



Universal Cement Corporation 2024 Sustainability Report



Introduction

This is the sustainability report of Universal Cement Corporation (hereinafter referred to as “UCCTW”), pursuant to Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Standards Board (GSSB) and complied with the guidelines and framework of GRI and the economic, environmental, and social developments and strategies of Sustainability Accounting Standard Board (SASB), which provides UCCTW’s accurate and detailed progress and achievements in sustainable development to shareholders. Information regarding this report is as follows:

Reporting Period

The main period of the published data in this report is from January 1, 2024 to December 31, 2024. The scope and boundary of reporting consist of the economic, social, and environmental performances of UCCTW. Any information with different scope and boundary of disclosure regarding other investment companies will be otherwise specified. Currently, besides the Head Office in Taipei, UCCTW’s location of operations include: Haihu Gypsum Board Plant in Taoyuan City, Luzhu Gypsum Board Plant in Kaohsiung City, Alian Cement Plant in Kaohsiung City, and 7 ready-mixed concrete plants, including Yong Kang, Tainan, Dahu, Nanzi, Fengshan, Xiaogang, and Chaozhou. Considering the comparability of information provided, other than information regarding performances that has not been officially collected, this reporting will disclose data from 2024, with part of the data tracing back to related performances for the past 3 years.

This report is issued in the ninth year, and the reporting cycle happens once a year. The previous issuance was in June 2024. This report’s date of issuance is in June 2025, and the next scheduled issuance time is June 2026.

Information Disclosure and Inspection

Internal Inspection: The financial information provided in this report, denominated in NTD, has been audited by the CPA and is published in the annual report for the general shareholder’s meeting. Each number is represented in the most common decimal numeral system, rounded. Other non-financial data is provided by relevant internal departments, reviewed and approved by the Board and published on UCCTW’s official website and Market Observation Post System website.

External Certification: UCCTW tasked the Legendary & Steadfast Accountancy(LSA)to conduct independent limited assurance on the information of this report in accordance with Statement of

Assurance Engagements Standard No.3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” issued by the Accounting Research and Development Foundation of the Republic of China, which is based on ISAE 3000. Please refer to the Appendix for relevant assurance methodology and results.

Contact Information

If you have any opinion or question about the content of this report, please feel free to submit your valuable recommendations via the following methods:

Contact: Peter Chang, Office of the President

Tel: +886 2-2507-7801 ext. 145

Email: peter.chang@ucctw.com

Address: 10F, No. 125, Sec. 2, Nanjing E. Rd., Zhongshan Dist., Taipei, Taiwan (R.O.C.)

Website: www.ucctw.com

Chairman's Statement

Since its establishment in 1960, Universal Cement Corporation has remained steadfast in its position, we have always adhered to four core principles: good quality, good service, good creditability, and fair pricing. Fulfilling the needs of employees, suppliers, partners, and customers is our responsibility. We work to enhance our production process, create a circular economy, and strive for the sustainable growth of enterprises, society, and the environment.

Committed to promote the use of green building materials, we set up the first domestic gypsum board plant, assembled a research team that constantly innovates on the functional performances of gypsum boards, such as implementing moisture resistance, fire-resistance, sound insulation, and convenience in construction. Further inventing the first gypsum board recycling system, and in that process, establishing a circular economy. In recent years, the use of green building materials has become prevalent, and our gypsum board has earned recognition. Our Taoyuan Haihu Gypsum Board Plant's production capacity has exceeded 95%, and our Kaohsiung Luzhu Gypsum Board Plant has commenced production in 2023 to expand production capacity and create job opportunities for local populations.

We also adhere to our goal of corporate sustainability, strictly managing the quality of our products, regularly tracking customer opinions to develop better functions and product ratios, actively collaborating with both public and private construction projects in order to strengthen the competitiveness of our products.

Other than the field of building materials, to satisfy customers' needs, we established our microelectronics division to create a better future filled with convenience and high living standards. Our subsidiary company, Uneo Inc., with the technology of micro-deformable piezoresistive sensor, has received international recognition and has made remarkable progress in consumer electronics, stylus, industrial and semiconductor equipment, smart health, and smart warehouses. Uneo Inc. collaborated with world-renowned corporates. As a pioneer in film type pressure sensor industry, Uneo Inc., aims to provide defining innovations that enhance user experience.

We are sincerely grateful for all the hard work from our colleagues and the support and trust from the public. In the future, continuing the principles from our founder Mr. Hou Yu-Li, we strive to maintain ethical corporate management and social responsibility for the next hundred years.

Bo-Chih Investment Co., Ltd

Key Achievements in 2024

Sustainable Operation and Management

- The only domestic gypsum board provider - from R&D to product design, we incorporated the element of “green” and obtained various environmental safety certifications. The production reached 16,070 thousand m² in 2024.
- Executing Business Continuity Planning: Continuously adopt optimized inventory and flexible transportation scheduling, maintain stable operations to support the public construction demand.
- Suppliers sign Corporate Social Responsibility Commitment: A total of 82 suppliers have signed the commitment, partnering with The company to fulfill our responsibility for sustainable development of the business and the society.

Environmental Management

- Prioritize the adoption of high-efficiency energy-saving products.
- Promote and implement energy-saving, carbon reduction, and environmental protection measures.
- Regularly inspect and eliminate outdated equipment to reduce energy burden.
- All suppliers meet the requirements of the ISO quality management system for qualified suppliers.
- Local sourcing of raw materials: The company's local procurement accounts for 93.15% of the total procurement amount.
- Customer satisfaction survey: Average customer satisfaction scores for each business divisions exceed 90 points.

Social Contribution

- In 2024, the total amount of social welfare donations reached NT\$ 4.4 million .
- In 2024, saw continued investment in R&D expenditure rose to NT\$ 71.82 million.

