Reporting and Investigation of Dishonest Behavior", which stipulates the	None

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?	V		acceptance unit, reporting channels, handling procedures, punishment and reward systems. 2. In addition, the company encourages employees to report to the internal audit supervisor when they find violations of honest management and unethical behavior. If the violations are found to be true, they will be punished according to company regulations. 3. Please refer to the company website (http://www.acc.com.tw) => corporate governance => operating procedures. The company's "Anti-Corruption Management Policy" and "Operation Measures for Reporting and Investigation of Dishonest Behaviors" clearly stipulate the investigation standard operating procedures, follow-up measures to be taken after the investigation is completed, and related confidentiality mechanisms.	
(3) Does the company provide proper whistleblower protection?	V		The company accepts real-name and anonymous reports and promises to keep the identity of the whistleblower and the content of the whistleblower confidential, so as to protect the whistleblower from being mistreated due to the whistleblowing. All reported matters will be verified by an	

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			independent channel to protect the whistleblower.	
4. Strengthening information disclosure Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?	V		The Company has disclosed the contents of its “Codes of Ethical Conduct”, implementation status, and related information on its website. The HR Department promotes the “Codes of Ethical Conduct”, “Principles for Ethical Management” to employees through the internal company website, thereby embedding the principles of integrity into employees’ daily business conduct. A designated staff member is responsible for regularly or irregularly disclosing information related to integrity management and its implementation results on the Market Observation Post System (MOPS) and the Company’s website. On November 7, 2025, at the 11th meeting of the 28th Board of Directors, the Company reported its integrity management practices, annual implementation status, and effectiveness. As of the date of reporting, there have been no violations of integrity management principles by the Company’s suppliers, management, or employees.	None
5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles				

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation. There have been no differences.				
6. Other important information to facilitate a better understanding of the company’s ethical corporate management policies (e.g., review and amend its policies). a. The Company adds integrity information to the procurement system to ensure supplier compliance, and there are appeal channels available. b. The Company treats its employees and business partners with the highest standards of ethical conducts. Any bribery or unethical conducts made by its employees or suppliers will be punished, such as disposition, rejection of transaction, or legal prosecution. c. On November 9, 2022, the board of directors of the company formulated the "Anti-corruption Management Policy" and formulated the "Measures for Reporting and Investigation of Dishonest Behaviors". d. On Nov. 7, 2025, the management review report of the ISO 37001 Anti-Corruption Management System has been reported to the 11th meeting of the 28th Board of Directors.				

Note 1: The status of ethical management practices and annual implementation

Item	Description of the execution situation
Training	Manager at all levels, through various internal meetings, publicize the company's business philosophy of integrity and emphasize the importance of ethics, and strictly prohibit personal fraud.
Formulate Regulations	1. In order to establish the company's culture of ethics management, the Company's Principles for Ethical Management and its bylaws are formulated with reference to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" published by the Taiwan Stock Exchange. 2. There are "Work Rules" and "Rewards and Punishments Rules" to regulate employee behavior, and personnel who violate relevant regulations will be treated according to the circumstances. 3. In order to guide the behavior of employees to comply with ethical standards and laws and to prevent illegality and disorder, "Codes of Ethical Conduct" provides that to accept bribes, banquets, and entertainment or engage in fraudulent behaviors are strictly forbid. 4. "Measures for Reporting Illegal and Unethical or Dishonest Behavior" establish a formal complaint channel and encourage reporting of any illegal or violation of Codes of Ethical Conduct or the Principles for Ethical Management. 5. To align with international standards and implement ESG practices, the Company established the highest ethical standards. In November 2022, the Board of Directors officially approved the Anti-Bribery Management Policy. In July 2023, the company obtained ISO 37001 certification for the Anti-Corruption Management System.
Follow the principle of conflicts of interests	The Company's "Meeting Rules of the Board of Directors" stipulates that the directors must report any conflict of interests and may not participate in the discussion and voting. The "Code of Ethical Conduct" also clearly stipulates that all employees should prevent conflicts of interest. Those who have relevant situations should report to the company.
Supplier Management	All suppliers of the Company are required to sign the "Supplier Social Responsibility Commitment". In terms of ethics management, in addition to requiring suppliers to abide by the highest ethics standards in all business interactions. Any form of bribery, corruption, extortion, theft, abuse of power and improper advantage is prohibited, including money, gifts, commissions, positions, services, preferential treatment, kickbacks, etc. It is also necessary to avoid conflicts of interest. If suppliers find any potential conflicts of interest, they must immediately notify the Company and take appropriate measures to prevent possible misconduct.
Reports of Illegal and Ethics	In order to implement the Company's ethical codes, the company has formulated the "Procedures for Reporting and Investigation of Dishonest Behaviors". The contact for accepting reports is as follows:

Item	Description of the execution situation		
Violations	https://www.acc.com.tw/en/contact-us/contact-us		
2025 Training	In 2025, the Human Resources Department conducted three “Anti-Bribery Awareness Training” sessions. The implementation was as follows: on May 15 and August 15, professional instructors were invited to deliver anti-bribery training courses, using practical case studies and relevant regulations to explain the responsibilities and handling procedures in the event of violations of anti-bribery requirements. All employees were required to attend and achieve a 100% pass rate on the assessment. In addition, on May 15, a dedicated session was held specifically for internal audit personnel. Details of the training topics, duration, and number of participants are provided in the table below. Training video materials were also uploaded to the Company’s internal electronic bulletin board for employees to review online repeatedly.		
	Topic	Hours	Number of people
	1. First Anti-Corruption Education and Advocacy Training for All Employees	1	466
	2. Second Anti- Corruption Education and Advocacy Training for All Employees	1	466
	3. Anti- Corruption Training for Internal Audit Personnel	1	22
Human Rights Policy	To protect and uphold the fundamental human rights of employees and foster a respectful and dignified work environment, the Company not only complies with the local laws and regulations of its operating locations but also adheres to and supports the principles set forth in international human rights standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights. Accordingly, the Company has established and implemented relevant human rights policies, which are publicly disclosed on the Company’s official website.		

*As of this year, none of the company's suppliers, management or employees have violated the ethics of business operations.

◎ Any other important information to facilitate better understanding of the Company’s corporate governance practices: None.

◎ To appoint certified accountants to audit internal audit system: None.

2.2.11 The Training for Directors

Title/Name	Date	Organizer	Course Name	Hours
<u>Director</u> Douglas Hsu Johnny Shih C.V. Chen Kun-Yen Lee Peter Hsu C.K. Chang Champion Lee Kwan-Tao Li <u>Independent Director</u> Yun-Peng Chu Chia-I Chang	06/04	Taiwan Academy of Banking and Finance	Corporate Governance Forum - Corporate Response Strategies to U.S. Tariff Policies and Supply Chain Restructuring	3 hours
<u>Director</u> Douglas Hsu C.V. Chen Kun-Yen Lee Peter Hsu Chen-Kuen Chang C.K. Chang Champion Lee Kwan-Tao Li <u>Independent Director</u> Gordon S. Chen Chi Schive Chia-I Chang	10/01	Taiwan Academy of Banking and Finance	Corporate Governance Forum - Corporate AI Transformation	3 hours
Director Johnny Shih	05/06	Taiwan Independent Director Association	The Latest Economic Trends under Geopolitics in 2025 - Looking at Future Market Changes from Global Financial Changes	3 hours
Director Ruey-Long Chen	03/11	Taiwan Corporate Governance Association	Practical Trends in ESG Sustainability and New Knowledge on Sustainability Laws	1.5 hours
Director Ruey-Long Chen	05/13	Taiwan Corporate Governance Association	Reshaping the International Order	1.5 hours
Director Ruey-Long Chen	08/12	Taiwan Corporate Governance Association	Looking at the Future Compliance Risk Trends in the Technology Industry from Geopolitics and Sanctions	1.5 hours
Director Ruey-Long Chen	11/21	Securities and Futures Institute	2025 Briefing on Legal Compliance of	3 hours

Title/Name	Date	Organizer	Course Name	Hours
			Insider Equity Transactions	
Director Doris Wu	07/31	Taiwan Stock Exchange	Summit on Strengthening Taiwan's Capital Market	3 hours
Independent Director Gordon S. Chen	08/21	Chinese Finance and Economics Development Association	A Memorandum for Taiwan 2030	3 hours
Independent Director Chang-Pang Chang	03/11	Taiwan Corporate Governance Association	Practical Trends in ESG Sustainability and New Knowledge on Sustainability Laws	1.5 hours
Independent Director Chang-Pang Chang	05/13	Taiwan Corporate Governance Association	Reshaping the International Order	1.5 hours
Independent Director Chang-Pang Chang	08/12	Taiwan Corporate Governance Association	Looking at the Future Compliance Risk Trends in the Technology Industry from Geopolitics and Sanctions	1.5 hours
Independent Director Chang-Pang Chang	11/11	Taiwan Corporate Governance Association	Labor Risk Management	1.5 hours
Independent Director Yun-Peng Chu	11/14	Securities and Futures Institute	Trump 2.0 Subverting the Global Economic Order - Impacts and Countermeasures	3 hours
Independent Director Yun-Peng Chu	11/14	Securities and Futures Institute	Overseas Investment and Mergers and Acquisitions	3 hours

2.2.12 The Training for Managers

Title/Name	Date	Organizer	Course Name	Hours
Karen Yang, Assistant Vice President	11/13~14	Accounting Research and Development Foundation	Continuing Education Program for Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	12 hours
David Liao, Manager	11/12 12/15	Computer Audit Association	Technology Risk Management Practices	12 hours

Title/Name	Date	Organizer	Course Name	Hours
		The Institute of Internal Auditors	Business Intelligence and Data Analysis Methods	
Kun-Yen Lee, President Doris Wu, Executive Vice President Z.P. Chang, Vice President Tony Yu, Vice President Karen Yang, Assistant Vice President Chao-Yu Wang, Assistant Vice President Dana Lee, Assistant Vice President Chen-Ho Chung, Manager David Liao, Manager Heng-Jung Kao, Manager An-Chih Cheng, Manager Wei-Chung Chen, Manager Fei-Chuan Lin, Manager Tzi-Ming Lee, Special Assistant	05/14 08/21	Asia Cement	Turning Point for Enterprises in the Era of "Carbon Pricing" Lecturer: Tien Chien-Chung, President of Taiwan Carbon Solution Exchange Navigating the Digital Future, Driving the Upgrade of Corporate Competitiveness Lecturer: Sun Yi-Ming, Adjunct Associate Professor of Leadership Program, National Taiwan University	4 hours
Kun-Yen Lee, President Tony Yu, Vice President Karen Yang, Assistant Vice President Dana Lee, Assistant Vice President Chao-Yu Wang, Assistant Vice President Chen-Ho Chung, Manager Heng-Jung Kao, Manager Fei-Chuan Lin, Manager	06/04	Taiwan Academy of Banking and Finance	Corporate Governance Forum - Corporate Response Strategies to U.S. Tariff Policies and Supply Chain Restructuring	3 hours
Kun-Yen Lee, President Doris Wu, Executive Vice President Tony Yu, Vice President Chao-Yu Wang, Assistant Vice President An-Chih Cheng, Manager Chen-Ho Chung, Manager Fei-Chuan Lin, Manager	10/01	Taiwan Academy of Banking and Finance	Corporate Governance Forum - Corporate AI Transformation	3 hours
Chao-Yu Wang, Assistant Vice President Corporate Governance Officer	06/04	Taiwan Academy of Banking	Corporate Governance Forum -	3 hours

Title/Name	Date	Organizer	Course Name	Hours
		and Finance	Corporate Response Strategies to U.S. Tariff Policies and Supply Chain Restructuring	
Chao-Yu Wang, Assistant Vice President Corporate Governance Officer	07/25	Taiwan Corporate Governance Association	How to Conduct Board Meetings? Practical Sharing on Common Deficiencies in the Operations of Board Meetings of Listed Companies	3 hours
Chao-Yu Wang, Assistant Vice President Corporate Governance Officer	08/01	Taiwan Corporate Governance Association	Corporate Governance Officers and Board Management (Professional Course for Corporate Governance Officers)	3 hours
Chao-Yu Wang, Assistant Vice President Corporate Governance Officer	10/01	Taiwan Academy of Banking and Finance	Corporate Governance Forum - Corporate AI Transformation	3 hours

2.2.13 The Execution Status of Internal Control System

1. Internal Control System Statement:

Please visit the Market Observation Post System (MOPS) at

<https://mops.twse.com.tw/mops/#/web/t06sg20> and enter the inquiry year and company code 1102 to access the information.

Alternatively, go to the MOPS homepage and follow this path for same information query.

MOPS > Individual Company > Corporate Governance > Corporate Regulations / Internal Control > Internal Control Statement Announcement.

2. CPA Project Review Report on the Internal Control System: None.

2.2.14 Major Resolutions of Shareholders' Meeting and Board Meetings

1. Major resolution of Regular Shareholders' Meeting

Date	Major resolutions and Implementation Status
2025/05/28	1. Acceptance of 2024 financial statements and consolidated financial statements Implementation: 2024 business report and financial statements have been approved. 2. Acceptance of the proposal for distribution of 2024 profits. Implementation: The record date for distribution of 2024 profits was Jul. 17, 2025. Cash dividends have been distributed on Aug. 15, 2025.

2. Major Resolutions of the Board of Directors

Totally 4 meetings of the Board of Directors were held in 2025. Directors have no opposition to major resolutions in this period.

Regarding the items listed in Article 14(3) of the Securities Exchange Act, all attended independent directors approved without disagreement.

Date	Major Resolutions	Matters Listed in Article 14-3 of the Securities and Exchange Act
2025/03/11	1. Proposal for the distribution of 2024 employees' and directors' compensation.	V
	2. Approval of the Company's 2024 consolidated and standalone financial statements.	V
	3. Proposal for the distribution of 2024 earnings.	V
	4. Proposal for the date and related matters of the 2025 Annual General Meeting of Shareholders.	
	5. Approval of the 2024 "Internal Control System Statement".	V
	6. Submission of the Company's 2025 budget.	V
	7. Proposal for the appointment and remuneration of the CPAs for the 2025 financial statements.	V
	8. Proposal to issue unsecured ordinary corporate bonds in one or multiple tranches, with a total amount not exceeding NT\$20 billion, for the purpose of repaying loans, enriching medium-to-long-term working capital, or strengthening the financial structure.	V

	9. Submission of the Company's 2024 Business Report.	
	10. Proposal to amend partial articles of the Company's Articles of Incorporation.	V
	11. Proposal to develop the energy storage business and invest in large-scale battery energy storage systems to compete for the private behind-the-meter energy storage market and provide Taipower with energy shifting and composite frequency regulation services, in order to expand the power business territory.	V
2025/05/09	1. Approval of the Company's Q1 2025 consolidated financial statements.	V
	2. Proposal not to distribute earnings for Q1 2025.	V
	1. Approval of the Company's Q2 2025 consolidated financial statements.	V
	2. Proposal not to distribute earnings for Q2 2025.	V
	3. Submission of the Company's 2024 Sustainability Report and greenhouse gas management progress.	
	4. Proposal to donate NT\$500 million to Yuan Ze University for the construction of the medical and nursing college and dormitories at the New Taipei Branch to support the development of medical education.	
	5. Proposal to invest in large-scale battery energy storage systems to participate in Taipower's ancillary services, in order to develop new power business.	V
2025/08/08	1. Approval of the Company's Q3 2025 consolidated financial statements.	V
	2. Proposal not to distribute earnings for Q3 2025.	V
	3. Proposal for the Company's 2026 Audit Plan.	V
	4. Proposal for the renewal of liability insurance for directors and key personnel of the Company and its consolidated subsidiaries.	
	5. Proposal to establish the scope of grass-roots employees, regular evaluation operations, and the implementation rules for internal control and internal audit.	V
2025/11/07	1. Approval of the Company's Q3 2025 consolidated financial statements.	V
	2. Proposal not to distribute earnings for Q3 2025.	V
	3. Proposal for the Company's 2026 Audit Plan.	V
	4. Proposal for the renewal of liability insurance for directors and key personnel of the Company and its consolidated subsidiaries.	
	5. Proposal to establish the scope of grass-roots employees, regular evaluation operations, and the implementation rules for internal control and internal audit.	V

2.3 Information of CPA Service Fee

1. Information of CPA service fee

Unit: NT\$1,000

Accounting Firm	Name of CPA	Audit period	Audit Fee	Non-audit Fee	Total	Remarks
Deloitte & Touche	H.W. Tai	01/01/2025-12/31/2025	6,980	5,658	12,638	Other non-audit fees include implementation and consulting of IFRS Sustainability Disclosure Standards, human rights due diligence, corporate bond issuance, tax compliance audit etc.
	J. C. Chih					

- If the audit fee in the year CPA firm changes is lower than that in the prior year, specify the amount of audit fee before and after and the reason: None.
- If the audit fee dropped year on year by more than 10%, specifies the amount, percentage, reason of the reduction: None.
- Change of CPA in recent two fiscal years and subsequent periods:

(1) Regarding the former CPA

Date of change	March 5 2024		
Cause and explanation	Due to the internal adjustments within Deloitte & Touche, the original CPA, P. D. Chen was changed to CPA, J.C. Chih		
Specify whether appointer or CPA terminates or rejects the appointment	Concerned party		
	Circumstance	CPA	Appointer
	Terminate the appointment voluntarily	V	-
	Reject (refuse to accept) the appointment	-	-
The comments and causes for issue of the audit report other than unqualified opinions within the latest two years	No		
Disagreement with the publisher	Yes	-	Accounting principles or practices
		-	Disclosure of financial statement
		-	Audit scope or procedure
		-	Others
	No	V	
	Please specify it: -		

Other information to be disclosed (to be disclosed according to Article 10.5.1.4 to 10.5.1.7 of the Principles)	No		
Date of change	March 11 2026		
Cause and explanation	Due to the internal adjustments within Deloitte & Touche, the original CPA, H.W Tai. and CPA, J.C Chih was changed to CPA, W.L. Liu and CPA, P. D. Chen.		
Specify whether appointer or CPA terminates or rejects the appointment	Concerned party		
	Circumstance	CPA	Appointer
	Terminate the appointment voluntarily	V	-
	Reject (refuse to accept) the appointment	-	-
The comments and causes for issue of the audit report other than unqualified opinions within the latest two years	No		
Disagreement with the publisher	Yes	-	Accounting principles or practices
		-	Disclosure of financial statement
		-	Audit scope or procedure
		-	Others
	No	V	
	Please specify it: -		
Other information to be disclosed (to be disclosed according to Article 10.5.1.4 to 10.5.1.7 of the Principles)	No		

(2) Regarding the succeeding CPA:

Name of office	Deloitte & Touche
Name of CPA	CPA J.C. Chih
Date of appointment	Approved by Board meeting on March 5 2024
Consultation results and opinions that CPA might issue prior the engagement on accounting treatments or principles with respect to certain transactions and financial	No

reports	
Succeeding CPA's written opinion of disagreement toward the former CPA	No

Name of office	Deloitte & Touche
Name of CPA	CPA, W. L. Liu And CPA, P. D. Chen
Date of appointment	Approved by Board meeting on March 11 2026
Consultation results and opinions that CPA might issue prior the engagement on accounting treatments or principles with respect to certain transactions and financial reports	No
Succeeding CPA's written opinion of disagreement toward the former CPA	No

- (3) The former CPA's response to the issues referred to Article 10.5.1 and Article 10.5.2.3 of the Regulations Governing Information to be Published in Annual Reports of Public Companies: No.