Table of Contents

Introduction.....	1
Chairman’s Statement	3
Key Achievements in 2023.....	4
Table of Contents	5
1 Sustainable Operation and Management	6
2 Corporate Governance and Investment	25
3 Excellent Customer Service.....	42
4 Environmental Management	45
5 Employee and Benefits.....	59
GRI Standards Content Index	74
SASB Standards for Construction Materials	79
Operational Guidelines for the Preparation and Submission of Sustainability Reports by Listed Companies: Sustainability Disclosure Indicators - Cement Industry	81
ISAE 3000 Limited Assurance Report.....	99

1 Sustainable Operation and Management

1.1 Company Overview

Established in 1960, UCCTW was founded by Mr. Wu, Shan-Lien and Mr. Hou, Yu-Li, with UUTW Cement as its main product, and listed officially in 1971. Our total capital in 2024 is NT\$6.87 billion, consolidated revenue is NT\$7.95 billion, total number of employees is 493, and currently have 4 divisions:

Cement Division	In 1960, the Cement Division was established, selecting Kaohsiung's Dagang Mt. as the mining area, also establishing the Dahu Cement Plant and Alian Cement Plant. Currently, the existing plant, Alian Cement Plant, primarily focuses on grinding and processing purchased clinker to produce cement products.
Ready-mixed Concrete Division	In 1998, the ready-mixed concrete division was established which constructed the Dahu Ready-Mixed Concrete Plant. Currently, there are 9 operating ready-mixed concrete plants and 1 subsidiary managing 2 ready-mixed concrete plants.
Building Materials Division	In 1991, the first domestic gypsum board plant was constructed under this division. It has the highest market share for fire-resistant gypsum board and has been utilizing reuse and recycling to create a circular economy for green building materials. In 2020, this division became a retailer for architectural wall panels of the Japanese company Nichiha, providing customers multiple options. Currently, there are 2 operating gypsum board plants.
Microelectronics Division	In 2010, the Microelectronics division was awarded patent of the Micro-Deformable Piezoresistive Sensor from Industrial Technology Research Institute and established microelectronics division. In 2013, the division established the subsidiary company Uneo Inc.

Investment Company

To integrate our products and provide better customer service, UCCTW established relations with various affiliated companies in the building materials sector to reduce the risk of concentrated revenue. We also diversify our investment in different business sectors and industries.

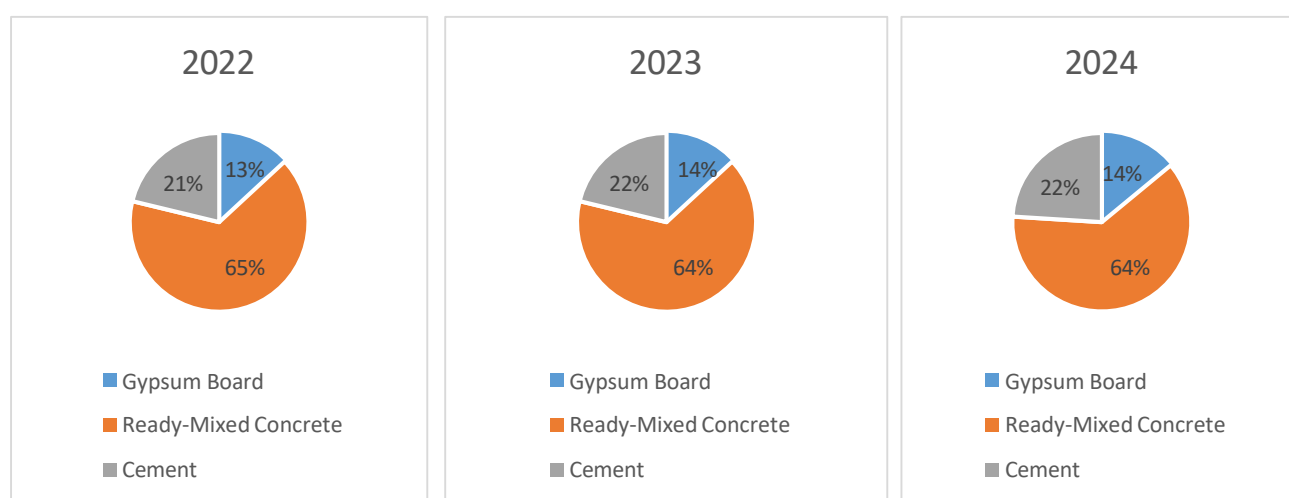
Investee Company	Main Business and Products
UCC Investment Co., Ltd.	Investment activities
Uneo Inc	Marketing of electronics products
Lioho Machine Works Ltd.	Manufacturing and marketing of metal parts and automotive components
Huan-Chung International Co., Ltd.	Import, export, and sale of cement, cement material
Universal RMC Industry Co., Ltd.	Manufacturing and marketing of ready-mixed concrete
Chiayi RMC Industry Co., Ltd	Manufacturing and marketing of ready-mixed concrete
Tainan RMC Industry Co., Ltd.	Manufacturing and marketing of ready-mixed concrete
Kaohsiung Pier Transportation Co., Ltd.	Trucking operation
Li-Yong Development Co., Ltd.	Investment activities, trading for real estate and leasing business

1.2 Product Overview

Product Profile

Product Type	Description
Cement	Mainly supplying areas south of Taichung.
Ready-Mixed Concrete	Mainly supply for Hsinchu, Taichung, Tainan, Kaohsiung, and Pingtung.
Gypsum Board	Mainly for domestic market, some for exports.

Percentage of Main Product Sales Revenue



Market Share

Market Share of Cement (%)	2022	2023	2024
	3	3	4

Market Share of Ready- Mixed Concrete (%)	2022			2023			2024		
	Tainan	Kaohsiung	Pingtung	Tainan	Kaohsiung	Pingtung	Tainan	Kaohsiung	Pingtung
	20	16	21	21	20	23	20	19	24