5. The ACC Chairman, President, and managers who are responsible for finance and accounting do not have any position at CPA Firm or its affiliated companies in the most recent fiscal year.

2.4 Relevant licenses and certificates obtained about transparent financial information

Department	Name	Title	Licenses and Certificates
Finance	Doris Wu	Executive Vice President	CPA, Taiwan and United States
Finance	Ya Ping Li	Assistant Vice President	CPA, Taiwan
Finance	Wei Zhong Chen	Manager	Chartered Financial Analyst
Finance	An-Chih Cheng	Manager	Chartered Financial Analyst
Finance	Ying-Chi Lee	Assistant Coordinator	CPA, Taiwan
Accounting	Yu Ling Yang	Assistant Vice President	CPA, Taiwan and China
Accounting	Bi Chen Weng	Assistant Section Chief	CPA, Taiwan
Aduiting	Yu De Liao	Manager	Certified Internal Auditor Certified Information Systems Auditor
Auditing	Chi Wen Lu	Assistant Specialist	Certified Internal Auditor Certification in Risk Management Assurance

2.5 Changes in Shareholdings and pledge of Directors, Managers, and Shareholders with more than 10% Shareholding

1. Changes in Shareholdings:

Please visit the Market Observation Post System (MOPS) and search for Company Code: 1102 to view relevant information.

2. Shareholders transfer information:

Since the relative transfer of shareholders is non-related person, there is no information on this information.

3. Shareholders pledge information:

Since the relative transfer of shareholders is non-related person, there is no information on this information.

2.6 Information Disclosing the Relationship between any of the Company's Top 10 Shareholders

Name	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding In Name of Others		The name and relation of top10 shareholders who mutually have relations that meet the definition of the "affiliate", or mutually are spouses or within two degrees of kinship	
	Shares	%	Shares	%	Shares	%	Name	Relation
Far Eastern New Century Corporation Representative: Douglas Tong Hsu	705,509,004	19.89%	0	0%	0	0%	Far Eastern Medical Foundation Yuanta/P-shares Taiwan Dividend Plus ETF	The Same Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	The Same Chairman
			0	0%	0	0%	UOB Taiwan High Dividend Recovery ETF	Non-related party
			0	0%	0	0%	Yuanta Taiwan High Dividend Low Volatility ETF	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	The Same Chairman
			0	0%	0	0%	Yuan-Ze University	The Same Chairman
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
Far Eastern Medical Foundation Representative: Douglas Tong Hsu	182,775,987	5.15%	0	0%	0	0%	Far Eastern New Century Corporation	The Same Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	The Same Chairman
			0	0%	0	0%	UOB Taiwan High Dividend Recovery ETF	Non-related party
			0	0%	0	0%	Yuanta Taiwan High Dividend Low Volatility ETF	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	The Same Chairman
			0	0%	0	0%	Yuan-Ze University	The Same Chairman
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party

Name	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding In Name of Others		The name and relation of top10 shareholders who mutually have relations that meet the definition of the "affiliate", or mutually are spouses or within two degrees of kinship	
	Shares	%	Shares	%	Shares	%	Name	Relation
Yuanta/P-shares Taiwan Dividend Plus ETF	157,184,376	4.43%	0	0%	0	0%	Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Far Eastern Medical Foundation Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	Non-related party
			0	0%	0	0%	UOB Taiwan High Dividend Recovery ETF	Non-related party
			0	0%	0	0%	Yuanta Taiwan High Dividend Low Volatility ETF	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	Non-related party
			0	0%	0	0%	Yuan-Ze University	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
Yuan Ding Investment Company Representative: Douglas Tong Hsu	63,673,518	1.80%	0	0%	0	0%	Far Eastern New Century Corporation	The Same Chairman
			0	0%	0	0%	Far Eastern Medical Foundation Yuanta/P-shares Taiwan Dividend Plus ETF	The Same Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	UOB Taiwan High Dividend Recovery ETF	Non-related party
			0	0%	0	0%	Yuanta Taiwan High Dividend Low Volatility ETF	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	The Same Chairman
			0	0%	0	0%	Yuan-Ze University	The Same Chairman
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
UOB Taiwan High Dividend	62,831,000	1.77%	0	0%	0	0%	Far Eastern New Century Corporation	Non-related party

Name	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding In Name of Others		The name and relation of top10 shareholders who mutually have relations that meet the definition of the "affiliate", or mutually are spouses or within two degrees of kinship	
	Shares	%	Shares	%	Shares	%	Name	Relation
Recovery ETF			0	0%	0	0%	Far Eastern Medical Foundation Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuanta Taiwan High Dividend Low Volatility ETF	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	Non-related party
			0	0%	0	0%	Yuan-Ze University	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
Yuanta Taiwan High Dividend Low Volatility ETF	61,117,000	1.72%	0	0%	0	0%	Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Far Eastern Medical Foundation Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	Non-related party
			0	0%	0	0%	UOB Taiwan High Dividend Recovery ETF	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	Non-related party
			0	0%	0	0%	Yuan-Ze University	Non-related party
	50,051,152	1.41%	0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Far Eastern New Century Corporation	Non-related party

Name	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding In Name of Others		The name and relation of top10 shareholders who mutually have relations that meet the definition of the "affiliate", or mutually are spouses or within two degrees of kinship	
	Shares	%	Shares	%	Shares	%	Name	Relation
Chunghwa Post Co., Ltd. Representative: Wang, Kwo-Tsai			0	0%	0	0%	Far Eastern Medical Foundation Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	Non-related party
			0	0%	0	0%	UOB Taiwan High Dividend Recovery ETF	Non-related party
			0	0%	0	0%	Yuanta Taiwan High Dividend Low Volatility ETF	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	Non-related party
			0	0%	0	0%	Yuan-Ze University	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
Far Eastern Department Stores Co., Ltd. Representative: Douglas Tong Hsu	50,000,492	1.41%	0	0%	0	0%	Far Eastern New Century Corporation	The Same Chairman
			0	0%	0	0%	Far Eastern Medical Foundation Yuanta/P-shares Taiwan Dividend Plus ETF	The Same Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	The Same Chairman
			0	0%	0	0%	UOB Taiwan High Dividend Recovery ETF	Non-related party
			0	0%	0	0%	Yuanta Taiwan High Dividend Low Volatility ETF	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Yuan-Ze University	The Same Chairman
Yuan-Ze University	48,708,757	1.37%	0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Far Eastern New Century Corporation	The Same Chairman

Name	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding In Name of Others		The name and relation of top10 shareholders who mutually have relations that meet the definition of the "affiliate", or mutually are spouses or within two degrees of kinship	
	Shares	%	Shares	%	Shares	%	Name	Relation
Representative: Douglas Tong Hsu			0	0%	0	0%	Far Eastern Medical Foundation Yuanta/P-shares Taiwan Dividend Plus ETF	The Same Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	The Same Chairman Non-related party
			0	0%	0	0%	UOB Taiwan High Dividend Recovery ETF	Non-related party
			0	0%	0	0%	Yuanta Taiwan High Dividend Low Volatility ETF	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	The Same Chairman
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
Labor Pension Fund Committee of Far Eastern New Century Corporation	44,738,049	1.26%	0	0%	0	0%	Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Far Eastern Medical Foundation Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	Non-related party
			0	0%	0	0%	UOB Taiwan High Dividend Recovery ETF	Non-related party
			0	0%	0	0%	Yuanta Taiwan High Dividend Low Volatility ETF	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	Non-related party
			0	0%	0	0%	Yuan-Ze University	Non-related party

2.7 Shareholding Proportion of ACC to Investees

Unit: share, %
Dec. 31, 2025

Investees	Investments by ACC		Investments by Directors, Supervisors, Managers and Directly or Indirectly Controlled Businesses		Total Investments	
	Shares	%	Shares	%	Shares	%
Asia Investment Corp.	559,766,410	100.00%	-	0.00%	559,766,410	100.00%
Sunrise Industrial Holdings Ltd.	90,000	100.00%	-	0.00%	90,000	100.00%
Yuan Long Stainless Steel Corp.	200,000,000	100.00%	-	0.00%	200,000,000	100.00%
Asia Cement (Singapore) Pte. Ltd.	10,500,000	100.00%	-	0.00%	10,500,000	100.00%
Nan Hwa Cement Corp.	26,139,000	99.98%	5,000	0.02%	26,144,000	100.00%
Asia Engineering Enterprise Corp.	8,108,397	99.93%	6,000	0.07%	8,114,397	100.00%
Der Ching Investment Corp.	965,451,374	99.99%	8,753	0.00%	965,460,127	99.99%
Ya Tung Ready-Mixed Concrete Corp.	199,992,732	99.99%	7,268	0.00%	200,000,000	99.99%
Fu Ming Transportation Co., Ltd.	81,348,307	99.96%	13,761	0.02%	81,362,068	99.98%
Chiahui Power Corp.	568,804,972	99.79%	45,568	0.01%	568,850,540	99.80%
FEDS Development Ltd.	53,250,000	25.00%	159,750,000	75.00%	213,000,000	100.00%
Yuan Ding Co., Ltd.	196,457,648	35.50%	267,172,109	48.28%	463,629,757	83.78%
Everstrong Iron & Steel Foundry Ltd.	16,271,969	83.97%	-	0.00%	16,271,969	83.97%
Asia Cement (China) Holdings Corp.	1,061,209,202	67.73%	71,115,298	4.54%	1,132,324,500	72.27%
Ya Li Transportation Corp.	5,160,817	51.61%	-	0.00%	5,160,817	51.61%
Everstrong Iron & Steel Foundry Ltd.	3,199,823	40.40%	660,000	8.33%	3,859,823	48.73%
Yuan Ding Leasing Corp.	34,640,189	43.60%	-	0.00%	34,640,189	43.60%
U-Ming Marine Transport Corp.	331,701,152	39.25%	19,790,517	2.34%	351,491,669	41.59%
Oriental Securities Corp.	79,929,133	18.93%	85,549,733	20.26%	165,478,866	39.19%
Far Eastern New Century Corp.	1,226,945,085	22.92%	445,497,589	8.32%	1,672,442,674	31.24%
Yue Yuan Investment Corp.	155,000,830	29.92%	515,000	0.10%	155,515,830	30.02%
China Shanshui Cement Group Ltd.	331,878,315	7.62%	428,393,000	9.84%	760,271,315	17.46%

III Capital Formation

3.1 Capital and Shares

3.1.1 Capital Increase in the Recent Five Years

Book closure date: Mar. 30, 2026

Date	Par Value	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital	Capital Increased by Assets Other than Cash	Others
Dec.2014	NT\$10	3,600,000,000	36,000,000,000	3,361,447,198	33,614,471,980	Dividend	None	Note1
Apr.2021	NT\$10	4,000,000,000	40,000,000,000	3,367,379,460	33,673,794,600	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Jul.2021	NT\$10	4,000,000,000	40,000,000,000	3,446,057,251	34,460,572,510	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Aug.2021	NT\$10	4,000,000,000	40,000,000,000	3,523,384,400	35,233,844,000	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Sep.2021	NT\$10	4,000,000,000	40,000,000,000	3,544,174,122	35,441,741,220	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Oct.2021	NT\$10	4,000,000,000	40,000,000,000	3,545,572,071	35,455,720,710	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Apr.2022	NT\$10	4,000,000,000	40,000,000,000	3,545,927,557	35,459,275,570	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Apr.2023	NT\$10	4,000,000,000	40,000,000,000	3,546,562,881	35,465,628,810	Exchange of Overseas Unsecured Convertible Bonds	None	Note2

Note1: Ruling Ref. No. and effective date for capitalization of share dividends was No. 10301193070 dated 2014/9/17.

Note2: The overseas unsecured convertible bonds were approved by the Financial Supervisory Commission with Ruling Ref. No. 1070312574 dated 2018/5/2.

3.1.2 Capital

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Shares	3,546,562,881 Available for trading on the TWSE	453,437,119	4,000,000,000	-

3.1.3 Shelf Registration : None

Preferred Share

Book closure date: Mar. 30, 2026

Class of Shareholding (Unit: Share)	Number of shareholders	Number of shares	Holding Percentage
NA	0	0	0

3.1.4 List of Major Shareholders

Book closure date: Mar. 30, 2026

Major Shareholder	Shares	Number of Shares	Holding Percentage
Far Eastern New Century Corporation		705,509,004	19.89%
Far Eastern Medical Foundation		182,775,987	5.15%
Yuanta/P-shares Taiwan Dividend Plus ETF		157,184,376	4.43%
Yuan Ding Investment Company		63,673,518	1.80%
UOB Taiwan High Dividend Recovery ETF		62,831,000	1.77%
Yuanta Taiwan High Dividend Low Volatility ETF		61,117,000	1.72%
Chunghwa Post Co., Ltd.		50,051,152	1.41%
Far Eastern Department Stores Co., Ltd.		50,000,492	1.41%
Yuan-Ze University		48,708,757	1.37%
Labor Pension Fund Committee of Far Eastern New Century Corporation		44,738,049	1.26%
Total		1,426,589,335	40.21%

3.1.5 Dividend Policy & Implementation Status

1. Dividend Policy

The Company's profits distribution or loss appropriation may be made after the end of each quarter. If the profits distribution is paid in cash, it shall be dealt with by the resolution of the board of directors in accordance with the provisions of Article 228-1 and Article 240 Paragraph 5 of the Company Act, and shall be reported to the shareholders' meeting.

When the Company distributes profits of the first three quarters, it shall first estimate and retain the taxation, employee compensation and directors' remuneration, make up for losses and set aside statutory surplus reserves in accordance with the law. However, when the legal reserve

has reached the paid-in capital, it may no longer be listed.

Apart from paying all its income taxes in the case where there are net incomes at the end of the year, the Company shall first utilize the sum of said profit and the amount of profit (or loss) items adjusted to the current year's undistributed earnings other than the said profit for offsetting accumulated losses in past years. Where there is still balance, the Company shall set aside 10% of the remaining profit as legal reserve provided that the amount of accumulated legal reserve has not reached the amount of the paid-in capital of the Company, then set aside a special capital reserve as required by law. Subject to certain business conditions under which the Company may retain a portion of the remaining balance, the Company may distribute to the shareholders the remainder together with undistributed profits from previous years in proportion to the number of the shares held by each shareholder as shareholders' dividend. However, in the case of increase in the Company's share capital, the shareholders' dividend to be distributed to the shareholders of increased shares for the year shall be decided by the shareholders' meeting.

The distribution of shareholders' dividend shall take into consideration the changes in the outlook for the Company's businesses, the lifespan of the various products or services that have an impact on future capital needs and taxation. Shareholders' dividend shall be distributed aimed at maintaining the stability of shareholders' dividend distributions. Save for the purposes of improving the financial structure, reinvestments, production expansion or other capital expenditures in which capital is required, when distributing shareholders' dividend, the dividend payout ratio each fiscal year shall be no less than fifty percent (50%) of the final surplus which is the sum of after-tax profit of the fiscal year to withhold previous loss, if any, legal reserve and special reserve as required by law; the cash dividend shall not be less than 10% of the shareholders' dividend distributed in the same year.

2. The Company's dividend in recent years:

Year	Cash Dividend	Ratio of Total Dividend	Stock dividend	Ratio of Total Dividend	Total dividend
2020	NT \$3.46	100%	NT \$0	0%	NT \$3.46
2021	NT \$3.4	100%	NT \$0	0%	NT \$3.4
2022	NT \$2.3	100%	NT \$0	0%	NT \$2.3
2023	NT \$2.1	100%	NT \$0	0%	NT \$2.1
2024	NT \$2.2	100%	NT \$0	0%	NT \$2.2
2025 (Approved by BOD)	NT \$2.3	100%	NT \$0	0%	NT \$2.3

The net income after tax for FY2025 is NT\$ 10,029,822,640, the Board of Directors has approved the fourth quarter cash dividend of NT\$ 2.3 per share, which is summed up to NT\$ 8,157,094,626 in total.

3.1.6 Effects on Business Performance and EPS Resulting from Stock Dividend Distribution

Not applicable because of no stock distribution.

3.1.7 Employees' Compensation and Directors' Remuneration

1. The percentages or ranges with respect to employees' compensation and directors' remuneration as set forth in the Asia Cement Corporation's Articles of Incorporation: Pursuant to the Articles

of Incorporation for distribution 0.1%~4% as employees' compensation and distribution less than 2.5% as directors' remuneration base on the profit of the current year. However, the company's accumulated losses shall have been covered. The company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, determine the actual ratio, amount, form (in the form of shares or in cash) and the number of shares of the profit distributable as employees' compensation; and a report of such distribution shall be submitted to the shareholders' meeting. The actual ratio and amount of the profit distributable as directors' remuneration shall also be determined by Board of Directors, and a report of such distribution shall be submitted to the shareholders' meeting.