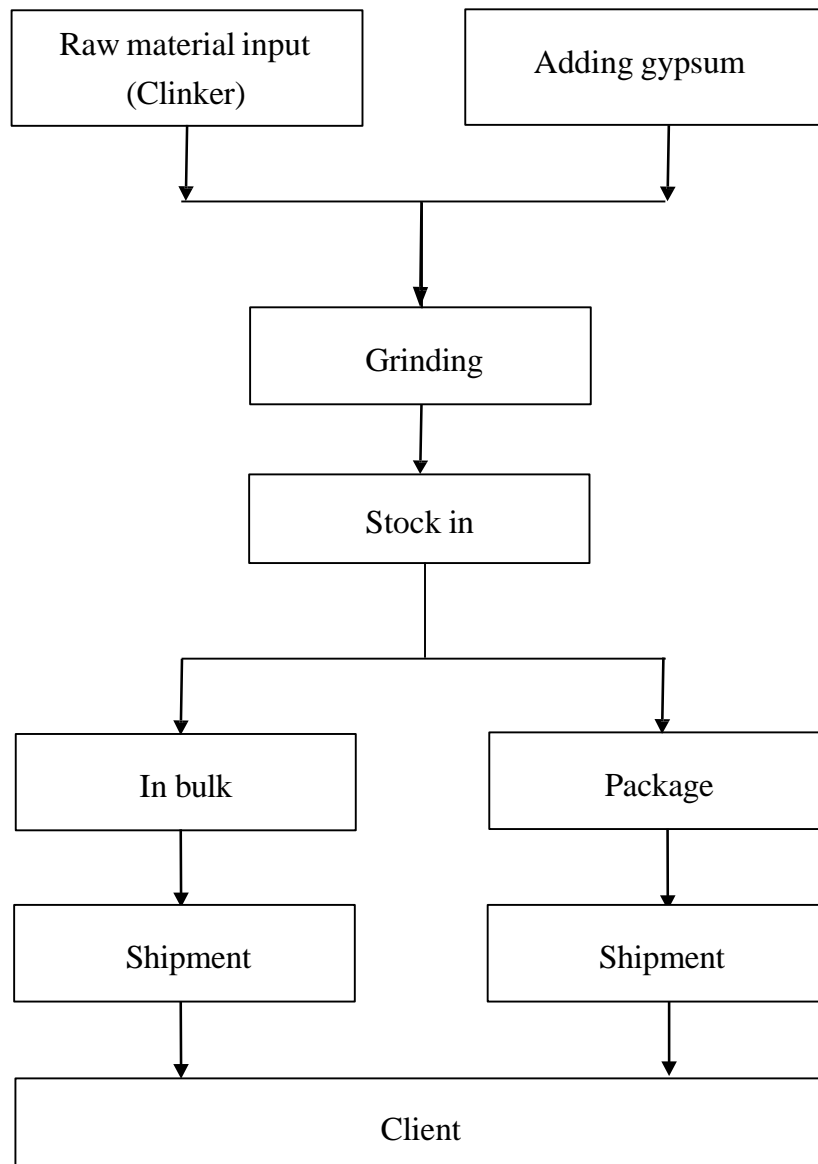
Market Share of Gypsum Board (%)	2022	2023	2024
	92	94	94

Note: UCCTW is the only domestic producer of gypsum board. From 2022 to 2024, other sources were all imports; since we haven't received the full sales data for ready-mixed concrete, only sales from southern regions (Tainan, Kaohsiung, Pingtung) are included; Data for cement sales is from TCMA (Taiwan Cement Manufacturers' Association).

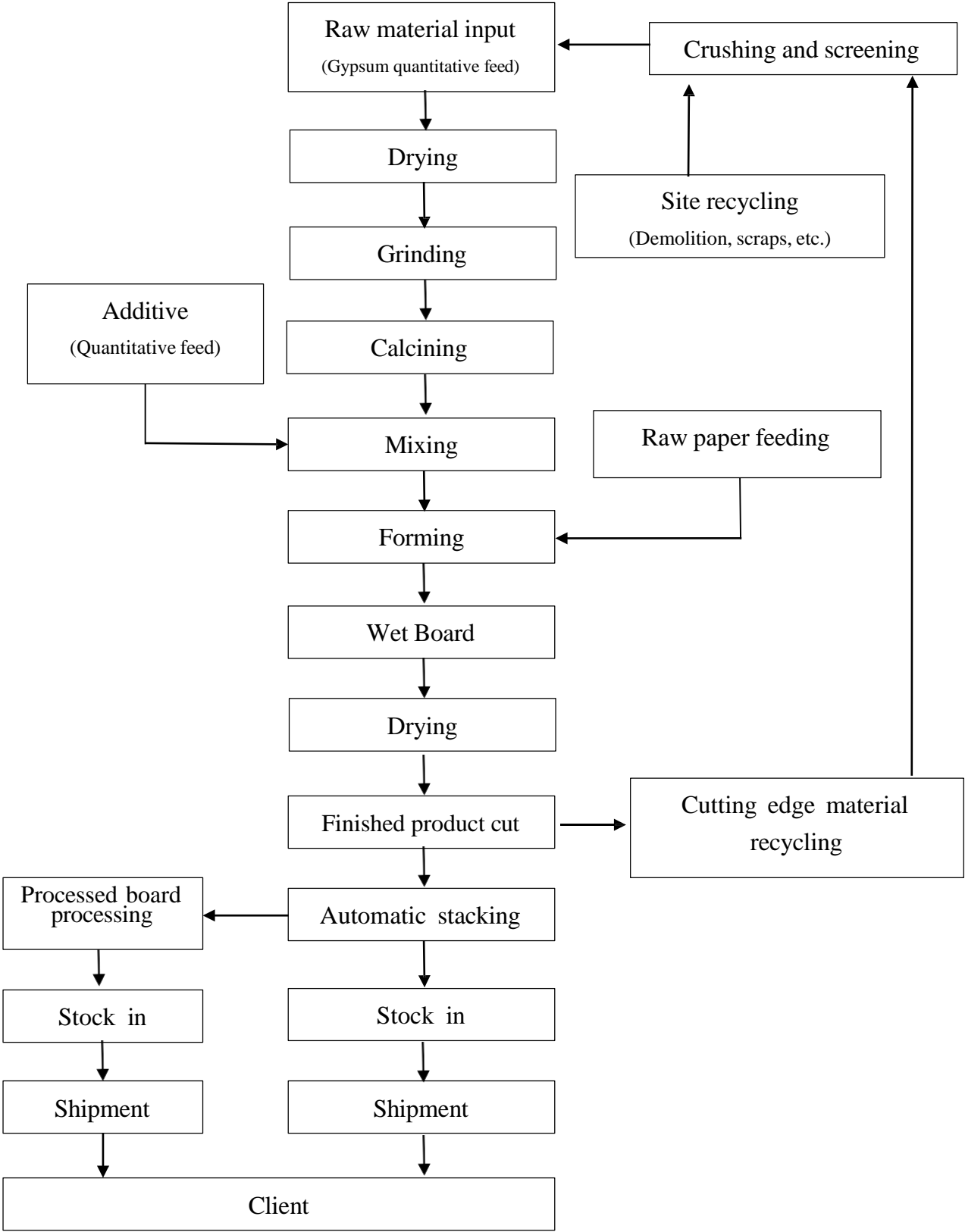
Production of Main Products			
Product	2022	2023	2024
Cement (ton)	443,929	393,104	372,746
Ready-Mixed Concrete (m ³)	1,676,719	1,554,731	1,501,765
Gypsum Board (m ²)	15,370,968	16,146,837	16,074,007