- 2.(1)The basis for estimating the amount of employees' compensation and directors' remuneration: Distribution 0.1%~4% as employees' compensation and less than 2.5% as directors' remuneration shall be based on the profit before income tax of the current year.
- (2)The number of shares to be distributed as employees' compensation: NA
- (3)The accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure for the current period: the difference would be regarded as accounting estimation adjustment and recognized as the profit and loss of 2026.
3. Information on resolved by the Board of Directors on March 11, 2026 for distribution of compensation:
 - (1)The amount of any compensation distributed in cash or stocks: Employees' cash compensation is NT\$ 149,856,366. Directors' cash remuneration is NT\$ 121,000,000.
 - (2)If there is any discrepancy between that amount and the estimated are recognized for the fiscal year shall be disclosed the discrepancy amount, its cause, and the status of treatment: No discrepancy.
 - (3)The amount of any employees' compensation distributed in stocks, and the amount as a percentage of the sum of profit after income tax base on the separated financial report and total employees' compensation: NA
4. The actual distribution of employees' compensation and directors' remuneration for the previous fiscal year (with an indication of the number of shares, amount and stock price of the shares distributed), and if there is any discrepancy between the actual distribution and the recognized employees' compensation and directors' remuneration shall be disclosed the discrepancy, its cause, and the status of treatment:

The Board of Directors resolved on March 11, 2025 to distribute employees' compensation NT\$ 162,747,600 and directors' remuneration NT\$ 142,404,150. The employees' compensation and directors' remuneration was fully distributed and no discrepancy with 2024 separate financial report.

3.1.8 Buyback of Treasury Stock: None.

3.1.9 Preferred Stock: None.

3.1.10 Employee Stock Option: None.

3.1.11 Restricted Stock Awards for employees: None.

3.1.12 Merger or acquisition of other company' share to issue new share: None.

3.2 Summary of Corporate Bonds

Type of Bond Issued		2nd Unsecured Corporate Bond Issued in 2020	3rd Unsecured Corporate Bond Issued in 2020
Item			
Date Issued		Jun. 18, 2020	Sep. 23, 2020
Par Value		NT\$1,000,000	NT\$1,000,000
Issue and Trade Place		N/A	N/A
Issue Price		Par Value	Par Value
Nominal Amount		NT\$5,500,000,000	NT\$6,200,000,000
Interest Rate		Tranche A: 0.75% Tranche B: 0.83%	Tranche A: 0.65% Tranche B: 0.73%
Term		Tranche A : Five Years. Maturity : Jun. 18, 2025 Tranche B : Seven Years. Maturity : Jun. 18, 2027	Tranche A : Five Years. Maturity : Sep. 23, 2025 Tranche B : Seven Years. Maturity : Sep. 23, 2027
Guaranty/Guarantor		None	None
Trustee		China Trust Commercial Bank, Trust Department	China Trust Commercial Bank, Trust Department
Underwriter		Yuanta Securities Co., Ltd.	Masterlink Securities Corporation
Certified Lawyer		M.T.HUANG	M.T.HUANG
Certified Public Accountant		H.W. Tai, Y.W. Fan	H.W. Tai, Y.W. Fan
Repayment Method		Repayment In Lump Sum Upon Maturity	Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$2,700,000,000	NT\$2,200,000,000
Redemption Clauses		None	None
Restrictive Covenants		None	None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Stable Bond Ratings: - Credit rating date: Oct. 23, 2019	Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Stable Bond Ratings: - Credit rating date: Oct. 23, 2019
Convertible	Amount Converted	None	None
	Issue/ Conversion Rules	None	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions.		None	None
Custodian		None	None

Type of Bond Issued		4th Unsecured Corporate Bond Issued in 2020	1st Unsecured Corporate Bond Issued in 2021
Item			
Date Issued		Dec. 23, 2020	Aug. 5, 2021
Par Value		NT\$1,000,000	NT\$1,000,000
Issue and Trade Place		N/A	N/A
Issue Price		Par Value	Par Value
Nominal Amount		NT\$9,400,000,000	NT\$6,300,000,000
Interest Rate		Tranche A: 0.57% Tranche B: 0.65%	0.60%
Term		Tranche A : Five Years. Maturity : Dec. 23, 2025 Tranche B : Seven Years. Maturity : Dec. 23, 2027	Five Years. Maturity: Aug. 5, 2026
Guaranty/Guarantor		None	None
Trustee		China Trust Commercial Bank, Trust Department	China Trust Commercial Bank, Trust Department
Underwriter		Yuanta Securities Co., Ltd.	KGI Securities Co., Ltd.
Certified Lawyer		M.T.HUANG	M.T.HUANG
Certified Public Accountant		H.W. Tai, Y.W. Fan	H.W. Tai, P.D. Chen
Repayment Method		Repayment In Lump Sum Upon Maturity	Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$5,300,000,000	NT\$6,300,000,000
Redemption Clauses		None	None
Restrictive Covenants		None	None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Positive Bond Ratings: - Credit rating date: Sep. 28, 2020	Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Positive Bond Ratings: - Credit rating date: Sep. 28, 2020
Convertible	Amount Converted	None	None
	Issue/ Conversion Rules	None	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions		None	None
Custodian		None	None

Type of Bond Issued		1st Unsecured Corporate Bond Issued in 2023	1st Unsecured Corporate Bond Issued in 2024
Item			
Date Issued		Apr. 27, 2023	Apr. 26, 2024
Par Value		NT\$1,000,000	NT\$1,000,000
Issue and Trade Place		N/A	N/A
Issue Price		Par Value	Par Value
Nominal Amount		NT\$4,000,000,000	NT\$3,700,000,000
Interest Rate		1.60%	Tranche A: 1.70% Tranche B: 1.77%
Term		Five Years. Maturity: Apr. 27, 2028	Tranche A : Five Years. Maturity : Apr. 26, 2029 Tranche B : Seven Years. Maturity : Apr. 26, 2031
Guaranty/Guarantor		None	None
Trustee		China Trust Commercial Bank, Trust Department	China Trust Commercial Bank, Trust Department
Underwriter		Yuanta Securities Co., Ltd.	Yuanta Securities Co., Ltd.
Certified Lawyer		M.T.HUANG	N.C. Liao
Certified Public Accountant		H.W. Tai, P.D. Chen	H.W. Tai, P.D. Chen
Repayment Method		Repayment In Lump Sum Upon Maturity	Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$4,000,000,000	NT\$3,700,000,000
Redemption Clauses		None	None
Restrictive Covenants		None	None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twAA- Short term Credit Ratings: twA-1+ Outlook: Stable Bond Ratings: - Credit rating date: Oct. 11, 2022	Taiwan Ratings Corporation Long term Credit Ratings: twAA- Short term Credit Ratings: twA-1+ Outlook: Negative Bond Ratings: - Credit rating date: Sep. 26, 2023
Convertible	Amount Converted	None	None
	Issue/ Conversion Rules	None	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions		None	None
Custodian		None	None

Type of Bond Issued		1st Unsecured Corporate Bond Issued in 2025	2nd Unsecured Corporate Bond Issued in 2025
Item			
Date Issued		Apr. 29, 2025	Jul. 29, 2025
Par Value		NT\$1,000,000	NT\$1,000,000
Issue and Trade Place		N/A	N/A
Issue Price		Par Value	Par Value
Nominal Amount		NT\$4,300,000,000	NT\$3,000,000,000
Interest Rate		2.10%	2.08%
Term		Five Years. Maturity: Apr. 29, 2030	Five Years. Maturity: Jul. 29, 2030
Guaranty/Guarantor		None	None
Trustee		China Trust Commercial Bank, Trust Department	China Trust Commercial Bank, Trust Department
Underwriter		Fubon Securities Co., Ltd.	Yuanta Securities Co., Ltd.
Certified Lawyer		N.C. Liao	N.C. Liao
Certified Public Accountant		H.W. Tai, J.C. Chih	H.W. Tai, J.C. Chih
Repayment Method		Repayment In Lump Sum Upon Maturity	Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$4,300,000,000	NT\$3,000,000,000
Redemption Clauses		None	None
Restrictive Covenants		None	None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twAA- Short term Credit Ratings: twA-1+ Outlook: Stable Bond Ratings: - Credit rating date: Sep. 23, 2024	Taiwan Ratings Corporation Long term Credit Ratings: twAA- Short term Credit Ratings: twA-1+ Outlook: Stable Bond Ratings: - Credit rating date: Sep. 23, 2024
Convertible	Amount Converted	None	None
	Issue/ Conversion Rules	None	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions.		None	None
Custodian		None	None

Type of Bond Issued		3rd Unsecured Corporate Bond Issued in 2025	4th Unsecured Corporate Bond Issued in 2025
Item			
Date Issued		Sep. 22, 2025	Dec. 22, 2025
Par Value		NT\$1,000,000	NT\$1,000,000
Issue and Trade Place		N/A	N/A
Issue Price		Par Value	Par Value
Nominal Amount		NT\$6,000,000,000	NT\$5,500,000,000
Interest Rate		1.90%	1.75%
Term		Five Years. Maturity: Sep. 22, 2030	Five Years. Maturity: Dec. 22, 2030
Guaranty/Guarantor		None	None
Trustee		China Trust Commercial Bank, Trust Department	China Trust Commercial Bank, Trust Department
Underwriter		Yuanta Securities Co., Ltd.	Fubon Securities Co., Ltd.
Certified Lawyer		N.C. Liao	N.C. Liao
Certified Public Accountant		H.W. Tai, J.C. Chih	H.W. Tai, J.C. Chih
Repayment Method		Repayment In Lump Sum Upon Maturity	Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$6,000,000,000	NT\$5,500,000,000
Redemption Clauses		None	None
Restrictive Covenants		None	None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twAA- Short term Credit Ratings: twA-1+ Outlook: Stable Bond Ratings: - Credit rating date: Sep. 23, 2024	Taiwan Ratings Corporation Long term Credit Ratings: twAA- Short term Credit Ratings: twA-1+ Outlook: Stable Bond Ratings: - Credit rating date: Sep. 24, 2025
Convertible	Amount Converted	None	None
	Issue/ Conversion Rules	None	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions.		None	None
Custodian		None	None

Type of Bond Issued		1st Unsecured Corporate Bond Issued in 2026
Item		
Date Issued		May. 8, 2026
Par Value		NT\$1,000,000
Issue and Trade Place		N/A
Issue Price		Par Value
Nominal Amount		NT\$4,300,000,000
Interest Rate		1.92%
Term		Five Years. Maturity: May. 8, 2031
Guaranty/Guarantor		None
Trustee		China Trust Commercial Bank, Trust Department
Underwriter		Yuanta Securities Co., Ltd.
Certified Lawyer		N.C. Liao
Certified Public Accountant		H.W. Tai, J.C. Chih
Repayment Method		Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$4,300,000,000
Redemption Clauses		None
Restrictive Covenants		None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twAA- Short term Credit Ratings: twA-1+ Outlook: Stable Bond Ratings: - Credit rating date: Sep. 24, 2025
Convertible	Amount Converted	None
	Issue/ Conversion Rules	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions.		None
Custodian		None

3.3 Summary of Issued GDR

None.

3.4 Status on Execution of Capital Utilization Plans

Funds utilization plans have not been completed or have been completed in past 3 years but their benefits have not been appeared: none.

IV Overview of Business Operation

4.1 Business Introduction

4.1.1 Business Scope

1. Scope of Business:

- | | |
|--|---|
| 01. C901030 Cement manufacturing | 11. H701010 Developing, leasing, and selling residential and business buildings |
| 02. C901040 Ready-mixed concrete manufacturing | 12. H701020 Developing, leasing, and selling industrial factories |
| 03. B601010 Quarrying | 13. H703100 Real estate rental & leasing |
| 04. C901050 Cement and ready-mixed concrete products | 14. H703090 Real estate sale & purchase |
| 05. C901990 Non-metallic mineral products | 15. JE01010 Rental and leasing |
| 06. F111090 Whole sale of building materials | 16. G202010 Parking-lot business |
| 07. F211010 Retail sale of building materials | 17. G801010 Warehousing |
| 08. F401010 International trade | 18. I103060 Business management consultation services |
| 09. IZ06010 Tally and packing | 19. J101040 Waste treatment |
| 10. A201010 Afforestation business | |

In addition to permitted scope of business, the Company can broaden its business not prohibited or restricted by laws.

2. Main Business and Percentage:

- A. Production and sales of Cement and clinker: 94%.
- B. Granulated blast-furnace slag: 6%.

3. New Product Research & Development: None.

4.1.2 Industry Overview

1. Market situation and future outlook

- A. According to statistics from the Taiwan Cement Manufacturers' Association, total cement sales by all domestic industry participants amounted to 9,948,251 metric tons, representing a year-on-year (YoY) decrease of 0.5%. Among these, domestic sales totaled 9,838,751 metric tons (YoY -0.29%), while export sales reached 109,500 metric tons (YoY -15.89%). In addition, cement imports amounted to 4,033,775 metric tons, representing a YoY increase of 13.4%.

In 2025, the Company's domestic cement sales reached 3,325,027 metric tons, representing a YoY increase of 9.22%, accounting for 33.79% of domestic producers' sales and 23.96% of total cement consumption in Taiwan.

In 2025, Taiwan's economic performance benefited from front-loaded demand driven by the tariff buffer period, as well as robust global semiconductor demand fueled by the AI boom. In the construction sector, investments in high-tech manufacturing facilities continued to expand, which is expected to sustain growth momentum. However, weak demand for new residential projects and ongoing conflicts in the Middle East, which are gradually pushing up construction costs, suggest that the outlook for the construction industry will remain generally neutral.

Overall, Taiwan's economy in 2025 exhibited a pattern of strong external demand and moderate domestic demand.

Total domestic cement consumption reached 13,900,733 metric tons, representing a YoY increase of 3.54%, while per capita annual consumption was 597 kilograms, a YoY increase of 4.01%.

B. For the year 2026:

(1) Outlook of the Domestic Market:

Overall momentum in 2026 is expected to moderate slightly or remain stable compared to 2025. Key variables impacting the economic outlook include the development of the AI industry, U.S. tariff policies, geopolitical tensions involving Iran and energy market disruptions, as well as China's overcapacity issues.

In Taiwan, the Executive Yuan is actively promoting the "New Ten Major AI Infrastructure Projects," focusing on three pillars: smart applications, key technologies, and digital infrastructure. These initiatives aim to facilitate the adoption of AI across all industries, develop sovereign AI capabilities and computing centers, and ultimately establish a "smart living ecosystem for all." Supported by these policies, Taiwan's economic growth is expected to remain strong, with the Directorate-General of Budget, Accounting and Statistics (DGBAS) projecting GDP growth to exceed 7% in 2026.

In terms of domestic construction demand, although issues related to earthwork supply are expected to gradually ease following the implementation of supporting measures by regulators, and with partial approval of emerging infrastructure project budgets by the Legislative Yuan enabling project tenders to commence, public sector construction activities are expected to maintain growth. Furthermore, continued AI-driven demand will support ongoing investments by high-tech manufacturers both domestically and overseas, sustaining demand for plant construction, mechanical and electrical works, and pipeline engineering projects.

However, given the weak pipeline of new residential developments and rising construction material costs driven by persistent geopolitical conflicts, the overall outlook for the construction sector is expected to remain neutral.

In the real estate market, according to the Ministry of the Interior, the number of property transfer registrations in 2025 totaled approximately 260,000 units, marking a YoY decline of approximately 89,200 units (-25.4%), indicating a weak transaction volume environment.

Looking ahead to 2026, the housing market will continue to be affected by the Central Bank's seventh round of selective credit controls, dampening buying sentiment and resulting in a persistently weak market. Although adjustments such as increasing the loan-to-value ratio for second-home mortgages to 60% may improve liquidity marginally, overall credit conditions remain tight, and no clear signs of recovery are expected in the near term.

Overall, Taiwan's construction market in 2026 is expected to remain in a period of adjustment, influenced by mortgage policies, ongoing credit controls, inventory levels held by developers, and the progress of earthwork-related policy measures.

(2) Outlook of the Global Market:

China Market: Demand is expected to remain weak, and in order to maintain kiln utilization

rates, manufacturers have increasingly shifted to clinker exports since last year, intensifying international competition.

Northeast Asia: The Northeast Asia market remains sluggish, with Japan's demand declining to new lows, while Korea remains relatively stable. Both countries are expected to experience a decline in exports.

Southeast Asia Markets: In contrast, the Southeast Asia market remains relatively resilient, with Vietnam expected to achieve the strongest growth of 8–10%. However, due to oversupply, overall export volumes are expected to remain broadly unchanged.

U.S. Market: Overall demand is projected to decline slightly by 1–2%, although demand in import-oriented regions is expected to remain relatively stable.

The Company's Operating Strategy

The Company will continue to adhere to the principle of “prioritizing price over volume”, focusing export sales on Guam to ensure profitability.

Leveraging its triangular trade model, the Company will maintain flexibility in sourcing cement, clinker, slag, and slag powder, and reselling them across Asian markets to support stable revenue generation.

In summary, the Asian market in 2026 is expected to face challenges arising from spillover exports from China and weak demand in Northeast Asia, leading to intensified competition. Meanwhile, Southeast Asia continues to offer growth opportunities.

The Company will continue to deepen its triangular trading strategy, flexibly optimize global sourcing allocation, and strengthen its diversified market presence to effectively respond to market fluctuations.

C. In addition to root in Taiwan for on-going cement business operation, the Company will keep enhancing its competitiveness by largely expansion in China both in production and sales.

2. The relationships among the value chain of cement industry

The upstream, midstream and downstream sectors of cement industry, namely ready-mixed concrete, precast, and construction industry, are co-existed and blooming together. Nowadays, vertical integration is the trend in cement industry. As a result, the Company's operation strategy is to establish the downstream subsidiaries — Ya Tung Ready-mixed Concrete Corp. and Yali Precast & Prestressed Concrete Industries Corp., and to invest Far Eastern Construction Company and Far Eastern General Contractor Company to grasp the business opportunities.

3. Product development and company competitiveness

Although the cement products include Portland Cement Type I, Type II, and Special Cement, the major market demand is Portland Cement Type I. However, the overseas market has stronger demand for Special Cement in recent years. The ability to produce quality products and the shipping & loading efficiency has become the key competitive factors.

4.1.3 Technology and Research Development

As of Dec. 31, 2025, Unit: NT\$ thousand

	Item	Amount	Purpose and Achievement
1	Retrofit of No. 3 Cement Mill Rotor Weighing Machine to ACTEC Control	1,900	The rotor weighing machine of the No. 3 cement mill in this plant originally adopted the control system designed by Shanxi Sidebo Company. It is planned to be retrofitted to the ACTEC control system developed by this plant. The design/manufacturing and control will be independently developed to enhance the plant's design/research and development capabilities.
2	Retrofit of No. 4 Cement Mill Rotor Weighing Machine to ACTEC Control	2,300	The rotor weighing machine of the No. 4 cement mill in this plant originally adopted the control system designed by Shanxi Sidebo Company. It is planned to be retrofitted to the ACTEC control system developed by this plant. The design/manufacturing and control will be independently developed to enhance the plant's design/research and development capabilities.
3	Retrofit of No. 2 Station Limestone Sampling Equipment to ACTEC Control	500	The existing limestone sampling equipment at Station #2 in this plant has been in service since its overhaul in 2013. The equipment is now aged and requires replacement or maintenance in order to improve the representativeness of limestone sampling for storage. This unit is responsible for modifying it to the ACTEC control system of this plant. The design/manufacturing and control will be independently developed to enhance the plant's design/research and development capabilities.
4	Introduction of Generative AI Development Platform	3,000	By the end of 2025, a generative AI development platform will be introduced and developer training will be completed. Beginning in 2026, the platform will be utilized for data visualization, data integration, and AI process application development capabilities to develop applications such as knowledge bases, ChatBots, and AI Agents. These will be applied to management systems including information security, quality, occupational safety, environment, energy, and water resources. In addition, AI assistants will be developed to support predictive maintenance, cost control, raw material import, and raw mix proportioning, etc.
5	Reduction of Quarry Blasting Vibration Value	290	The quarry adopts a staged charge blasting method. Through numerical simulation analysis, the explosive configuration is optimized so that blasting energy can act precisely on rock fragmentation, effectively enhancing mining efficiency. Meanwhile, a real-time vibration monitoring system is integrated to continuously collect blasting vibration data and establish a feedback mechanism to promptly adjust on-site blasting parameters, thereby achieving optimized

	Item	Amount	Purpose and Achievement
			blasting control. Based on actual operation results, the annual average blasting vibration velocity in 2025 was 0.050 cm/sec, which is far below the quarry's internal standard of 0.15 cm/sec, indicating that blasting vibration has been effectively controlled within a safe range. This measure balances mining efficiency and surrounding environmental safety, progressing toward a sustainable goal in which quarry "production" and residents' "living" can coexist.
6	Development of High-Gravity Carbon Capture Technology	4,340	Asia Cement Hualien Plant completed the laboratory-scale setup of high-gravity carbon capture technology in 2025. Through the high-efficiency mass transfer effect generated by high-gravity equipment, carbon dioxide capture efficiency has been significantly improved. Experimental results indicate that the current carbon capture rate can reach up to 1.5 kg-CO₂/h, and the maximum carbon capture capacity can reach approximately 200 kg CO₂ per metric ton of industrial by-products or waste. In addition, data collection, optimization of operating parameters, and feasibility assessment for scale-up have also been completed, providing a technical foundation for subsequent pilot-scale development.
7	Development of Local Clay Activation	680	Asia Cement Hualien Plant, with "local clay activation development" as its core, systematically evaluates clay resources across Taiwan. Through diversified activation methods, the material reactivity is effectively enhanced. As of 2025, multiple clay materials have been successfully activated. The product performance complies with CNS 3036 "Calcined Natural Pozzolan Materials for Concrete", featuring advantages such as high fineness, low water demand, and high activity index. It demonstrates strong potential for clinker substitution and possesses application value for low-carbon cement products.
Total		13,010	

4.1.4 Short-term Business Plan

- ◎ To strengthen the existing domestic and international channels of cement sales.
- ◎ To reduce costs and to maintain fully sell out the estimated production volume and sound profitability.
- ◎ Promote the brand value and maintain a good relationship with customers.
- ◎ Improve products and services to improve user satisfaction.
- ◎ Strive for the opportunity of supplying major government projects.
- ◎ Optimize the product sales structure and increase the company's profitability.

- ◎ Strengthen its own ready-mix channel and product differentiation.
- ◎ Expand low carbon products.

4.1.5 Long-term Business Plan

- ◎ Maintain solid position in Taiwan - improve producing efficiency.
- ◎ Increase the investment in China (Please refer to the “I Report to Shareholders” at page 1 and the Chapter 6 of this annual report.
- ◎ Extend the global market - Find new markets, new opportunities to expand overseas operations.

4.2 General Information of Market & Production

4.2.1. Markets Analysis

1. Major Sale Markets

A. Cement and Clinker:

“Skyscraper” is the Company’s brand-name for marketing all kinds of our products. Our domestic market includes Taiwan, Penghu, Kinmen and Matsu, and our overseas market includes Guam, etc.

B. Ready-Mixed Concrete:

To provide better customer service, our subsidiary, Ya Tung Ready-Mixed Concrete Corp., has set up many plants around Taiwan, and furthermore established strategic alliance with local firms.

2. Market Share

In 2025, the Company domestic sales was 3,325,027 MT, i.e. 33.79% of the sales amount of all domestic cement producers, which was equal to 23.96% of total cement consumption in Taiwan.

3. Market supply forecast, growth opportunity, and business competitiveness:

Outlook for 2026:

Domestic Market:

Looking ahead to 2026, private construction projects will continue to be affected by the Central Bank’s seventh round of selective credit controls, which suppresses market demand. The market is expected to remain in a seasonally weak phase with a softening outlook, and is unlikely to move out of a low cycle in the near term.

Nevertheless, the government is expected to continue implementing stimulus measures and actively promoting public infrastructure projects. The total public construction budget for 2026 is projected to reach approximately NTD 670 billion, maintaining a relatively high level of investment.

Overall, the continued expansion of semiconductor plant construction projects is expected to support construction momentum and partially improve the outlook. However, with the implementation of new regulations governing surplus earth and rock disposal, issues related to disposal channels and execution are gradually emerging, which may affect the progress of subsequent projects. As a result, the construction industry’s outlook is expected to remain generally neutral.

In addition, factors such as raw material costs, labor costs, environmental protection expenses, energy prices, ocean freight rates, and import volumes of cement will continue to be key determinants affecting both market volume and pricing.

Export Market:

At present, the Company’s export market is primarily focused on Guam. Adhering to the principle of prioritizing price over volume, the Company maintains a stable level of profitability.

In addition, the Company will continue to expand its overseas business through trading activities, in order to meet the needs of international customers.

China Market:

In China, the production, storage, and transportation facilities of the Company constitute an effective competitive niche for the Company.

4. Positive factors for the industry development

A. Public Infrastructure Investment

In 2026, the government is expected to continue its expansionary fiscal policies, actively promoting and executing various public construction projects and tenders. The total public infrastructure budget is expected to remain at a high level, approaching NTD 670 billion. Major projects, including: Taipei MRT Circular Line (North and South Sections), Taipei MRT Wanda Line Phase II, Taoyuan International Airport Terminal 3 Project, Taoyuan MRT Green Line, Taoyuan Railway Underground Project, Kaohsiung MRT Yellow Line (Full Line), Kaohsiung MRT Red Line Extension (Gangshan–Luzhu), Public housing turnkey projects.

B. Private Sector Construction

In the private sector, the government will continue expanding the development of social housing nationwide. The Ministry of the Interior plans to deliver 250,000 directly constructed units and 250,000 units under rental management programs between 2025 and 2032. In addition, efforts to accelerate urban renewal and reconstruction of unsafe buildings are expected to support domestic investment in construction. However, rising raw material prices and labor shortages remain key uncertainties for future development and require ongoing observation.

5. Negative factors and the solutions

A. Structural and Regulatory Constraints

Factors such as industrial relocation, increasing environmental awareness, and carbon emission restrictions have made both public and private construction projects more cautious and difficult to advance, limiting significant expansion in domestic cement demand.

B. Export Restrictions

Pursuant to relevant trade regulations, the Ministry of Economic Affairs has imposed limits on cement exports. Since 2011, the export ratio of domestically produced cement (including clinker) has been gradually reduced, and in 2025 it has been lowered to within 20% of total production, resulting in a domestic oversupply situation.

C. Mining Regulation

Following amendments to the Mining Act, the industry is subject to more stringent regulatory requirements and operational constraints.

D. Cost Pressures

Increased costs, including: mineral tax in Hualien from NTD 10 to NTD 70 per metric ton. Rising raw material prices have led to higher operating costs and increased business challenges for the cement industry.

E. Countermeasures

For domestic market, the Company will strengthen its market position, enhance the efficiency of its production, transportation, and sales operations, and reinforce downstream distribution channels. For international market, the Company will continue to identify high-quality target markets, establish production and distribution bases, and expand its customer base in emerging markets through trading activities, with the goal of achieving stable profitability.

4.2.2 Application of Major Cement Products

1. Portland Cement Type I:

It is known as ordinary cement, used for all structural projects which are not particularly exposed to sulphuric acid or underground water. Most of the current market supply is in this category.

2. Portland Cement Type II:

With lower hydration heat than Portland Cement Type I as well as low alkalis and moderate resistance to sulfate, Portland Cement Type II is for large-scale structures. It is resistant against cracking and erosion by sea water, salt, and alkali. The general purposes are as follows:

A. Underground foundation engineering: Tower Building Basement, underpass, sewers, tunnels and massive underground rapid transit systems.

B. Large-scale concrete works: Bridges, dams, water retention facilities, valve based structure.

C. Construction subject to erosion by sea water and sea wind: dock, breakwaters, caisson, breeding plants, harbors, and others.

D. Project that requires resistance to sulfate: Sewage treatment plants and chemical engineering.

3. Special Purpose Cement: Produced to meet customers' special needs.

4. Production process:

All types of cement are produced in accordance to a fixed proportion of mixtures, in the following steps:

A. Limestone and clay are mixed and ground into raw meal.

B. Raw meal is poured into the rotary kiln and burned in high temperature to produce clinker.

C. Clinker is mixed with gypsum and ground into cement.

D. Cement is sold in bulk or packages.

4.2.3 Supply Condition of Main Raw Materials

The main raw materials and fuel include limestone, slag, iron sand, gypsum, and coal, which are procured through short- and long-term contracts depending on market conditions each year.

1. Limestone: Mostly self-produced, with a small portion purchased from domestic mining area and foreign suppliers.

2. Slag: Purchased from overseas steel mills.

3. Iron sand: Purchased from domestic steel mills.

4. Gypsum: Purchased from domestic power plants as well as foreign mines and chemical plants.

5. Coal: Purchased from foreign mining companies.

4.2.4 Major Suppliers Information for the Last Two Years

Unit: NT\$1,000

Item	2024				2025			
	Company Name	Amount	%	Relation with Issuer	Company Name	Amount	%	Relation with Issuer
1	Glencore Coal Sales PTY Limited	659,439	17.31	Raw material supplier	Glencore Coal Sales PTY Limited	531,793	26.31	Raw material supplier
2	Taiwan Ya De Ding Co., Ltd	458,263	12.03	Raw material supplier	Taiwan Ya De Ding Co., Ltd	223,480	11.06	Raw material supplier
	Others	2,691,135	70.66		Others	1,265,848	62.63	
	Net Total Supplies	3,808,837	100.00		Net Total Supplies	2,021,121	100.00	

Variations are because of market mechanisms.

4.2.5 Major Clients Information for the Last Two Years

Unit: NT\$1,000

Item	2024				2025			
	Company Name	Amount	%	Relation with Issuer	Company Name	Amount	%	Relation with Issuer
1	Ya Tung Ready-Mixed Concrete Co.	2,451,813	23.58	Subsidiary	Ya Tung Ready-Mixed Concrete Co.	2,902,221	24.60	Subsidiary
	Others	7,943,915	76.42		Others	8,893,470	75.40	
	Net Sales	10,395,728	100.00		Net Sales	11,795,691	100.00	

Variations are because of market mechanisms.

4.3 Human Resources

Year		2024	2025	As of Mar. 31, 2026
Number of Employees	132	142	144	139
	29	29	29	29
	303	295	292	297
	464	466	465	465
Average Age		45.31	45.41	45.53
Average Years of Service		15.63	15.34	15.43
Education	0.65%	0.64%	0.64%	0.64%
	18.49%	18.88%	19.10%	17.81%
	47.10%	48.71%	48.71%	48.28%
	31.18%	29.61%	29.40%	30.69%
	2.58%	2.15%	2.15%	2.58%

4.4 Expenditures on Environmental Protection

As of Dec. 31, 2025

Unit: NT\$ 1,000

Item	Amount	Purpose and Results
Ammonia Water Cost for NOx Reduction	14,819	In response to the tightening of the Cement Industry Air Pollutant Emission Standards, NOx emission limits have been gradually reduced (300 ppm from Jan 1, 2024; 220 ppm from Jan 1, 2026). To ensure emissions comply with environmental regulations, an SNCR (Selective Non-Catalytic Reduction) system was installed at the end of 2023. The ammonia water cost for NOx reduction in 2025 was NTD 14,818,677.
No.2 Coal Mill Electrostatic Precipitator Conversion to Baghouse	94,200	(1) The No.2 coal mill electrostatic precipitator, in operation since 1992, has experienced electrode deformation and corrosion, reducing efficiency and causing dust emissions that may violate emission standards. (2) During shutdown, malfunction may increase excess emission duration and frequency, potentially violating Air Pollution Control Act. (3) With stricter regulations and higher public awareness, abnormal emissions may affect corporate image. (4) Therefore, the ESP will be replaced with a baghouse system, expected completion in December 2026.
CEMS Computer Upgrade Project	600	(1) In response to regulatory amendments and new monitoring items (HCl, CO), software and hardware will be upgraded. (2) Existing industrial computer (Windows 7, used for 10+ years) will be upgraded to Windows 11 or above in line with cybersecurity

Item	Amount	Purpose and Results
		policy. (3) Renewal of maintenance for dedicated server hardware.
Mine Site Greening and Maintenance Expenses	6,173	Hualien plant continues mine rehabilitation; total restored and greened area reached 74.3 hectares, with operational area 17.0 hectares, representing approximately 81.4% coverage. Proprietary rapid greening techniques are applied.
Others	256,701	(1) Environmental expenses (dust collectors, inspections, repairs): NTD 4,894,187; engineering applications: NTD 16,791,548; materials: NTD 12,100,989. (2) Environmental-related capital expenditures: NTD 199,697,680. (3) Mine greening expenses: NTD 22,624,897. (4) Training expenses: NTD 591,795.
Total	372,493	

According to government regulations, the Company set up the continuous emission monitoring system to monitor pollutant opacity of nitrogen oxides, sulfur oxides, and other pollutants.

◎ During the most recent fiscal year and the current fiscal year up to the printing date of the annual report, the loss (including compensation) and penalty resulted from environmental pollution: None.

◎ The restriction of RoHS (to restrict the use of hazardous chemicals) is not applicable to the Company.

4.4.1 ISO-14001 Environmental Management Systems (EMS)

1. ISO-14001 EMS has become the trend in many advanced countries.
2. In August 1996, the Hualien plant of the Company passed certification by the Bureau of Commodity Inspection and Quarantine of the Ministry of Economic Affairs (MOEA), and in November of the same year, Hualien plant became one of the first organizations in Taiwan to receive ISO-14001 certification. In July 2000, Taiwan's first Environmental Report was completed by Hualien plant according to Sustainability Reporting Guidelines of Global Reporting Initiative (GRI).
3. The affiliated Jiangxi Yadong Cement Co., Sichuan Yadong Cement Co., Hubei Yadong Cement Co., Huanggang Yadong Cement Co., and Wuhan Yaxin Cement Co., have awarded ISO-14001 certification.

4.4.2 Air Pollution Prevention

1. Cement production mainly involves a dry process, and in the event of abnormal conditions, dust dispersion can cause air pollution and result in the loss of raw materials and finished products. Therefore, our company places great importance on the effectiveness of dust collection equipment, always adopting the best available dust collection technologies during plant construction. To enhance dust prevention facilities, in 2015, the Hualien plant completed a 440-meter fully enclosed belt conveyor system along the Hsinchenshan Mine, completely preventing dust and material spillage. In 2016, the plant continued to extend the fully enclosed belt conveyor system by approximately 180 meters. In 2020, fully enclosed corrugated sheets and steel sheds with black nets were installed at the primary crusher's feed inlet to block dust, and a high-pressure water spraying system was set up at the storage yard to suppress dust, along with a 1.5 times higher surrounding barrier net wall to reduce dust dispersion. In 2023, an electric control dust suppression system with atomizing nozzles was added to the primary crusher, ensuring complete

dust capture before dispersion.

2. The Hualien plant currently has 4 electrostatic precipitators and 85 bag filters, with a total investment of over NT \$950 million. We continuously invest in various resources and have replaced the electrostatic precipitators in 2021, 2023 and 2024 with bag-type dust collectors, which offer higher dust collection efficiency. In the future, we will allocate budgets to gradually retrofit the remaining 4 electrostatic precipitators to further improve air pollution control efficiency and enhance air quality in Hualien County.
3. Due to the good maintenance of the equipment and the concerted maintenance efforts of our team, dust collection efficiency is excellent, with dust emissions far below legal limits, ensuring air quality around the plant is better than national standards.
4. Environmental protection agencies' inspections and self-monitoring have shown that chimney emissions at the Hualien plant are below 14 milligrams per cubic meter, significantly better than national standards. Due to its outstanding performance, the plant has received the Enterprise Environmental Protection Award for three consecutive years, the 8th National Environmental Education Award Hualien County Excellence Award, the Hualien County "Garden City Competition" Enterprise Group Gold Award, and the Environmental Protection Bureau's "Excellent Air Quality and Purification" Enterprise Special Award. The plant also received the Greenhouse Gas Voluntary Reduction Excellent Manufacturer Award from the Industrial Development Bureau in 2024, being the only factory in the cement industry to win this award 10 times.