Product Manufacturing Processes

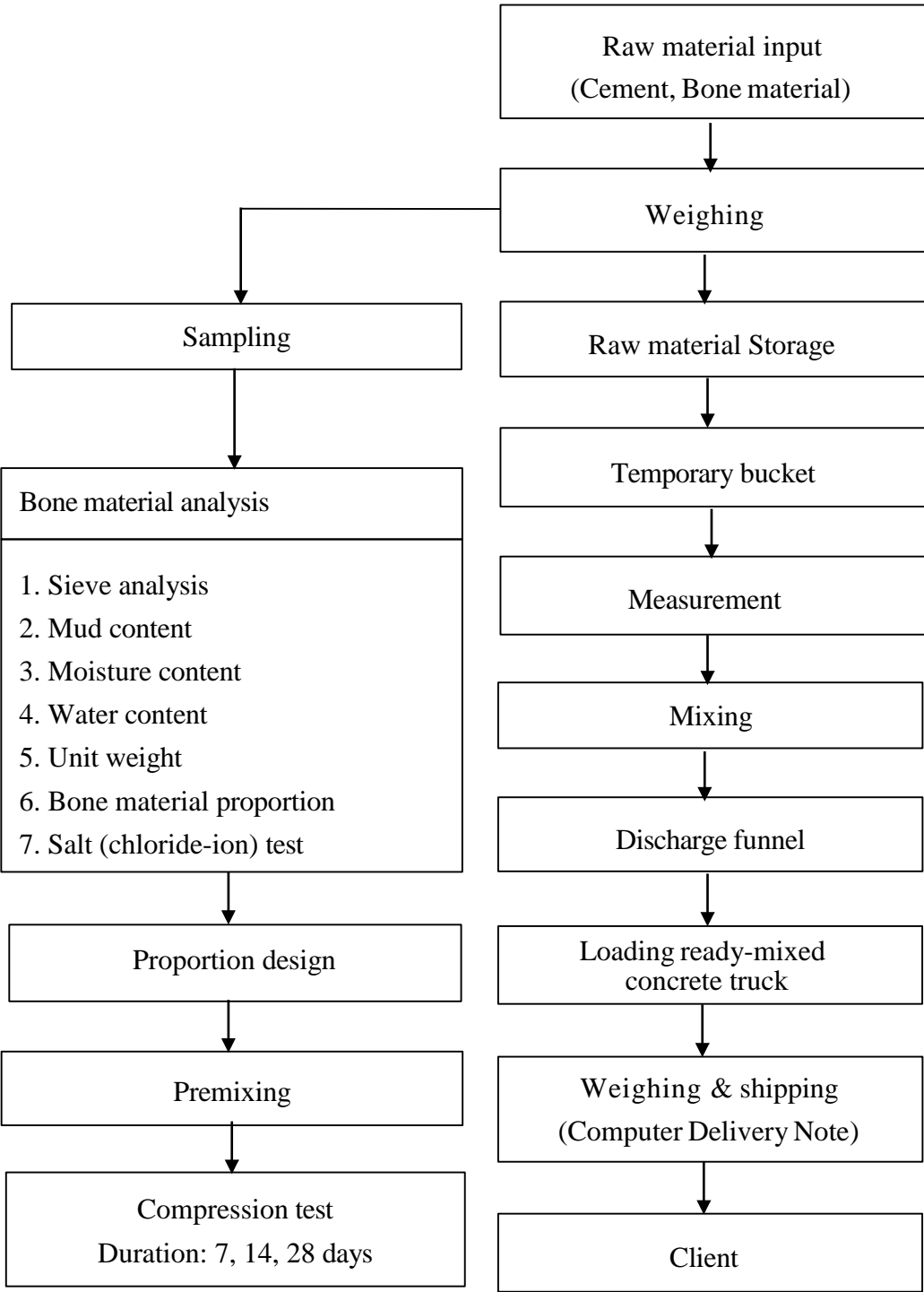
Cement Production



Gypsum Board Production



Ready-Mixed Concrete Production



1.3 Stakeholder Engagement

Stakeholder Analysis

Stakeholder and Material Topic Analysis and Assessment:

- Identify stakeholders: Each division manager fills out stakeholder assessment questionnaire to identify significant stakeholders.
- Analyze the degree of concern around sustainability topics: According to the result of stakeholder's assessment, understand their degree of concern around sustainability topics through questionnaires, interviews, or self-evaluations.
- Analyze the degree of impact of sustainability topics: Company managers analyze each sustainability topic and assess their degree of impact.
- Confirmation of material topics: According to stakeholder's degree of concern and impact on company's sustainability development, create a graph that displays the assessment of each material topic as reference.