4.4.3 Greening and Beautification for Quarry Restoration

1. Both Hsinchu and Hualien plants have implemented measures for soil conservation and taken actions to green the environment by planting trees and other vegetation. For many years, the Hualien plant promotes the cultivation of the native species of trees for greening the quarry and the plant.
2. As of 2025, the green restoring area is 74.3 acres which is 81.4% of the quarry, while exploiting operation area is 17 acres. In order to integrate the quarry into the surrounding environment, the Hualien Plant introduced a new forestation method for quarry restoration.
3. Due to Hualien Plant's dedication of environmental protection and engaging in community activities, the Taroko National Park cooperates with the Company to preserve native species of trees for greening and beautification of the National Park and environment guidance.
4. In 2007, the Hualien Plant was awarded for the excellent performance in the project of "promoting green communities" by the Environmental Protection Administration.

The Hualien plant was awarded the "Asia Responsible Enterprise Awards" by the Enterprise Asia for three years from 2017~2019.

4.4.4 Major Environmental Protection Work in the Future

1. Reinforcing and ensuring the normal operation of environmental facilities.
2. Practicing in industry waste reduction; avoiding pollution.
3. Improving the greening rate in factory and quarry areas.
4. Utilizing wastes as resources to take social responsibilities.
5. Endlessly enhancing the environmental measures and techniques; expecting to reach the goal of

“zero pollution”.

4.4.5 Fulfill Social Responsibilities

1. The Company volunteered to take care of greenbelts and pavements along the Dun-Hua South Road and An-He Road over a long period of time to fulfill its social responsibilities and strengthen relations with neighborhood.
2. Since 2001 on, Hualien plant has annually participated in local festivals such as lily blossom in Buluowan held by the Taroko National Park and donated potted flowers and plants for all visitors.
3. For our neighbors' traffic safety, the Hualien plant has regularly sponsored Xincheng Branch of the Hualien County Police Office to renew police stands and street lamps.
4. The Company will also sponsor local activities and facilities of the villages and towns nearby the Hsinchu and Hualien plant.
5. Employees are encouraged to serve as hospital volunteers.
6. Based on ACC corporate philosophy of “feeding back to society whatever takes from society,” the Company sponsors Far Eastern Medical Foundation, Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation, and Far Eastern Memory Foundation and participates in all kinds of public service activities.

4.5 Labor Relations

The Company complies with every regulation of labor relationship. Due to the excellent labor relations, there were no damages or penalties causing from labor disputes.

1. According to law, The Company has Industrial Welfare Committee to allot welfare fund for staffs and conduct many welfare-related activities. In factory, we have basketball courts, tennis courts, badminton courts, table tennis courts, and swimming pools, etc., as staff's recreational facilities. Health examination, group insurance, subsidies for employee's education, trips, and clubs are also included in welfare plans. The Company also provides three days of volunteer leave each year to support employees in engaging in social welfare services. There are also emergency relief loans to help employees whose economy has been severely impacted by sudden natural disasters and man-made disasters and other factors to meet their immediate needs first.

2. Employee Relations

The Company provides Employee Assistance Program (EAP) service from Hsinchu Lifeline Association, EAP Center, which offers professional counsel to all issues employees may meet, such as career development, family issues, and interpersonal relationship. We will also conduct a new personnel care questionnaire to understand the workplace adaptability of new employees and provide necessary assistance based on their feedback. In addition, various types of psychological education and care and propaganda will be posted on the company's electronic bulletin board to promote employees' mental health knowledge.

3. The Human Resources Department develops training programs and organizes courses annually based on the company's vision, mission, and business strategies. These programs are tailored to the functional requirements of different departments and employee levels. The training objectives are not only set to achieve Asia Cement's annual operational goals but also align with the

company's overall training policies. They aim to provide supervisors and employees with ample opportunities for structured learning, effectively integrating training with job application and aligning with employees' career development paths.

In 2025, the company's training programs focused on two major themes: digital transformation and ESG (Environmental, Social, and Governance) sustainable development. The training framework was designed around these two pillars, with course content further tailored to the competency needs of various job roles and hierarchical levels. The training offerings included: new employee onboarding, core competency training, professional and functional skills development, management training, digital transformation and ESG series, as well as a specialized training program for low-carbon cement business leaders. These efforts aimed to continuously enhance employees' ability to adapt to change and address new challenges.

The company also encourages internal subject-matter experts to serve as trainers, sharing their experience and knowledge through structured in-house courses. This practice strengthens organizational knowledge transfer and supports the institutionalization of training.

In addition, employees are encouraged to participate in external professional development courses offered by affiliated companies, government agencies, and accredited training institutions, according to their professional needs. This enhances their expertise and helps them stay aligned with industry and societal trends. The company also provides access to various digital learning platforms to promote more diverse and digitized learning. Furthermore, a corporate book club—supported by both digital reading platforms and in-person gatherings—hosts monthly reading activities to encourage knowledge acquisition, self-development, and knowledge sharing among employees.

Asia Cement has also continued its long-standing Modern Manager Training Program, designed for high-potential talent within the company and its subsidiaries. This program focuses on developing key competencies for senior leadership roles. Delivered by distinguished professors from top universities such as National Taiwan University, National Chengchi University, National Tsing Hua University, National Yang Ming Chiao Tung University, National Cheng Kung University, and Yuan Ze University, the program offers a rigorous 225-hour curriculum over two years. In addition to classroom training, participants take part in over 30 high-level executive meeting internships and 30 thematic seminars.

The program has demonstrated excellent results: all participants have been promoted within their roles, many have become core leaders within their departments, and some have advanced to become top executives or general managers of subsidiaries. Participants also continue to receive at least 6 hours of advanced leadership training annually and are entrusted with leading major corporate projects and contributing to strategic decision-making, thereby growing continuously in both theory and practice.

In 2025, Asia Cement employees completed a total of 453 training sessions, involving 7,591 participants and accumulating 17,210 training hours. The total investment in education and training amounted to approximately NT\$3.37 million.

4. Retirement system and retirement care

The company's "Working Rules for Employees" clearly stipulates regulations on appointment, service, assessment, rewards and punishments, promotion and retirement pensions. The Labor Retirement Reserve Fund Supervision Committee is established in accordance with the law, which allocates pension funds to government-designated institutions based on a certain proportion. The committee convenes regularly to review the allocation and utilization of pension funds to fully protect the retirement rights of employees. In addition, for employees who choose to adopt the Labor Pension Ordinance, pensions will be paid monthly to the employees' personal accounts at the Labor Insurance Bureau in accordance with the wage scale in accordance with the law to safeguard the rights and interests of employees. The company also cooperates with professional foundations to provide retired employees with face-to-face services such as retirement life planning, retirement restructuring, psychological support talks, dietary and health advice, healthy exercise guidance, social resource monitoring, legal advisory consultation, trust supervisor, etc. full range of services.

5. The Company's management philosophy "Sincerity, Diligence, Thrift, Prudence and innovation" has been firmly in every employee's heart. "Sincerity" implies honest and enthusiasm. "Diligence" indicates dedication. "Thrift" signifies frugality and modesty. "Prudence" represents deliberation and accuracy. In short, one important corporate culture of ACC is that every job should be done thoroughly, precisely, and perfectly.

In "Employment Rules of Asia Cement Corporation" mentioned above, the chapter 4 'Service', and chapter 7 'Assessment, Reward, Punishment, and Promotion' clearly illustrate the principles of conduct. In terms of management, besides emphasizing staff self-discipline, the Company also asks every department managers to take responsibilities of educating, advising, and leading their subordinates, which enables employees to fully understand the behavior and ethics criteria.

For better compliance with corporation governance, the Company has also enacted "Codes of Ethical Conduct" and "Principles for Ethical Management".

6. Policies on Occupational Safety and Health

A. Management of Occupational Safety and Health - Achieving the Target of Zero Major Occupational Accidents in 2025

- a. Guided by the concept of sustainable development and its commitment to corporate social responsibility, the Company firmly believes that only under healthy and safe working conditions can reliable and high-quality products be delivered to customers.

To create a safe and healthy working environment, which also serves as a key performance indicator for all units, the Company is committed to fulfilling its corporate sustainability objectives by establishing a comprehensive occupational safety and health (OSH) management system. In compliance with applicable laws and stakeholder expectations, the Company implements risk management based on the principle of intrinsic safety, continuously improves workplace environments and mechanical facilities, and ensures a safe and healthy workplace.

The Company aims to foster a corporate culture of health and safety, establish a zero-

accident workplace, and safeguard the safety and health of all workers, including contractors. It is committed to implementing its OSH policy and advancing toward sustainable corporate development.

- b. The Hualien Plant was first certified under the Taiwan Occupational Safety and Health Management System (TOSHMS) in February 2009. Following several updates aligned with the Ministry of Labor's policy, the plant is now certified under CNS 45001:2018 Z2158 and remains TOSHMS-compliant. In September 2022, it became the first plant in Taiwan's cement industry to pass the Ministry of Labor's Occupational Safety and Health Management System Performance Review, valid for three years.
- c. To further strengthen systematic OSH management, the Company has adopted policies that exceed regulatory requirements. The head office, Hsinchu Plant, and subsidiaries with fewer than 200 employees have introduced the ISO 45001/CNS 45001 Occupational Safety and Health Management System. Certification was successfully obtained from BSI (British Standards Institution) in May 2023. This achievement ensures that OSH management across the Company's industrial value chain is fully incorporated into a systematic management framework, with expected outcomes including the reduction of accidents, protection of personnel health and safety, and safeguarding of corporate interests.

B. Workplace Environment and Employee Safety

Asia Cement implements the following measures to ensure employee safety and health, protect company assets, and provide a comfortable and safe work environment, all based on legal regulations:

a. Procurement Management and Intrinsic Safety

The Company implements source-based management through procurement practices to ensure the safety of raw materials and intrinsic safety of machinery and equipment. Safety and health standards, as well as protective measures, are incorporated into procurement specifications and equipment design, ensuring that production processes, products, and machinery meet intrinsic safety requirements.

b. General Safety Management, Training, and Auditing

Each plant holds regular monthly safety and health committee meetings and conducts training in accordance with regulations, including safety and health education, hazard awareness, and emergency response training for new employees, existing employees, and contractors.

These efforts ensure that all personnel understand workplace hazards and protective measures, comply with safety procedures, and prevent accidents. In addition, through on-site management and comprehensive safety inspections, potential issues are identified and continuously improved to ensure the effective operation of safety management systems.

c. Work Environment Monitoring and Protective Equipment

The Company implements monitoring programs in accordance with regulatory requirements, conducting regular monitoring of workplace conditions, including noise,

heat, radiation, and other environmental factors, with results disclosed accordingly.

Any abnormalities detected are promptly addressed and corrected. Appropriate personal protective equipment is provided based on the specific hazards of each workplace to prevent occupational injuries.

d. Employee Health Management and Occupational Disease Prevention

Each plant is equipped with medical service facilities staffed by professional medical personnel, along with first aid supplies and medical equipment.

Employees undergo periodic health examinations and special examinations for hazardous operations, with results managed through a graded system. Occupational physicians are engaged in accordance with relevant regulations to provide regular on-site services, including hazard identification, work assignment recommendations, and assessments of the relationship between workplace conditions and employee health. High-risk employees are subject to additional health risk assessments.

According to the 2024 employee health examination results, a relatively high proportion of employees were identified as overweight or having metabolic syndrome. Accordingly, the Company has implemented preventive measures and health promotion programs. In 2025, themed activities under “Sustained Exercise, Sustainable Health” were carried out, with 380 participants (participation rate: 83.89%) and a total step count of 104,924,631 steps. The Company will continue to promote workplace health initiatives to prevent occupational diseases.

To further safeguard employees’ physical and mental health and prevent workplace misconduct, the Company has implemented programs including: Maternal health protection for female employees, Prevention of diseases caused by abnormal workload, Prevention of ergonomic-related diseases, Prevention of workplace harassment.

e. Emergency Response Drills

Each plant conducts regular emergency response drills in accordance with its emergency response plans, including emergency handling procedures, personnel evacuation, and response to major infectious disease outbreaks.

These drills enable employees to become familiar with response procedures, coordination mechanisms, and evacuation routes, ensuring effective and timely responses during emergencies, minimizing damage, and safeguarding personnel safety.

7. Remuneration and Compensation

ACC has enjoyed harmonious relations between management and employees for years. Employees devoted their time and hard work to the Company. In recent years, the Company's continuous excellent performance of sales and production is proof of employees' effort. The Company's work and employment regulations are based on the Labor Law and in some cases even exceed the minimum requirements of the law. Besides reasonable payment, ACC gives seasonal bonuses to encourage clinker production, attendance awards, and cost and resource-saving measures, as well as year-end bonuses based on the Company's annual performance.

8. Status of Collective Agreement Signing

The Company has a long-standing practice of signing collective agreements, which are applicable to 100% of its employees. Labor unions were established at both the Hsinchu and Hualien plants in 1989 (subsequently renamed enterprise unions). All on-duty employees are members of the enterprise union and are covered under the collective agreement, contributing to a longstanding harmonious labor-management relationship.

The Company and the Hualien Plant Enterprise Union have entered into a collective agreement as well as a special bonus agreement. These agreements have been in effect since 1989 and are renewed every three years. The current agreement is valid until October 2028 and will be renewed under the same terms thereafter. Employees covered under the collective agreement signed with the enterprise union account for 70.7% of Asia Cement Corporation's total workforce. In accordance with government regulations, a Labor-Management Meeting mechanism is also established at the headquarters.

The contents of the collective agreement include provisions superior to the Labor Standards Act, such as granting all employees 30 days of paid sick leave annually, and allocating 3.34% of net operating profit as a year-end special bonus based on the Company's performance, ensuring a fair sharing of profits between labor and management.

All terms and benefits agreed upon between the enterprise union and the Company are fully applicable to all employees.

The enterprise union holds regular and special meetings of directors and supervisors, as well as general assemblies of union representatives. The Company's Labor-Management Meeting is also convened quarterly. Various activities are conducted to promote employees' physical and mental well-being and to foster a harmonious working environment.

Thanks to the rational and constructive participation of the enterprise unions at both the Hsinchu and Hualien plants, a fair and reasonable compensation policy has been successfully implemented. In recognition of these efforts, the Ministry of Labor awarded the Company and its unions with the "Outstanding Collective Agreement Signing Unit Award" in 2013, honoring both labor and management sides.

4.6 Information Security Management

1. Information and communication security risk management framework, information and communication security policies, specific management plans and investment in information and communication security management resources:

The Company has set up an "Information Security Officer" in accordance with laws and regulations to coordinate information and communication security-related affairs and resources. At the same time, it has set up an "Information Security Unit" including an information security supervisor and two information security personnel to plan, monitor and implement information and communication security systems. , to ensure the ability of the enterprise to continue operating.

Our company's information security equipment is integrated into the Far East Group's network architecture, aligning with the group's software and hardware protection strategies.

We have deployed WAF, IDP, firewalls, email protection, endpoint protection, and more. Additionally, we have applied to join the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) to access real-time updates on the latest cybersecurity threat trends and protection information. This allows us to promptly take action to defend against cybersecurity attacks, enhance our ability to counter cybersecurity risks, and effectively safeguard our information systems and data security.

The company's information unit has also established a number of internal control systems to effectively protect the company's information system from maintaining uninterrupted operations:

- (1) Practice the "Disaster Emergency Response Plan" once a year to ensure the resilience of important systems.
- (2) Information and communication security checks are carried out by external units every year to ensure the effectiveness of daily operations.
- (3) Quarterly check the sensitive authority and function conflicts of important systems to ensure the robustness of the system.
- (4) Execute the super user transaction inspection of important systems every month to ensure that there is no unauthorized access.

The Company also provide cybersecurity training to all colleagues with the aim of raising awareness about information security. This training covers guidelines for computer equipment, email, internet usage, and mobile device usage. Our goal is to strengthen our colleagues' awareness of information security and promote adherence to security protocols, ultimately enhancing our overall cybersecurity posture.

The Company has established "Asia Cement Personal Data Protection Management Measures" and "Asia Cement Computerized Information System Processing" in accordance with Articles 8 and 9 of the Regulations Governing Establishment of Internal Control Systems by Public Companies; in addition, the "Information and Communication Security Inspection Audit" has been incorporated into our 2025 and 2026 annual audit plans. The aforesaid measures have all been submitted to and approved by the Board of Directors.

Information security policy:

Our "Computerized Information System Processing" regulates the management system for various types of IT data and information in the process of output, use, and preservation. Besides, the "Regulations for Use of IT Equipment and Information Software by Employees", regulates various information security behaviors that employees must observe in carrying out their business.

Specific management plan:

A total of 19 inspections were carried out in 2025, including the "Information Security Audit" (once) "Information System Internal Control Self-assessment" (twice), "SAP Sensitive Permission Authorization and Function Conflict Anomaly Check" (quarterly) and "SAP Super User Sensitive Transaction Check" (monthly) performed each by an external unit and an internal audit unit.

In 2026, it will be handled in a similar manner and will be reviewed at any time to ensure

perfection.

2. No losses suffered due to major information security incidents in the most recent year and as of the date of publication of the annual report.

4.7 Major Contracts

Type of Contract	Contracting Party	Contract Duration	Primary Contents	Restrictive Clauses
Bank long-term loan/guarantee	Mizuho Corporate Bank, Taipei Branch	2025/03~2027/03	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	BNP PARIBAS, Taipei Branch	2024/11~2026/11	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	SMBC Bank, Taipei Branch	2025/11~2027/10	Interest paid monthly, principal repaid at maturity	None
Bank long-term secured loan	First Commercial Bank, Tung-Hwa Branch	2025/02~2026/02	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Hwa Nan Commercial Bank, Tung-Hwa Branch	2025/01~2027/01	Interest paid monthly, principal repaid at maturity	None
Bank long-term secured loan	Far Eastern International Bank, Business Dept.	2025/03~2028/03	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Yuanta Commercial Bank	2024/12~2026/12	Interest paid monthly, principal repaid at maturity	None
Bank long-term secured loan	Bank of Taiwan, Wu-Chang Branch	2025/02~2027/02	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	DBS Bank (Taiwan) Ltd.	2024/11~2026/11	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Land Bank of Taiwan Co., Ltd., Tung-Hwa Branch	2025/05~2027/05	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Chang Hwa Bank, Tung-Hwa Branch	2025/08~2027/08	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	E.Sun Commercial Bank	2025/09~2027/09	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Bank of China, Taipei Branch	2025/07~2027/07	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Mega International Commercial Bank, Foreign Dept.	2025/03~2027/06	Interest paid monthly, principal repaid at maturity	None
Bank long-term secured loan	Mega International Commercial Bank, Foreign Dept.	2025/03~2027/06	Interest paid monthly, principal repaid at maturity	None
Bank long-term secured loan	Taiwan Cooperative Bank, Ta-An Branch	2025/06~2027/06	Interest paid monthly, principal repaid at maturity	None
Long term fuel supply	Glencore Coal Sales PTY Limited	2025/01~2025/12	Contract of Coal Purchase	None
Long term fuel supply	Taiwan Ya De Ding Co., Ltd	2025/01~2025/04	Contract of Coal Purchase	None
Long term raw material supply	TAIHEIYO CEMENT CORPORATION	2025/01~2025/12	Contract of Limestone Purchase	None
Long term raw material supply	HYOSUNG TNC CORPORATION	2025/01~2025/12	Contract of Slag Purchase	None
Long term raw material supply	FULL MAX CORPORATION LIMITED	2025/03~2026/01	Contract of Gypsum Purchase	None
Long term construction service provider	Yuantai Corp.	2024/12~2026/03	Contract of construction service	None

V Financial Information

5.1 Analysis of Financial Status

UNIT: NT\$1,000

Year Item	2024	2025	Variance	
			Amount	%
Current Assets	116,609,749	95,233,368	(21,376,381)	(18)
Property, Plant and Equipment	40,651,924	39,601,520	(1,050,404)	(3)
Intangible Assets	6,493,704	6,188,694	(305,010)	(5)
Other Assets	168,071,847	183,016,877	14,945,030	9
Total Assets	331,827,224	324,040,459	(7,786,765)	(2)
Current Liabilities	79,652,998	59,418,487	(20,234,511)	(25)
Non-Current Liabilities	47,322,542	61,200,112	13,877,570	29
Total Liabilities	126,975,540	120,618,599	(6,356,941)	(5)
Equity Attributable To Owners Of the Corporation	181,347,447	180,277,293	(1,070,154)	(1)
Share Capital	35,465,629	35,465,629	0	0
Capital Surplus	8,239,344	8,240,767	1,423	0
Retained Earnings	124,445,142	126,642,400	2,197,258	2
Other Equity	13,197,332	9,928,497	(3,268,835)	(25)
Non-Controlling Interests	23,504,237	23,144,567	(359,670)	(2)
Total Equity	204,851,684	203,421,860	(1,429,824)	(1)
Analysis of deviation over 20%: 1. The decrease in current liabilities was primarily due to the repayment of short-term borrowings in 2025. 2. The increase in non-current liabilities was primarily due to the issuance of bonds in 2025. 3. The decrease in other equity was primarily due to the decrease in exchange differences on the translation of the financial statements of foreign operations.				

5.2 Analysis of Financial Performance

UNIT: NT\$1,000

Item \ Year	2024	2025	Variance	
			Amount	%
Operating Revenue	76,297,459	71,038,529	(5,258,930)	(7)
Operating Costs	65,190,325	59,799,628	(5,390,697)	(8)
Gross Profit	11,107,134	11,238,901	131,767	1
Operating Expenses	3,143,398	2,832,714	(310,684)	(10)
Operating Income	7,963,736	8,406,187	442,451	6
Non-operating Income and Expenses	8,041,259	4,107,068	(3,934,191)	(49)
Profit Before Income Tax	16,004,995	12,513,255	(3,491,740)	(22)
Income Tax Expense	3,351,716	2,298,140	(1,053,576)	(31)
Net Income for The Year	12,653,279	10,215,115	(2,438,164)	(19)
Other Comprehensive Income , Net	8,294,575	(3,694,603)	(11,989,178)	(145)
Total Comprehensive Income for The Year	20,947,854	6,520,512	(14,427,342)	(69)
Net Profit Attributable To Owner Of the Corporation	12,889,728	10,029,823	(2,859,905)	(22)
Net (Loss) Profit Attributable to Non-Controlling Interests	(236,449)	185,292	421,741	178
Total Comprehensive Income Attributable to Owner of The Corporation	19,993,277	6,809,815	(13,183,462)	(66)
Total Comprehensive Income Attributable to Non-Controlling Interests	954,577	(289,303)	(1,243,880)	(130)
1. Analysis of deviation over 20%:				
(1).The decreases in non-operating income and expenses, profit before income tax, net income for the year and net profit attributable to owner of the corporation were primarily due to the decrease in the share of profit of associates and joint ventures accounted for using the equity method, the decrease in gains on financial assets measured at fair value through profit or loss (FVTPL) and a decrease in foreign exchange results.				
(2).The decrease in income tax expense was primarily due to the decrease in dividend withholding tax in Mainland China in 2025.				
(3).The decreases in other comprehensive income, net, total comprehensive income for the year, total comprehensive income attributable to owner of the corporation and total comprehensive income attributable to non-controlling interests were primarily due to the decrease in exchange differences on the translation of the financial statements of foreign operations, as well as the decrease in share of other comprehensive income of associates and joint ventures accounted for using the equity method.				
(4).The increase in net profit attributable to non-controlling interests was primarily due to the profit increase of businesses in mainland China in 2025.				
2. Expected sales volume in next one year and the reason for such expectation. The impact of such expectation on the Company's financial situation and operational performances, and the Company's plan: Please refer to the "Letter to Shareholders".				

5.3 Analysis of Cash Flow

5.3.1 The Analysis for Changing of Cash Flow for 2025

Unit: NT\$1,000

Cash Balance in the Beginning	Net Cash Inflows from Operating Activities	Total Cash Outflows	The Cash Surplus	Source of Funding for Negative Cash Balance	
				Investing Plans	Financing Plans
13,259,732	16,839,301	(17,117,575)	12,981,458	-	-

1. Operating Activities: Mainly generated from operations NT\$15,032,706 thousand, dividends received NT\$5,123,952 thousand and income taxes paid NT\$2,813,139 thousand.
2. Investing Activities: Mostly for net increase in property, plant and equipment NT\$3,923,508 thousand.
3. Financing Activities: Mostly for net decrease in short-term and long-term loans NT\$3,964,497 thousand and cash dividends paid NT\$ 7,802,420 thousand.

5.3.2 Remedy plans for insufficient liquidity for 2025 :Not Applicable.

5.3.3 Liquidity Analysis for the Coming Year

Unit: NT\$1,000

Cash Balance in the Beginning	Expected Net Cash Inflows from Operating Activities	Expected Total Cash Outflows	Expected Cash Surplus	Expected Source of Funding for Negative Cash Balance	
				Investing Plans	Financing Plans
12,981,458	15,854,565	(11,848,736)	16,987,287	-	-

1. Operating Activities: Mainly from operating income and cash dividends received.
2. Investing Activities: Primarily for investment in capital expenditures.
3. Financing Activities: Primarily for payout of cash dividends.

5.4 Impacts of Major Capital Expenditures on Finance and Operation during the most recent fiscal year

5.4.1 Major Capital Expenditures and Funding Sources

UNIT: NT\$1,000

Projects	Actual or Expected Source of Capital	Actual or Expected Date of Completion	Total Capital	Capital Expenditures			
				Actual		Expected	
				~2024	2025	2026	2027
ASIA CEMENT-Hualien Plant Crusher facilities expansion construction	Self-owned capital	Nov. 2027	321,188	954	5,656	227,000	87,578
YA TUNG READY-MIXED CONCRETE plant and office building construction	Self-owned capital	Dec. 2027	300,000	-	821	99,179	200,000

Projects	Actual or Expected Source of Capital	Actual or Expected Date of Completion	Total Capital	Capital Expenditures			
				Actual		Expected	
				~2024	2025	2026	2027
FU MING TRANSPORTATION plant and office building construction	Self-owned capital	May. 2025	472,772	298,381	151,439	22,952	-
JIANGXI YADONG acquisition of limestone mining rights	Self-owned capital	Dec. 2027	1,364,902	-	409,456	409,483	545,963
JIANGLING YADONG cement grinding plant construction	Self-owned capital and loan	Dec. 2027	1,597,550	38,988	149,668	609,148	799,746
HUANGGANG YADONG production line and piers expansion construction	Self-owned capital and loan	Jul. 2027	9,330,038	275,642	1,419,846	4,910,939	2,723,611

5.4.2 Expected Benefit to Finance and Operation from the Major Capital Expenditure

1. The completion of new plants, offices, and facilities at ASIA CEMENT-Hualien Plant, YA TUNG READY-MIXED CONCRETE, and FU MING TRANSPORTATION will enhance production, storage, and logistical capacities, driving future profit growth.
2. JIANGXI YADONG's acquisition of new mining rights will increase limestone reserves, ensuring a stable supply for production demands.
3. The new production lines and plant constructions at HUANGGANG YADONG and JIANGLING YADONG are expected to steadily increase profitability in the future.

5.5 Investment Strategies in the Most Recent Year, the Major Reasons for its Gain or Loss and Improvement Plan and Investment Plans for Next Year

The majority of the company's investments were for long-term strategic purposes. In 2025, the total gain through equity method by the company was NT \$2,242,810 thousand (on consolidated basis). In the future, the company will continue to focus on strategic purposes through prudent assessment.

5.6 Analysis and Evaluation of Risk Management

5.6.1 The Impact of Fluctuation of Foreign Exchange, Interest Rates, and Inflation on the Company's Profit and Loss and Its Countermeasures

※Foreign exchange impact:

The percentage of foreign exchange gains/losses over operating revenue and operating income in 2025 are as follows:

Unit : NT\$1,000

Item \ Year	2025
Foreign Exchange Gains (Losses) (A)	(296,927)
Operating Revenue (B)	71,038,529
% of Operating Revenue (A)/(B)	(0.4%)
Operating Income (C)	8,406,187
% of Operating Income (A)/(C)	(3.5%)

Due to fluctuations in market supply and demand, and the rapid changes in market value, the Company may be exposed to foreign exchange risk arising from transactions denominated in different currencies.

Most of the payments for purchases made by the Company and its subsidiaries are settled in U.S. dollars, and export sales are collected in U.S. dollars. Currently, revenues are slightly equal to expenditures, which creates a natural hedge effect and helps reduce the impact of exchange rate fluctuations on the Company's profit and loss.

In addition to natural hedging, in order to minimize foreign exchange risk, the Company and its subsidiaries have adopted the following risk management policies in response:

1. Observing the impact of international macroeconomic conditions on exchange rates and establishing necessary hedging mechanisms.
2. Planning future foreign currency needs and gradually building up the required foreign currency positions when exchange rates are relatively low, so as to reduce costs, and converting weak foreign currency positions into strong foreign currency positions.

※Interest rate impact:

The percentage of interest revenue/losses over operating revenue and operating income in 2025 are as follows:

Unit : NT\$1,000

Item \ Year	2025
Interest Revenue (Losses) (A)	(454,947)
Operating Revenue (B)	71,038,529
% of Operating Revenue (A)/(B)	(0.6%)
Operating Income (C)	8,406,187
% of Operating Income (A)/(C)	(5.4%)

If market interest rates had been 0.01% higher/lower, the Group's pretax profit for the year ended December 31, 2025 would have increased/decreased by NT\$2,156 thousand,

mainly due to the net effect of changes in interest income and expense arising from the Group's floating-rate bank borrowings and bank deposits.

The Company primarily utilizes short-term bank loans and issues long-term debt instruments to finance its short-, medium-, and long-term funding needs.

According to the terms and conditions of the agreements entered into with banks, short-term bank loans subject to floating interest rates can be utilized on a revolving basis within the duration of the agreements. Since the Company has maintained stable operations and financial conditions over the long term, it is able to obtain relatively favorable interest rates through active negotiations with banks. In addition, the duration of each short-term loan utilization is less than one year. Overall, the impact of interest rate fluctuations on the Company's short-term loans is reduced. In order to minimize interest rate risk, the Company and its subsidiaries have adopted the following risk management policies in response:

The Company mainly issues long-term debt instruments with fixed interest rates to lock in relatively lower funding costs, which not only reduces interest expenses and the impact of interest rate fluctuations, but also preserves bank credit lines for temporary funding needs, replenishes working capital, and improves the financial structure, in line with the principle of long-term prudent operation.

✖Inflation rate impact:

The inflation rate in Taiwan was about 1.66% in 2025. This inflation rate did not have a material effect on the Company's operations and profits. In order to minimize inflation risk, the Company and its subsidiaries maintained stable and long-term cooperative relationships with major suppliers.

5.6.2 The Impact of Highly Risky Investments, Highly Leveraged Transaction, Loaning to Others, Endorsement and Guarantee for Others, and Derivatives

The Company did not engage in any highly risky or highly leveraged investments, nor did it lend funds to others, in the most recent year.

The Company provided endorsements and guarantees for its subsidiaries in accordance with the "Procedures for Endorsements and Guarantees." The outstanding balance amounted to NT\$49,532,900 thousand as of the end of 2025. As the subsidiaries have adopted conservative operating principles and are in sound condition, they have contributed non-operating income to the Company each year. In addition, the Company conducts regular supervision over its subsidiaries; therefore, the related risks arising from such endorsements and guarantees are under control.

The derivative transactions entered into by the Company were strictly for hedging purposes and not for trading or speculative purposes. To control various financial transaction risks, the Company has established internal management policies and operating procedures based on sound financial and business practices and in compliance with the relevant laws and regulations issued by the Taiwan Securities and Futures Bureau. As of the end of 2025, the Company did not enter

into any new derivative transactions.

5.6.3 The Prevention of Legal Risks

In view of current company's operations, in addition to compliance with laws and regulations, there are many different areas involved in the legal norms, such as dealing with other companies, government agency, stakeholders, employees, and other foreign-related cases. Preventing legal risks shall be the first priority in today's business operators.

In response to this situation, the Company asks those who majored in law to be in charge of the Secretarial Department. Besides, the Company teaches and requires every employee to comply with every regulation in daily operations. The Company also cooperates with the Group's legal department to handle labor, general affairs, sales, factory management, taxation and other issues. Lawyers and accountants would be consulted if necessary. These could ensure legal risks reduced to maintain the Company's interests.

5.6.4 R&D project and estimated expenditures in the future:

Unit: NT\$1,000

Item		Amount	Purpose and Results
1	Development of Waste Steel Cord Conveyor Belt Crushing and Sorting Technology	50,000	To recycle difficult-to-handle waste steel cord conveyor belts as alternative fuel, crushing and sorting technology will be developed to remove steel cords and process them into sizes suitable for cement kiln combustion, thereby reducing coal consumption.
2	Implementation of Employee Attendance Facial Recognition System	980	Introduce facial recognition technology to automatically and accurately identify employees, reduce attendance anomalies and manpower, eliminate card-based systems, lower maintenance costs, and improve access control and attendance management efficiency.
3	Development Platform for Facial Recognition System	800	Establish a facial recognition development system to enhance identity verification and digital capabilities, applicable to plant cybersecurity, safety, shipment, contractor management, and other systems requiring authentication to improve management efficiency.
4	HCL Domino IQ Platform Server Deployment	1,200	Domino IQ is an AI inference engine added to HCL Domino 14.5, requiring dedicated servers to ensure performance and cybersecurity. A new high-performance server will be deployed to support built-in AI models such as Llama 3.1, Mistral, and Gemma 2 for intelligent email summarization, meeting minutes generation, and automated server maintenance, thereby reducing IT maintenance costs and downtime risks.
5	HCL Volt MX Development Platform Deployment	800	To promote cross-platform mobile forms and app development, the Company plans to introduce HCL Volt MX, featuring low-code development, system integration, and enterprise-level cybersecurity, enabling rapid deployment of iOS, Android, and web applications.
6	Pilot-scale	14,000	Scale up from laboratory to pilot scale, establishing a

Item		Amount	Purpose and Results
	Construction of Supergravity Carbon Capture Technology		parallel supergravity carbon capture system with a target capacity of 50 kg CO ₂ per hour, incorporating automated control and continuous operation to evaluate system stability and energy efficiency for future industrial application.
7	Development of XRD Crystalline and Amorphous Phase Quantitative Analysis Technology	700	In collaboration with ITRI, develop an analytical approach combining XRD, Rietveld refinement, and internal standard methods to quantify crystalline and amorphous phases of clay minerals, enhancing material quality control and process optimization.
8	Development of Ternary Blended Cement	3,000	Develop low-carbon blended cement based on limestone-calcined clay-clinker systems to reduce clinker ratio to 50%, lower carbon emissions, and enhance product competitiveness to support net-zero transformation.
Total		71,480	

◎Effect on the Company's finance and operation from any changes in major policies and laws at home and abroad in the most recent fiscal year: None.

◎Effect on the Company's finance and operation due to the technological improvement (including information security risks) and the change of industrial environment in the most recent fiscal year: None.

◎Events influencing the Company's corporate image in the most recent fiscal year: None.

◎Merger or acquisition plan in the most recent fiscal year: None.

◎Plan of expanding capacity in the most recent fiscal year: None.

◎Supply and sale of the Company in the most recent fiscal year: Normal and steady.

◎Large volume shares transferred or changed by directors, supervisors, or shareholders with more than 10% shareholdings in the most recent fiscal year: None.

◎Change of the Company's management in the most recent fiscal year: None.

◎Litigation, non-litigation incidents or administrative disputes of directors, supervisors, president, shareholders with more than 10% shareholdings, or subsidiaries which could materially affect shareholders' equity or the prices of the Company's securities: None.

◎Other major risks: None.

5.7 Other Mentionable Issues : None.

VI Special Disclosure

6.1 Information on Affiliated Companies

Please refer to the Company's Consolidated Business Report on Affiliated Enterprises.

Link: https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=1102&year=&mtype=K&isnew=true

6.2 Private Placement of Securities

There were no private placements of securities by the Company in the most recent fiscal year and up to the date of publication of the annual report.