Stakeholder Communication

<p>Consulting the 5 major principles of the AA1000 Stakeholder Engagement Standard (SES) (Dependence, Accountability, Influence, Multiple Perspectives, and Degree of Concern), UCCTW has identified the 7 main stakeholder groups, established a variety of smooth communication channels with the stakeholders according to the nature of each department to learn more about their issues of concern and obtain their feedback. This will be reported during the board meeting each year and used as reference for the company’s sustainable management and operation, assisting each department in understanding market trends, evaluate business performances, achieve environmental protection and social exchanges so that the company can continue to grow and maintain good relationships with stakeholders. Other than the published information from board meetings, company website, and sustainability reports, we also welcome stakeholders to provide us feedback via the following methods: TEL: (02)2507-7801 EMAIL: CSR@ucctw.com</p>						
Stakeholder	Importance to UCCTW	Concerned Sustainability Topics	Responsible Department	Communication Channel, Response Method, and Frequency	2024Communication Frequency and Method	Corresponding Chapter
Government Agencies	UCCTW complies with the laws of government agencies, adjusts its business strategy in response to policies, and cooperates with the government to establish good communication to yield sustainable social, economic, and industrial development.	1. Regulatory compliance 2. Company operations and ethical management 3. Risk management 4. Competent authority communication	1. Management division 2. Each plant/location of operations	1. Attend policy meetings and seminars held by competent authorities: occasional 2. Conduct supervision and inspection of competent authorities accordingly: occasional 3. Meet up with competent authorities, maintain communication: occasional 4. Disclose important information on Market Observation Post System: occasional 5. Communicate via meetings, telephone, email, official documents and letters: at all times	-Disclose important information according to requirements -Complete information reports according to requirements	1.2 Product Overview 2.1 Corporate Governance 4.1 Environmental Management 5.2 Talent Management
Employees	Employees are UCCTW’s human capital. We strive to maintain a safe and secure working environment and improve their skills through educational and training courses, turning them into key stakeholders who are competitive and grow together with the company.	1. Employee compensation and benefits 2. Workplace safety and health 3. Operational and financial performance 4. Labor-Management relations and grievance mechanism 5. Talent recruitment and cultivation	Human resource division	1. Establish compensation committee, employee welfare committee, and supervisory committee of labor retirement reserve 2. Performance evaluation: once per year 3. Trade union meeting: once per season 4. Employee training: occasional 5. Post information on company’s electronic bulletin board: occasional 6. Employee suggestions and communication: at all times, via telephone, email, meetings 7. Newcomer interview and website announcements: occasional	-Hold compensation meeting: 2 times -Hold employee welfare meeting: 3 time -Attend labor-management meeting: 12 times -Attend trade union meeting: 8 times -Average time of employee training:10.4 hours -Campus recruitment: 9 times; National Taipei University, National Cheng Kung University, National Taiwan University of Science and Technology, Cheng Shiu University, Kaohsiung University of Science and Technology, United University, Chung Yuan Christian University, China University of Science and Technology, Pingtung University of Science and Technology	1.1 Company Overview 2.1 Corporate Governance 2.2 Economic Performance 5.2 Talent Management 5.3 Talent Development 5.4 Health and Safety
Shareholders and Investors	The trust and supervision from each shareholder and investor for our management team is a main driving force for us to continue to make profits. UCCTW adheres to the governance principles of transparency and integrity, pursues sustainable development, and returns our operational success to public investors.	1. Company operations and ethical management 2. Operational and financial performance 3. Sustainable strategy and practice 4. Investment companies and diversification	Spokesperson	1. Hold shareholders meetings: once per year 2. Update investor section on company website and disclosed information on Market Observation Post System: occasional 3. Hold earnings call: at least once per year 4. Reply shareholders via telephone and email: at all times	- Hold shareholders meeting: 1 time -Hold Board of Directors meeting: 6 times -Disclose important information: 20 items -Invited to attend earnings call: 2 times (Hosted by President Securities 2024/6/12 、2024/12/5)	1.1 Company Overview 2.1 Corporate Governance 2.2 Economic Performance 5.4 Health and Safety
Customers	Customer’s support allows UCCTW to earn more profit. To maintain good relationships, we continue to offer high-quality products and services to satisfy customers.	1. Product quality and customer satisfaction 2. Product sales and transportation 3. Regulatory compliance 4. Company operations and ethical management 5. Human rights and equality	Each division	1. Attend Taiwan Trade Shows: at least once per year 2. Hold product/construction presentations: occasional 3. Survey customer satisfaction: once per year 4. Telephone/visits, reply customers: at all times	-Attend the Taipei Building Show: 2024/12/12~12/15 -Customer satisfaction: average above 90	2.1 Corporate Governance 3.1 Innovative Research and Development 3.2 Customer Service 5.2 Talent Management

Suppliers	Suppliers are UCCTW's partners. We collaborate and supervise each process of production to create a win-win situation.	1. Regulatory compliance 2. Product quality and customer satisfaction 3. Company operations and ethical management 4. Sustainable strategy and practice 5. Supply chain management	Procurement division	1. Require suppliers to sign a letter of commitment to "expect to abide by the company's integrity clause, confidentiality clause, human rights policy and integrity management policy" 2. Require suppliers to comply to governmental regulations 3. Offer suppliers communication channels (telephone/email) 4. Establish a raw material management system, regularly collect information, and evaluate their sources	-Suppliers are in compliance with ISO quality management system standards -Number of Critical Tier 1 Suppliers: 14 -New Supplier Evaluation: total of 19 suppliers, passing rate 100%. -Existing Supplier Risk Assessment System: total of 49 suppliers, passing rate 100%. -Supplier Self-Evaluation Survey: total of 82 suppliers, response rate 100%. -Local Procurement of Raw Materials: Our expense on local procurement covers 93.15% of total expense on procurement. -Signing of the “Commitment Letter of Supplier Corporate Social Responsibility”: total of 82 suppliers signed the letter.	1.1 Company Overview 2.1 Corporate Governance 3.1 Innovative Research and Development 3.2 Customer Service
Industry Associations, Scholars, Academic units	Communicate with industry associations, scholars, and various academic units and establish channels for industry-academia cooperation.	1. Company operations and ethical management 2. Regulatory compliance 3. Employee compensation and benefits 4. Product quality and customer satisfaction	Each division	1. Communicate via telephone, official documents, email: occasional	- Attend industry associations: 18 - Donation and sponsor: NTD 4.4 million, Including National Taiwan University of Science and Technology, National Taiwan Sport University, Southern Taiwan University of Science and Technology, Kaohsiung Architectural Management Association, Taichung Real Estate Development Commercial Association, Formosa Dreamers Basketball Team, Kaohsiung Reading Association, Wu San-Lien Foundation, Yongfu Education Foundation, Elementary School Sport Association, Cheng Kung University Cultural and Educational Foundation, Tainan Municipal Museum, Tainan Cultural Foundation, National Federation of Industries, Scholarship Foundation of the Harvard Club of the R.O.C., MUN Society Taiwan. - Industry Cooperation: Internship Program (6 people), collaboration with the Department of Architecture at National Taiwan University of Science and Technology to offer specialized lectures and design cement art pieces, participation in the Harvard Undergraduate Taiwan Leadership Conference.	2.1 Corporate Governance 3.1 Innovative Research and Development 3.2 Customer Service 5.2 Talent Management
Residents in the Operation Area	Residents near location of operations are closely related to our operational productions. We will continue to strengthen our relationships and increase interactions to create a prosperous future.	1. Waste management 2. Material recycling management 3. Community welfare and participation 4. Risk management 5. Regulatory compliance	Each plant/location of operations	1. Visit local groups/communities/schools: occasional 2. Communication via telephone and email: at all times 3. Disclose information on company website: occasional	Visit local representatives near location of operations, understand local needs: occasional	2.1 Corporate Governance 4.1 Environmental Management

Foundations and Associations

UCCTW actively participates in relevant cement, ready-mixed concrete, fire-resistant building materials, architecture, and tourism industrial associations. We hold events and attend meetings to exchange ideas, promote professional knowledge, such as the functions of different gypsum boards, and educational training. As a pioneer in fire-resistant building materials, we hope to promulgate the concept of residential safety and drive the development of domestic architectural design. UCCTW also joins membership activities of stock and business associations to realize the corporate social responsibility of sustainable development.

Name of Association			Board of Directors and Supervisors	Membership
Taiwan Cement Manufacturers' Association			○	○
Taiwan Stock Affairs Association				○
Taiwan Institute of Directors				○
Ready-mixed Concrete Division	Taiwan Ready-Mixed Concrete Industry Association		○	○
	Kaohsiung Judicious Creative Architecture Association			○
	Tainan Judicious Creative Architecture Association			○
Building Materials Division	Northern Taiwan	Taiwan Fire Safety & Material Association	○	○
		Taipei City Interior Design and Decoration Business Association		○
		New Taipei City Interior Design Decoration Association of Commerce		○
		Architecture Association of the R.O.C.		○
	Central Taiwan	Taichung Architecture Development Association		○
		Taichung Construct Quality Control Association		○
		Taichung Real Estate Development Association		Partner
		Taiwan Society of Dry Wall System Construction		○
		The Taichung Association of Interior Design and Decoration		○
		Taiwan Green Intelligent Technology Association	○	
	Southern Taiwan	Tainan Association of Interior Design and Decoration		○
		Tainan Judicious Creative Architecture Association		○

Local Communities

Besides business goals, we also actively implement corporate social responsibility, care for minorities and disadvantaged groups, and deepen community relations by participating in community activities and donations, promoting sustainable development with the public.

Event Type	Event Description in 2024
Public Relations with Locals	<ul style="list-style-type: none"> • Visiting local representatives to understand the needs of local areas around the factory.
Industry-Academia Cooperation	<ul style="list-style-type: none"> • Industry-Academia Cooperation: Internship Program (6 Interns) • Collaboration with the Department of Architecture at National Taiwan University of Science and Technology to offer specialized lectures and design plaster art pieces. • Encourage higher vocational colleges and universities to visit the factory for discussions and visits in order to enhance their understanding and interest in the construction material industry. • Support Harvard Undergraduate Taiwan Leadership Conference. • Support the National Skills Competition organized by the Ministry of Labor and sponsor gypsum board materials required for the competition.
Education and Culture	<p>A total of NT\$4.4 million was invested in:</p> <ul style="list-style-type: none"> • Long-term sponsorship of various sports teams and events, including the Uni-President 7-Eleven Lions, Formosa Dreamers, and school basketball teams; awarded the Sports Activist Awards by the Sports Administration in 2024. • Support for the Wu San-Lien Taiwan Historical Materials Foundation to preserve local history. • Provided funding for restoration projects of the Cultural Affairs Bureau, Tainan City Government, including scholarships for 3 graduate students. • Scholarships and research funding for National Taiwan University of Science and Technology, Southern Taiwan University of Science and Technology, and China University of Technology. • Support for academic exchange with Harvard University. • Support for the Kaohsiung Reading Association to promote reading among disadvantaged youth.

The following shows the total amount of social welfare donations over the past 3 years:

Year	2022	2023	2024
Total	NT\$ 990 thousand	NT\$ 3.29 million	NT\$ 4.40 million

1.4 Analysis of Material Topic



Analysis of Sustainability Issues

Steps to Evaluate Major Issues :

1. Conducted a survey among key stakeholders, with 165 questionnaires collected, to assess the level of concern regarding 21 sustainability topics:
 - (1) Regulatory compliance
 - (2) Company operations and ethical management
 - (3) Product quality and customer satisfaction
 - (4) Operational and financial performance
 - (5) Sustainable strategy and practice
 - (6) Energy consumption and management
 - (7) Greenhouse gas emissions
 - (8) Human rights and equality
 - (9) Product sales and transportation
 - (10) Risk management
 - (11) Supply chain management
 - (12) Climate change response
 - (13) Workplace health and safety
 - (14) Employee compensation and benefits
 - (15) Wastewater, air, waste pollution and prevention
 - (16) Material recycling management
 - (17) Waste management
 - (18) Talent recruitment and cultivation
 - (19) Industrial relations and grievance mechanism
 - (20) Community welfare and participation
 - (21) Investment companies and diversification

2. Evaluate the impact of various sustainability issues on the economy, environment, and society by the Sustainable Development Committee.
3. Select the top 9 sustainability issues with significant impact for disclosure in this report as major focal points of concern.
 - (1) Regulatory compliance
 - (2) Company operations and ethical management
 - (3) Product quality and customer satisfaction
 - (4) Operational and financial performance
 - (5) Sustainable strategy and practice
 - (6) Energy consumption and management
 - (7) Greenhouse gas emissions
 - (8) Employee compensation and benefits
 - (9) Workplace health and safety

Analysis of Major Focal Points of Concern in Order of Importance

(Significant)  Possibility of Occurrence (Customer and societal concern)	<ul style="list-style-type: none"> Human rights and equality Climate change response Industrial relations and grievance mechanism 	<ul style="list-style-type: none"> Sustainable strategy and practice Energy consumption and management Greenhouse gas emissions 	<ul style="list-style-type: none"> Regulatory compliance Operational and financial performance
	<ul style="list-style-type: none"> Material recycling management Community welfare and participation 	<ul style="list-style-type: none"> Workplace health and safety Employee compensation and benefits 	<ul style="list-style-type: none"> Company operations and ethical management Product quality and customer satisfaction
	<ul style="list-style-type: none"> Supply chain management Wastewater, air, waste pollution and prevention 	<ul style="list-style-type: none"> Risk management Waste management Talent recruitment and cultivation Investment companies and diversification 	<ul style="list-style-type: none"> Product sales and transportation
	Impact Level(Executive Concern)  (Significant)		

Sustainable Development Committee

1. The Company established a Sustainable Development Committee chaired by a director to guide senior management on long-term sustainability. The Office of the President serves as the dedicated sustainable development unit, responsible for policies, implementation, risk management, and training.
2. Sustainability objectives are set for senior managers based on their roles and included in annual

performance reviews. Evaluations for General Manager and Deputy General Manager incorporate corporate governance results, which affect their compensation.

3. The Company has a Code of Sustainable Practices and risk management policies, all approved by the Board before implementation.
4. Sustainable development plans and results are regularly disclosed on the corporate website, annual report, or sustainability report.
5. The Board receives sustainability reports from management at least annually, reviews progress, and supervises necessary adjustments.
6. The latest reporting date: March 10, 2025.
7. The current committee term is from June 16, 2023, to June 15, 2026. In this year, 2 meetings were held (expected attendance). The committee's qualifications, experience, and operations are as follows:

Position	Name	Sustainability expertise and capabilities	Attendance		Attendance Rate
			In Person	By Proxy	
Chairperson	HOU, Chih-Sheng	Practical experience in corporate sustainable management	2	0	100%
Director	HOU, Chih-Yuan	Practical experience in corporate sustainable management	2	0	100%
Director	CHANG, Pei-Te	Practical experience in corporate sustainable management	2	0	100%

Term/ Date	Proposal	Resolution of the Committee
March 15, 2024	Corporate Governance Report	The Chairperson consulted with members presented and approved unanimously.
August 8, 2024	Review of the 2023 Sustainability Report	The Chairperson consulted with members presented and approved unanimously.