6.3 Other Required Supplementary Explanations

Please refer to the Notes to the Company's Consolidated Financial Statements.

© Any other matters listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act which might materially affect shareholders' equity or the price of the company's securities, occurred during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report: None.



亞洲水泥

ASIA CEMENT CORPORATION

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Asia Cement Corporation

Opinion

We have audited the accompanying consolidated financial statements of Asia Cement Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2025 are described as follows:

Estimated Impairment of Trade Receivables in Mainland China

With the impact of the recession in the PRC property market and the downward pressure on the economy, the property developers and the constructors, who were the indirect and ultimate customers of the Group's subsidiaries in mainland China, respectively, faced massive debt and cash flow issues. The management of the Group estimates the amount of lifetime expected credit losses (ECLs) of trade receivables based on a provision matrix through the grouping of various debtors that have common risk characteristics, after considering the aging and repayment history of the respective trade receivables. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information; refer to Notes 5 and 10 to the consolidated financial statements for the details. Because the ECLs on the respective trade receivables involve significant judgments and uncertainties, we considered the estimated impairment of trade receivables in mainland China as one of the key audit matters.

The corresponding audit procedures that we performed for the estimated impairment of the above trade receivables were as follows:

1. We obtained an understanding of the relevant key controls over the assessment and monitoring of credit risks and the determination of the allowance for ECLs.
2. We evaluated the model used by management in determining the allowance for ECLs.
3. We challenged management's basis and judgment in determining the credit loss allowance on trade receivables in mainland China as of the balance sheet date, including their identification and provision of credit-impaired trade receivables and the basis of estimated loss rates applied in each category in the provision matrix (with reference to historical default rates and forward-looking information).
4. We tested the integrity of the information used by management to develop the provision matrix, including the aging analysis of trade receivables in mainland China as of the balance sheet date, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices and other supporting documents.

Fair Value Measurement of Investment Properties

Investment properties of Asia Cement Corporation are subsequently measured using the fair value model and valued by an independent qualified professional appraiser, a member of the ROC certified real estate appraisers; refer to Notes 5 and 17 to the consolidated financial statements for the details. Because the valuation of investment properties involves significant judgments and uncertainties, we considered the fair value measurement of investment properties as one of the key audit matters.

The corresponding audit procedures that we performed for the fair value measurement of investment properties were as follows:

1. We assessed the professional competence and independence of the appraiser engaged by management, obtained an understanding of the appraiser's scope of work and process of engagement and confirmed that no circumstances affect the appraiser's independence or limit the scope of his work.

2. We obtained an understanding of and assessed the reasonableness of management's assumptions and methods used in the valuation.
3. We recalculated the fair value of investment properties.

Other Matter

As of December 31, 2025 and 2024, the financial statements of China Shanshui Cement Group Limited (CSCGL), an associate accounted for using the equity method, were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the accompanying financial statements for CSCGL, is based solely on the reports of other auditors. As of December 31, 2025 and 2024, the aggregate carrying amount of the equity-method investments in CSCGL was NT\$15,240,697 thousand and NT\$16,376,363 thousand, representing 4.7% and 4.9%, respectively, of the consolidated total assets. For the years ended December 31, 2025 and 2024, the share of profit or loss of CSCGL was NT\$(812,292) thousand and NT\$(213,182) thousand, representing (6.5%) and (1.3%), respectively, of the consolidated profit before income tax.

We have also audited the parent company only financial statements of Asia Cement Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion with the Other Matter paragraph.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tai, Hsin-Wei and Chih, Jui-Chuan.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 35)	\$ 12,981,458	4	\$ 13,259,732	4
Financial assets at fair value through profit or loss - current (Note 7)	31,986,186	10	32,406,410	10
Financial assets at fair value through other comprehensive income - current (Notes 8 and 36)	5,605,684	2	5,008,346	2
Financial assets at amortized cost - current (Notes 6, 9, 35 and 36)	22,555,372	7	42,795,903	13
Contract assets - current (Notes 28 and 35)	40,035	-	142,285	-
Notes receivable (Note 35)	1,327,296	1	2,390,995	1
Trade receivables				
Third parties (Notes 10 and 11)	9,857,361	3	9,995,532	3
Related parties (Notes 10 and 35)	727,441	-	701,368	-
Other receivables (Note 35)	963,338	-	1,412,020	-
Current tax assets (Note 30)	7,333	-	16,858	-
Inventories (Note 12)	7,330,618	2	7,464,327	2
Prepayments (Note 35)	1,178,948	-	745,500	-
Other current assets (Note 20)	672,298	-	270,473	-
Total current assets	95,233,368	29	116,609,749	35
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 36)	13,313,910	4	12,819,151	4
Financial assets at amortized cost - non-current (Notes 6, 9, 35 and 36)	18,948,632	6	101,563	-
Investments accounted for using the equity method (Notes 14, 35 and 36)	90,480,768	28	94,236,118	28
Property, plant and equipment (Notes 15, 35 and 36)	39,601,520	12	40,651,924	12
Right-of-use assets (Notes 16 and 35)	4,989,029	2	4,350,309	1
Investment properties (Notes 17, 35 and 36)	39,034,430	12	38,460,414	12
Intangible assets (Notes 18, 19 and 35)	6,188,694	2	6,493,704	2
Deferred tax assets (Note 30)	797,662	-	881,306	-
Finance lease receivables - non-current (Note 11)	10,465,644	3	12,048,780	4
Other non-current assets (Notes 20, 26 and 35)	4,986,802	2	5,174,206	2
Total non-current assets	228,807,091	71	215,217,475	65
TOTAL	\$ 324,040,459	100	\$ 331,827,224	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 21 and 35)	\$ 28,680,511	9	\$ 26,488,506	8
Short-term bills payable (Note 22)	12,253,202	4	20,594,546	6
Contract liabilities - current (Note 28)	879,886	-	573,638	-
Accounts payable and accrued expenses				
Third parties (Note 19)	8,994,060	3	10,816,628	3
Related parties (Note 35)	321,889	-	319,198	-
Dividends and bonuses payable	69,895	-	259,532	-
Other payables - others	31,948	-	32,588	-
Current tax liabilities (Note 30)	1,252,749	-	1,461,714	1
Provisions - current (Note 25)	123,173	-	47,071	-
Lease liabilities - current (Notes 16 and 35)	187,795	-	148,473	-
Deferred revenue - current (Note 24)	51,574	-	39,319	-
Current portion of long-term liabilities (Notes 23 and 35)	6,571,805	2	18,871,785	6
Total current liabilities	59,418,487	18	79,652,998	24
NON-CURRENT LIABILITIES				
Bonds payable (Note 23)	36,700,000	11	24,200,000	7
Long-term borrowings (Notes 23 and 35)	10,844,999	4	8,926,787	3
Provisions - non-current (Notes 20, 25 and 37)	894,195	-	1,084,481	-
Deferred tax liabilities (Note 30)	10,664,526	3	11,105,592	4
Lease liabilities - non-current (Notes 16 and 35)	1,194,204	1	1,001,729	-
Deferred revenue - non-current (Note 24)	761,204	-	682,017	-
Net defined benefit liabilities - non-current (Note 26)	7,489	-	37,642	-
Other non-current liabilities (Note 20)	133,495	-	284,294	-
Total non-current liabilities	61,200,112	19	47,322,542	14
Total liabilities	120,618,599	37	126,975,540	38
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 27)				
Share capital	35,465,629	11	35,465,629	11
Capital surplus	8,240,767	3	8,239,344	2
Retained earnings				
Legal reserve	25,205,413	8	23,671,390	7
Special reserve	67,165,730	21	66,329,134	20
Unappropriated earnings	34,271,257	10	34,444,618	11
Total retained earnings	126,642,400	39	124,445,142	38
Other equity	9,928,497	3	13,197,332	4
Total equity attributable to owners of the Corporation	180,277,293	56	181,347,447	55
NON-CONTROLLING INTERESTS (Notes 27 and 32)	23,144,567	7	23,504,237	7
Total equity	203,421,860	63	204,851,684	62
TOTAL	\$ 324,040,459	100	\$ 331,827,224	100

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 16, 2026)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 28 and 35)	\$ 71,038,529	100	\$ 76,297,459	100
OPERATING COSTS (Notes 12, 29 and 35)	<u>59,799,628</u>	<u>84</u>	<u>65,190,325</u>	<u>86</u>
GROSS PROFIT	<u>11,238,901</u>	<u>16</u>	<u>11,107,134</u>	<u>14</u>
OPERATING EXPENSES				
Administrative expenses (Notes 29 and 35)	3,063,564	4	3,225,514	4
Expected credit gain (Note 10)	<u>(230,850)</u>	<u>-</u>	<u>(82,116)</u>	<u>-</u>
Total operating expenses	<u>2,832,714</u>	<u>4</u>	<u>3,143,398</u>	<u>4</u>
OPERATING INCOME	<u>8,406,187</u>	<u>12</u>	<u>7,963,736</u>	<u>10</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Note 29)	1,951,994	3	1,470,124	2
Other gains and losses (Note 29)	367,211	-	2,732,114	4
Finance costs (Note 29)	(1,509,854)	(2)	(1,667,032)	(2)
Share of profit of associates and joint ventures	2,242,810	3	4,122,314	5
Interest income	<u>1,054,907</u>	<u>1</u>	<u>1,383,739</u>	<u>2</u>
Total non-operating income and expenses	<u>4,107,068</u>	<u>5</u>	<u>8,041,259</u>	<u>11</u>
PROFIT BEFORE INCOME TAX	12,513,255	17	16,004,995	21
INCOME TAX EXPENSE (Note 30)	<u>2,298,140</u>	<u>3</u>	<u>3,351,716</u>	<u>5</u>
NET INCOME FOR THE YEAR	<u>10,215,115</u>	<u>14</u>	<u>12,653,279</u>	<u>16</u>
OTHER COMPREHENSIVE (LOSS) INCOME, NET				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	(91,132)	-	115,480	-
Unrealized valuation gain on investments in equity instruments at fair value through other comprehensive income	217,612	1	402,684	1
Share of other comprehensive (loss) income of associates and joint ventures	<u>(502,422)</u>	<u>(1)</u>	<u>251,286</u>	<u>-</u>
	<u>(375,942)</u>	<u>-</u>	<u>769,450</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:				

(Continued)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Exchange differences on translating the financial statements of foreign operations	\$ (1,495,569)	(2)	\$ 4,043,419	5
Share of other comprehensive (loss) income of associates and joint ventures	<u>(1,823,092)</u>	<u>(3)</u>	<u>\$ 3,481,706</u>	<u>5</u>
	<u>(3,318,661)</u>	<u>(5)</u>	<u>\$ 7,525,125</u>	<u>10</u>
Other comprehensive (loss) income for the year, net of income tax	<u>(3,694,603)</u>	<u>(5)</u>	<u>\$ 8,294,575</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 6,520,512</u>	<u>9</u>	<u>\$ 20,947,854</u>	<u>27</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 10,029,823	14	\$ 12,889,728	16
Non-controlling interests	<u>185,292</u>	<u>-</u>	<u>\$ (236,449)</u>	<u>-</u>
	<u>\$ 10,215,115</u>	<u>14</u>	<u>\$ 12,653,279</u>	<u>16</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 6,809,815	9	\$ 19,993,277	26
Non-controlling interests	<u>(289,303)</u>	<u>-</u>	<u>\$ 954,577</u>	<u>1</u>
	<u>\$ 6,520,512</u>	<u>9</u>	<u>\$ 20,947,854</u>	<u>27</u>
EARNINGS PER SHARE (Note 31)				
Basic	<u>\$ 3.00</u>		<u>\$ 3.86</u>	
Diluted	<u>\$ 2.99</u>		<u>\$ 3.85</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 16, 2026)

(Concluded)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation													
							Other Equity							
	Share Capital Issued		Capital Surplus	Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain on Property Revaluation	Cash Flow Hedges	Total Other Equity	Total	Non-controlling Interests	Total Equity
	Shares	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings								
BALANCE ON JANUARY 1, 2024	3,546,563	\$ 35,465,629	\$ 8,574,119	\$ 22,558,401	\$ 66,660,987	\$ 28,691,020	\$ (4,418,006)	\$ 9,382,331	\$ 2,197,320	\$ 58,095	\$ 7,219,740	\$ 169,169,896	\$ 22,693,671	\$ 191,863,567
Appropriation of 2023 earnings														
Legal reserve	-	-	-	1,112,989	-	(1,112,989)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	1,025,861	(1,025,861)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(7,447,782)	-	-	-	-	-	(7,447,782)	-	(7,447,782)
Net profit (loss) for the year ended December 31, 2024	-	-	-	-	-	12,889,728	-	-	-	-	-	12,889,728	(236,449)	12,653,279
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	158,056	6,327,922	646,018	(23,980)	(4,467)	6,945,493	7,103,549	1,191,026	8,294,575
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	(335,698)	-	-	-	-	-	-	-	-	(335,698)	-	(335,698)
Actual acquisition of interests in subsidiaries	-	-	923	-	-	(29)	-	-	-	-	-	894	(9,810)	(8,916)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(134,148)	(134,148)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	687,854	-	(687,854)	-	-	(687,854)	-	-	-
Other changes in equity from investments in associates accounted for using the equity method	-	-	-	-	-	246,907	-	-	(280,047)	-	(280,047)	(33,140)	(53)	(33,193)
Reversal of special reserve	-	-	-	-	(1,357,714)	1,357,714	-	-	-	-	-	-	-	-
BALANCE ON DECEMBER 31, 2024	3,546,563	35,465,629	8,239,344	23,671,390	66,329,134	34,444,618	1,909,916	9,340,495	1,893,293	53,628	13,197,332	181,347,447	23,504,237	204,851,684
Appropriation of 2024 earnings														
Legal reserve	-	-	-	1,534,023	-	(1,534,023)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	1,093,508	(1,093,508)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(7,802,438)	-	-	-	-	-	(7,802,438)	-	(7,802,438)
Net profit for the year ended December 31, 2025	-	-	-	-	-	10,029,823	-	-	-	-	-	10,029,823	185,292	10,215,115
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	(154,511)	(2,854,222)	(184,077)	206	(27,404)	(3,065,497)	(3,220,008)	(474,595)	(3,694,603)
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	1,423	-	-	-	-	-	-	-	-	1,423	-	1,423
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(18,310)	(18,310)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(52,056)	(52,056)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	203,090	-	(203,090)	-	-	(203,090)	-	-	-
Other changes in equity from investments in associates accounted for using the equity method	-	-	-	-	-	(78,706)	-	-	(248)	-	(248)	(78,954)	(1)	(78,955)
Reversal of special reserve	-	-	-	-	(256,912)	256,912	-	-	-	-	-	-	-	-
BALANCE ON DECEMBER 31, 2025	<u>3,546,563</u>	<u>\$ 35,465,629</u>	<u>\$ 8,240,767</u>	<u>\$ 25,205,413</u>	<u>\$ 67,165,730</u>	<u>\$ 34,271,257</u>	<u>\$ (944,306)</u>	<u>\$ 8,953,328</u>	<u>\$ 1,893,251</u>	<u>\$ 26,224</u>	<u>\$ 9,928,497</u>	<u>\$ 180,277,293</u>	<u>\$ 23,144,567</u>	<u>\$ 203,421,860</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 16, 2026)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 12,513,255	\$ 16,004,995
Adjustments for:		
Depreciation expenses	3,895,190	4,291,222
Amortization expenses	273,188	294,074
Expected credit loss reversed on trade receivables	(230,850)	(82,116)
Net gain on fair value changes of financial assets and liabilities designated as at fair value through profit or loss	(798,989)	(1,853,759)
Finance costs	1,509,854	1,667,032
Interest income	(1,054,907)	(1,383,739)
Dividend income	(1,126,549)	(1,351,105)
Share of profit of associates and joint ventures	(2,242,810)	(4,122,314)
Loss on disposal of property, plant and equipment	76,062	84,659
Loss on disposal of investment properties	4,337	-
Loss on disposal of intangible assets	-	145
Gain on disposal of financial assets	(345,238)	(745,809)
Gain on disposal of investments accounted for using equity method	-	(585,724)
Impairment loss recognized on property, plant and equipment	347,221	441,921
Loss for market price decline (reversal of write-downs) of inventories	(10,423)	17,213
Unrealized loss (gain) on foreign exchange	388,616	(580,550)
Gain on changes in fair value of investment properties	(526,372)	(729,993)
Gain on modification of lease	(60)	(1,837)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	1,539,864	9,967,041
Contract assets	102,250	(62,154)
Notes receivable	408,208	(720,185)
Trade receivables	1,770,033	1,596,910
Other receivables	347,751	(300,506)
Inventories	62,837	258,126
Prepayments	(496,042)	108,416
Other current assets	(83,739)	151,929
Contract liabilities	311,998	(125,256)
Accounts payable and accrued expenses	(1,555,651)	695,986
Provisions	(110,287)	(170,794)
Net defined benefit liabilities	(27,574)	(13,440)
Deferred revenue	91,533	100,042
Cash generated from operations	15,032,706	22,850,430
Interest received	943,035	1,704,397
Dividends received	5,123,952	4,675,310
Interest paid	(1,447,253)	(1,665,829)
Income tax paid	(2,813,139)	(2,756,939)
Net cash generated from operating activities	16,839,301	24,807,369
		(Continued)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ (437,477)	\$ (32,003)
Proceeds from sale of financial assets at fair value through other comprehensive income	197,628	428,791
Proceeds from sale of (purchase of) financial assets at amortized cost	447,522	(19,797,517)
Purchase of associates and joint ventures	(250,000)	-
Proceeds from sale of associates and joint ventures	-	4,521,096
Increase in long-term prepayments for investments	(1,676)	(2,023)
Payments for property, plant and equipment	(4,038,183)	(4,003,258)
Proceeds from disposal of property, plant and equipment	114,675	114,274
Increase in refundable deposits	(335,908)	(12,718)
Payments for intangible assets	(418,652)	(7,388)
Payments for right-of-use assets	(161,993)	-
Payments for investment properties	(7,219)	(2,544)
Proceeds from disposal of investment properties	24,517	-
Proceeds from government grants	11,757	-
Net cash used in investing activities	<u>(4,855,009)</u>	<u>(18,793,290)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	2,241,047	(2,781,528)
Decrease in short-term bills payable	(8,347,000)	(9,743,000)
Proceeds from issuance of bonds	18,800,000	3,700,000
Repayments of bonds	(18,600,000)	(10,000,000)
Proceeds from long-term borrowings	10,977,691	7,600,990
Repayments of long-term borrowings	(9,036,235)	(8,310,423)
Increase (decrease) in guarantee deposits received	725	(2,284)
Repayment of the principal portion of lease liabilities	(218,907)	(256,581)
(Decrease) increase in other non-current liabilities	(1,487)	2,517
Dividends paid	(7,802,420)	(7,447,762)
Acquisition of additional interests in subsidiaries	-	(8,916)
Dividends paid to non-controlling interests	<u>(52,056)</u>	<u>(134,148)</u>
Net cash used in financing activities	<u>(12,038,642)</u>	<u>(27,381,135)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(223,924)</u>	<u>1,397,272</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(278,274)</u>	<u>(19,969,784)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>13,259,732</u>	<u>33,229,516</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 12,981,458</u>	<u>\$ 13,259,732</u>

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	\$ <u>(223,924)</u>	\$ <u>1,397,272</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(278,274)	(19,969,784)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>13,259,732</u>	<u>33,229,516</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	\$ <u>12,981,458</u>	\$ <u>13,259,732</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 16, 2026)

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Asia Cement Corporation

Opinion

We have audited the accompanying parent company only financial statements of Asia Cement Corporation (the "Corporation"), which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Corporation in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Corporation's parent company only financial statements for the year ended December 31, 2025 are described as follows:

Estimated Impairment of Trade Receivables in Subsidiaries Accounted for
Using the Equity Method in Mainland China

With the impact of the recession in the PRC property market and the downward pressure on the economy, the property developers and the constructors who were the indirect and ultimate customers of the Corporation's subsidiaries accounted for using the equity method in mainland China respectively faced massive debt and cash flow issues. The management of the Corporation estimates the amount of lifetime expected credit losses (ECLs) of trade receivables based on a provision matrix through the grouping of various debtors that have common risk characteristics, after considering the aging and repayment history of the respective trade receivables. Estimated loss rates are based on historically observed default rates over the expected life of the debtors and are adjusted for forward-looking information. Because the ECLs on the respective trade receivables involve significant judgments and uncertainties, we considered the estimated impairment of trade receivables in subsidiaries accounted for using the equity method in mainland China as one of the key audit matters.