Material Topics Management

Issues	Material Topic	Management Approach	Evaluation Mechanism	Corresponding Chapter	GRI	SASB
Company operations and ethical management	General disclosures	<ul style="list-style-type: none"> - Comply to the rules governing listed companies, Board of Directors meeting is held regularly to discuss and resolve proposals, strictly abide by relevant laws and regulations, striving towards the goal of zero violations. 	✓ The number of cases punished for violating laws and regulations.	2.1 Corporate Governance	2-27	EM-CM-520a.1
Product quality and customer satisfaction	Customer health and safety	<ul style="list-style-type: none"> - Product quality meets national standards. - Use of raw materials free from toxic substances. - Conduct annual customer satisfaction surveys. 	✓ Implementation, review, and improvement based on quality control evaluation systems and regulations such as CNS 12681, CNS 03090, CNS 4458, ISO 9001, ISO 9002, and Green Building Material certification.	3.1 Innovative Research and Development 3.2 Customer Service	416-1 416-2	EM-CM-410a.1 EM-CM-410a.2
	Marketing and labeling	<ul style="list-style-type: none"> - All product certifications and labels are disclosed on the company website and product packaging. 	✓ Update product-related information promptly on the company website and product packaging.	3.1 Innovative Research and Development	416-1 416-2 417-1	EM-CM-410a.1 EM-CM-410a.2

Issues	Material Topic	Management Approach	Evaluation Mechanism	Corresponding Chapter	GRI	SASB
Regulatory compliance	Socioeconomic Compliance	- Each division responds to changes in regulations.	✓ Each division must comply to laws and regulations.	2.1 Corporate Governance	2-27	EM-CM-520a.1
	Environmental Compliance	- Each division responds to changes in regulations.	✓ Each division must comply to laws and regulations.	2.1 Corporate Governance	2-27	EM-CM-520a.1
Operational and financial performance	Economic Performance	- Regularly hold financial performance meetings to review non-compliance items and discuss Ways of improvement.	✓ Important annual financial indicators.	2.2 Economic Performance	201-1	-
Sustainable strategy and practice	Environmental Management	- Develop and implement strategies with the goal of sustainable management.	✓ Carbon Footprint Label for Products ISO 14067 ✓ Environmental Protection Label ✓ Recycled Green Building Material ✓ Green Concrete	4.2 Climate Change	201-2	EM-CM-110a.1 EM-CM-110a.2
Energy consumption management	Energy Management	- Continue to increase energy use efficiency.	✓ Calculate carbon density and set reduction targets each year.	4.3 Energy Management	302-1 302-3	EM-CM-130a.1
Greenhouse gas emissions	Environmental Management	- Set greenhouse gas emissions targets.	✓ Conduct annual greenhouse gas inventory and external department verification work.	4.2 Climate Change	305-1 305-2	EM-CM-110a.1 EM-CM-110a.2

			✓			
Workplace health and safety	Occupational Health and Safety	- Implement the management principles of "three cares and five techniques": self-care, mutual care, supervision, pay attention with eyes, mouths, ears, hands, hearts.	✓ Regular safety and health evaluations, strict control of deficiencies and active tracking of improvement status.	5.4 Health and Safety	403-3 403-6	EM-CM-320a.1 EM-CM-320a.2
Employee compensation and benefits	Market Presence	- Collect information from salary comparisons and adjust accordingly. - Compensation Report for Purchasing Consultant Company.	✓ Adjust salary according to market conditions.	5.2 Talent Management	401-1 401-2 401-3	-
	Diversity and Equal Opportunity	- Implement corresponding management measures according to laws and regulations.	✓ Employees, regardless of religion, gender, or sexual orientation, have the same position and promotion opportunities.	5.1 Human Rights 5.2 Talent Management	405-1	-
	Employment	- Hold labor and employment meetings, offer occupational training.	✓ Formulate employee professional training plan and hold labor-management meeting each year.	5.1 Human Rights 5.2 Talent Management	404-3	-
	Training and Education			5.2 Talent Management 5.3 Talent Development	404-1	-

Topic Boundaries

Material Topic	Explanation of Impact	Internal		External					
		Parent Company	Subsidiary	Government Agencies	Customers	Suppliers	Shareholders and Investors	Residents in the Operation Area	Industry Associations, Scholars, Academic units
		UCCTW	HCIC UCIC KHTC						
Company operations and ethical management	Violation of the principle of good faith management will lead to litigation or government penalties, affecting the company's reputation.	●	●		●	●	●		
Product quality and customer satisfaction	Customer support enables a company to grow steadily. The company must continue to provide high-quality product portfolios and services to achieve high customer satisfaction.	●	●		●	●	●		
Regulatory compliance	Failure to comply with legal regulations and corporate integrity principles will result in litigation or government penalties, affecting the company's reputation.	●	●	●			●	●	
Operational and financial performance	The economic value generated by organizational operations affects shareholder interests and economic development, creating value for all stakeholders.	●	●				●		
Sustainable strategy and practice	Develop business strategies from the perspectives of environment, society and corporate governance to ensure sustainable business operations.	●	●	●	●	●	●	●	●
Energy Consumption Management	Take energy conservation and carbon reduction as the core of business operations to reduce the impact on the environment.	●	●	●		●		●	●
Greenhouse gas emissions	Set greenhouse gas reduction targets to reduce impact on the environment.	●	●	●	●	●	●	●	●
Occupational Health and Safety	Workplace injury hazards will undermine the trust of employees and the general public in the company.	●	●	●				●	●
Employee compensation and benefits	Employees are the human capital of the company. Through education and training courses, we enhance the skills of our colleagues and make them key stakeholders who can grow with the company and become competitive.	●	●	●				●	●

2 Corporate Governance and Investment

2.1 Corporate Governance

In order to effectively protect the rights and interests of investors, the Board of Directors provides efficient supervision and management, values internal audit and transparency of information, truthfully presents financial data, and, at the same time, strives to strengthen systemized corporate governance to practice corporate responsibility of sustainable management.