The corresponding audit procedures that we performed for the estimated impairment of the above trade receivables were as follows:

1. We obtained an understanding of the relevant key controls over the assessment and monitoring of credit risks and the determination of the allowance for ECLs.
2. We evaluated the model used by management in determining the allowance for ECLs.
3. We challenged management's basis and judgment in determining the credit loss allowance on trade receivables of subsidiaries accounted for using the equity method in mainland China as of the balance sheet date, including their identification and provision of credit-impaired trade receivables and the basis of estimated loss rates applied in each category in the provision matrix (with reference to historical default rates and forward-looking information).
4. We tested the integrity of the information used by management to develop the provision matrix, including the aging analysis of trade receivables of subsidiaries accounted for using the equity method in mainland China as of balance sheet date, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices and other supporting documents.

Fair Value Measurement of Investment Properties

Investment properties of Asia Cement Corporation are subsequently measured using the fair value model and valued by an independent qualified professional appraiser, a member of the ROC certified real estate appraisers; refer to Notes 5 and 15 to the parent company only financial statements for the details. Because the valuation of investment properties involves significant judgments and uncertainties, we considered the fair value measurement of investment properties as one of the key audit matters.

The corresponding audit procedures that we performed for the fair value measurement of investment properties were as follows:

1. We assessed the professional competence and independence of the appraiser engaged by management, obtained an understanding of the appraiser's scope of work and process of engagement and confirmed that no circumstances affect the appraiser's independence or limit the scope of his work.
2. We obtained an understanding of and assessed the reasonableness of management's assumptions and methods used in the valuation.
3. We recalculated the fair value of investment properties.

Other Matter

As of December 31, 2025 and 2024, the financial statements of China Shanshui Cement Group Limited (CSCGL), an associate accounted for using the equity method, were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the accompanying financial statements for CSCGL, is based solely on the reports of other auditors. As of December 31, 2025 and 2024, the aggregate carrying amount of the equity-method investments in CSCGL was NT\$15,240,504 thousand and NT\$16,376,156 thousand, representing 6.1% and 6.4%, respectively, of the total assets. For the years ended December 31, 2025 and 2024, the share of profit or loss of CSCGL was NT\$(812,282) thousand and NT\$(213,179) thousand, representing (7.6%) and (1.6%), respectively, of the profit before income tax.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tai, Hsin-Wei and Jui-Chuan Chi.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2026

Notice to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

ASIA CEMENT CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 32)	\$ 1,442,564	1	\$ 2,205,587	1
Financial assets at fair value through profit or loss - current (Note 7)	5,724,092	2	5,572,998	2
Financial assets at fair value through other comprehensive income - current (Note 8)	2,740,335	1	2,774,473	1
Financial assets at amortized cost - current (Notes 9 and 32)	2,576,989	1	5,230,640	2
Note receivable - third parties	85,451	-	119,850	-
Trade receivables				
Third parties (Note 10)	407,362	-	570,695	-
Related parties (Notes 10 and 32)	750,360	-	686,995	1
Other receivables (Note 32)	133,361	-	289,984	-
Inventories (Note 11)	1,840,218	1	1,754,638	1
Prepayments (Note 32)	117,289	-	85,475	-
Other current assets	3,109	-	2,287	-
Total current assets	15,821,130	6	19,293,622	8
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Note 8)	6,716,689	3	6,539,154	2
Investments accounted for using the equity method (Notes 12, 32 and 33)	171,717,116	69	173,997,110	68
Property, plant and equipment (Notes 13, 32 and 33)	5,315,637	2	5,421,171	2
Right-of-use assets (Note 14)	514,189	-	286,419	-
Investment properties (Notes 15, 32 and 33)	46,166,408	18	45,443,754	18
Intangible assets (Notes 16 and 32)	9,727	-	11,104	-
Deferred tax assets (Note 27)	116,684	-	118,834	-
Other non-current assets (Notes 17, 23 and 32)	4,642,155	2	4,712,548	2
Total non-current assets	235,198,605	94	236,530,094	92
TOTAL	\$ 251,019,735	100	\$ 255,823,716	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	\$ -	-	\$ 700,000	1
Short-term bills payable (Note 19)	7,525,287	3	13,361,798	5
Contract liabilities - current (Note 25)	135,687	-	57,630	-
Accounts payable and accrued expenses				
Third parties	1,372,336	1	1,866,705	1
Related parties (Note 32)	266,323	-	194,627	-
Dividends and bonuses payable	63,457	-	253,554	-
Current tax liabilities (Note 27)	324,477	-	258,423	-
Provisions - current (Note 22)	54,728	-	-	-
Lease liabilities - current (Note 14)	72,331	-	19,129	-
Deferred revenue - current (Note 21)	29,265	-	29,265	-
Current portion of long-term liabilities (Note 20)	6,300,000	2	18,600,000	7
Total current liabilities	16,143,891	6	35,341,131	14
NON-CURRENT LIABILITIES				
Bonds payable (Note 20)	36,700,000	15	24,200,000	9
Long-term borrowings (Note 20)	6,800,000	3	4,010,000	2
Provisions - non-current (Note 22)	79,551	-	83,691	-
Deferred tax liabilities (Note 27)	10,246,156	4	10,236,357	4
Lease liabilities - non-current (Note 14)	216,372	-	19,453	-
Deferred revenue - non-current (Note 21)	528,476	-	557,741	-
Other non-current liabilities	27,996	-	27,896	-
Total non-current liabilities	54,598,551	22	39,135,138	15
Total liabilities	70,742,442	28	74,476,269	29
EQUITY (Note 24)				
Share capital	35,465,629	14	35,465,629	14
Capital surplus	8,240,767	3	8,239,344	3
Retained earnings				
Legal reserve	25,205,413	10	23,671,390	9
Special reserve	67,165,730	27	66,329,134	26
Unappropriated earnings	34,271,257	14	34,444,618	14
Total retained earnings	126,642,400	51	124,445,142	49
Other equity	9,928,497	4	13,197,332	5
Total equity	180,277,293	72	181,347,447	71
TOTAL	\$ 251,019,735	100	\$ 255,823,716	100

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 16, 2026)

ASIA CEMENT CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 25 and 32)	\$ 12,401,335	100	\$ 10,972,740	100
OPERATING COSTS (Notes 11, 25, 26 and 32)	<u>10,475,464</u>	<u>84</u>	<u>9,085,830</u>	<u>83</u>
GROSS PROFIT	1,925,871	16	1,886,910	17
(UNREALIZED) REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES	<u>(835)</u>	<u>-</u>	<u>2,110</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>1,925,036</u>	<u>16</u>	<u>1,889,020</u>	<u>17</u>
OPERATING EXPENSES				
Administrative expenses (Notes 26 and 32)	589,536	5	593,693	5
Expected credit loss (gain) (Note 10)	<u>3,056</u>	<u>-</u>	<u>(3,639)</u>	<u>-</u>
Total operating expenses	<u>592,592</u>	<u>5</u>	<u>590,054</u>	<u>5</u>
OPERATING INCOME	<u>1,332,444</u>	<u>11</u>	<u>1,298,966</u>	<u>12</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Note 26)	1,378,128	11	1,084,575	10
Other gains and losses (Note 26)	480,861	4	2,931,974	27
Finance costs (Note 26)	(709,846)	(6)	(723,234)	(7)
Share of profit of subsidiaries and associates	8,090,237	65	8,723,431	79
Interest income	<u>163,808</u>	<u>2</u>	<u>360,397</u>	<u>3</u>
Total non-operating income and expenses	<u>9,403,188</u>	<u>76</u>	<u>12,377,143</u>	<u>112</u>
PROFIT BEFORE INCOME TAX	10,735,632	87	13,676,109	124
INCOME TAX EXPENSE (Note 27)	<u>705,809</u>	<u>6</u>	<u>786,381</u>	<u>7</u>
NET INCOME FOR THE YEAR	<u>10,029,823</u>	<u>81</u>	<u>12,889,728</u>	<u>117</u>
OTHER COMPREHENSIVE INCOME, NET				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized valuation gain on investments in equity instruments at fair value through other comprehensive income	45,415	-	132,997	1
Remeasurement of defined benefit plans	(109,369)	(1)	82,043	1

(Continued)

ASIA CEMENT CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Share of other comprehensive (loss) income of subsidiaries and associates	<u>\$ (311,858)</u>	<u>(2)</u>	<u>\$ 548,728</u>	<u>5</u>
	<u>(375,812)</u>	<u>(3)</u>	<u>763,768</u>	<u>7</u>
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive (loss) income of subsidiaries and associates	<u>(2,844,196)</u>	<u>(23)</u>	<u>6,339,781</u>	<u>58</u>
Other comprehensive (loss) income for the year, net of income tax	<u>(3,220,008)</u>	<u>(26)</u>	<u>7,103,549</u>	<u>65</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 6,809,815</u>	<u>55</u>	<u>\$ 19,993,277</u>	<u>182</u>
EARNINGS PER SHARE (Note 28)				
Basic	<u>\$ 3.00</u>		<u>\$ 3.86</u>	
Diluted	<u>\$ 2.99</u>		<u>\$ 3.85</u>	

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 16, 2026)

(Concluded)

ASIA CEMENT CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Other Equity											
	Share Capital Issued		Capital Surplus	Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain on Property Revaluation	Cash Flow Hedges	Total	Total Equity
	Shares	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings						
BALANCE ON JANUARY 1, 2024	3,546,563	\$ 35,465,629	\$ 8,574,119	\$ 22,558,401	\$ 66,660,987	\$ 28,691,020	\$ (4,418,006)	\$ 9,382,331	\$ 2,197,320	\$ 58,095	\$ 7,219,740	\$ 169,169,896
Appropriation of 2023 earnings												
Legal reserve	-	-	-	1,112,989	-	(1,112,989)	-	-	-	-	-	-
Special reserve	-	-	-	-	1,025,861	(1,025,861)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(7,447,782)	-	-	-	-	-	(7,447,782)
Net profit for the year ended December 31, 2024	-	-	-	-	-	12,889,728	-	-	-	-	-	12,889,728
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	158,056	6,327,922	646,018	(23,980)	(4,467)	6,945,493	7,103,549
Changes in capital surplus from investments in subsidiaries and associates accounted for using the equity method	-	-	(335,698)	-	-	-	-	-	-	-	-	(335,698)
Actual acquisition of interests in subsidiaries	-	-	923	-	-	(29)	-	-	-	-	-	894
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	687,854	-	(687,854)	-	-	(687,854)	-
Other changes in equity from investments in subsidiaries and associates accounted for using the equity method	-	-	-	-	-	246,907	-	-	(280,047)	-	(280,047)	(33,140)
Reversal of special reserve	-	-	-	-	(1,357,714)	1,357,714	-	-	-	-	-	-
BALANCE ON DECEMBER 31, 2024	3,546,563	35,465,629	8,239,344	23,671,390	66,329,134	34,444,618	1,909,916	9,340,495	1,893,293	53,628	13,197,332	181,347,447
Appropriation of 2024 earnings												
Legal reserve	-	-	-	1,534,023	-	(1,534,023)	-	-	-	-	-	-
Special reserve	-	-	-	-	1,093,508	(1,093,508)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(7,802,438)	-	-	-	-	-	(7,802,438)
Net profit for the year ended December 31, 2025	-	-	-	-	-	10,029,823	-	-	-	-	-	10,029,823
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	(154,511)	(2,854,222)	(184,077)	206	(27,404)	(3,065,497)	(3,220,008)
Changes in capital surplus from investments in subsidiaries and associates accounted for using the equity method	-	-	1,423	-	-	-	-	-	-	-	-	1,423
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	203,090	-	(203,090)	-	-	(203,090)	-
Other changes in equity from investments in subsidiaries and associates accounted for using the equity method	-	-	-	-	-	(78,706)	-	-	(248)	-	(248)	(78,954)
Reversal of special reserve	-	-	-	-	(256,912)	256,912	-	-	-	-	-	-
BALANCE ON DECEMBER 31, 2025	3,546,563	\$ 35,465,629	\$ 8,240,767	\$ 25,205,413	\$ 67,165,730	\$ 34,271,257	\$ (944,306)	\$ 8,953,328	\$ 1,893,251	\$ 26,224	\$ 9,928,497	\$ 180,277,293

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 16, 2026)

ASIA CEMENT CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 10,735,632	\$ 13,676,109
Adjustments for:		
Depreciation expenses	691,963	614,346
Amortization expenses	3,179	1,949
Expected credit loss (reversed) on trade receivables	3,056	(3,639)
Net gain on fair value changes of financial assets and liabilities designated as at fair value through profit or loss	(302,753)	(1,117,124)
Finance costs	709,846	723,234
Interest income	(163,808)	(360,397)
Dividend income	(605,080)	(787,003)
Share of profit of subsidiaries and associates	(8,090,237)	(8,723,431)
Loss (gain) on disposal of property, plant and equipment	11	(7)
Gain on disposal of investment properties	(1,152)	-
Gain on disposal of investments accounted for using equity method	-	(232,933)
Unrealized (realized) on transactions with subsidiaries and associates	835	(2,110)
Unrealized loss (gain) on foreign exchange	282,131	(490,805)
Gain on changes in fair value of investment properties	(715,663)	(1,292,123)
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	151,659	8,885,785
Notes receivable	34,399	(17,065)
Trade receivables	97,351	(44,918)
Other receivables	71,282	(10,998)
Inventories	(118,880)	(86,622)
Prepayments	(23,614)	108,328
Other current assets	(822)	101
Net defined benefit assets	(67,884)	(38,971)
Contract liabilities	78,057	(47,083)
Accounts payable and accrued expenses	(648,324)	(149,727)
Provisions	50,588	(50,065)
Deferred revenue	(29,265)	(33,152)
Cash generated from operations	2,142,507	10,521,679
Interest received	249,149	308,027
Dividends received	7,918,391	6,006,008
Interest paid	(648,030)	(719,220)
Income tax paid	(600,464)	(652,362)
Net cash generated from operating activities	<u>9,061,553</u>	<u>15,464,132</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(97,982)	-
Purchase of financial assets at amortized cost	-	-

(Continued)

ASIA CEMENT CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Proceeds from sale of financial assets at amortized cost	2,436,190	62,662
Purchase of associates	(177,500)	-
Proceeds from sale of associates	-	1,592,491
Payments for property, plant and equipment	(486,381)	(832,989)
Proceeds from disposal of property, plant and equipment	30	22
Decrease (increase) in refundable deposits	1,566	(802)
Payments for intangible assets	(1,802)	(6,776)
Payments for investment properties	(7,219)	(2,544)
Proceeds from the sale of derivatives held for non-trading purposes	<u>1,380</u>	<u>-</u>
Net cash generated from investing activities	<u>1,668,282</u>	<u>812,064</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term borrowings	(700,000)	700,000
Decrease in short-term bills payable	(5,840,000)	(6,960,000)
Proceeds from issuance of bonds	18,800,000	3,700,000
Repayments of bonds	(18,600,000)	(10,000,000)
Proceeds from long-term borrowings	6,800,000	6,130,000
Repayments of long-term borrowings	(4,010,000)	(4,180,000)
Increase (decrease) in guarantee deposits received	100	(1,235)
Repayment of the principal portion of lease liabilities	(75,429)	(91,788)
Dividends paid	(7,802,420)	(7,447,762)
Acquisition of additional interests in subsidiaries	<u>-</u>	<u>(8,916)</u>
Net cash used in financing activities	<u>(11,427,749)</u>	<u>(18,159,701)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(65,109)</u>	<u>171,991</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(763,023)	(1,711,514)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,205,587</u>	<u>3,917,101</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,442,564</u>	<u>\$ 2,205,587</u>

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 16, 2026)

(Concluded)