The principles of corporate governance are in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies and other relevant laws and regulations. UCCTW established the Remuneration Committee under the Board of Directors in order to assist supervisory duties. Articles of association are approved by the Board of Directors, and the chairman of the committee regularly reports activities and resolutions. A functioning Board of Directors is the foundation of a company's corporate governance, the core of operational development, enhancing long-term corporate value.

Members' Term for the Board of Directors Information

The directors of the company are re-elected every three years according to the regulation. The 24th Board of Directors consists of 3 directors and 4 independent directors. The term period for this cycle will last from June 16, 2023 to June 15, 2026.

Board of Directors' Performance Evaluation

In accordance with the "Universal Cement Corporation Board of Directors Performance Evaluation Guidelines", referred to as the "Evaluation Guidelines", the company conducts an annual performance assessment of the Board of Directors and functional committees for the preceding year through a questionnaire evaluation. The assessment is conducted through self-assessment by the members, and individual member assessment data are kept confidential. For this year, the evaluation for the performance of the Board of Directors and its members for 2024 was completed using a self-assessment method on January 31, 2025. The evaluation results were reported to the Board of Directors on March 10, 2025.

Assessment Target	Assessment Indicator	Assessment Result
Board of Directors	<ul style="list-style-type: none">■ Involvement in company operations■ Board composition and structure■ Internal control■ Improving board decision- making quality■ Director appointment and consistently training	Excellent
The members of Board of Directors	<ul style="list-style-type: none">■ Understand the company's goals and mission■ Directors' awareness of responsibilities■ Participation in company operations■ Internal relationship management■ Directors' expertise and consistently training and communication■ Internal Control	Excellent

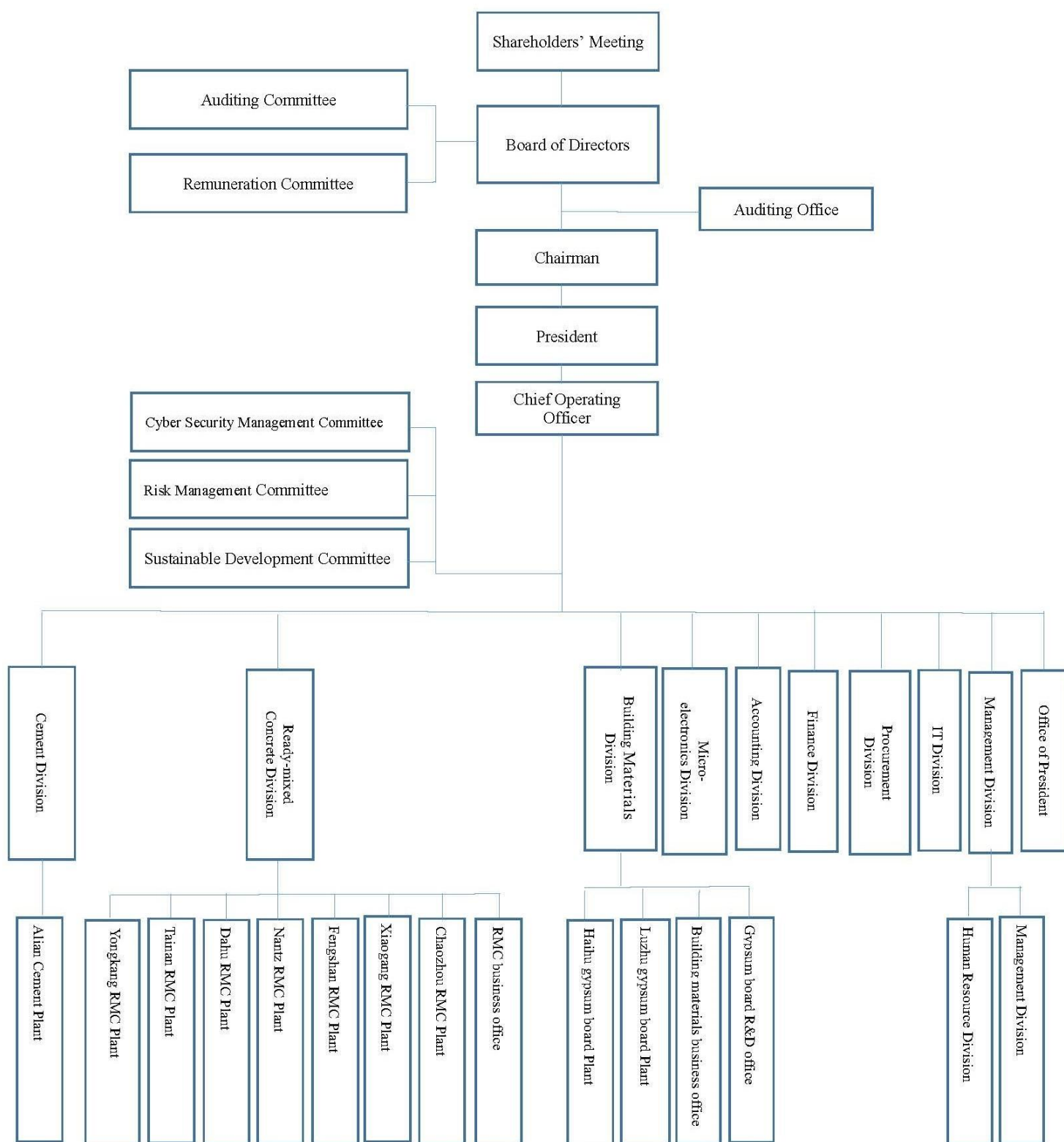
Board of Directors and Senior Management Remuneration Policy

1. The remuneration committee of the company meets at least twice a year (meeting in 2024 : 2 times). Its responsibilities for managers' attention and fulfilling the following duties, and submitting recommendations for discussion at the Board of Directors meetings. The committee establishes and periodically reviews the performance assessment criteria for directors and executives, annual and long-term performance objectives, as well as policies, systems, standards, and structures related to remuneration. The content of performance assessment criteria is disclosed in the annual report.
2. The committee conducts regular assessments of the achievement of performance objectives for directors and executives and based on the assessment results from the performance evaluation criteria, it determines the content and amounts of individual remuneration. The annual report discloses individual performance assessment results for directors and executives, as well as the relevance and reasonableness of the content, amounts of individual remuneration, and performance assessment results. These details are also included in the shareholder meetings' reports.
3. Other matters as designated by the Board of Directors' resolutions.

When fulfilling its duties, the principles that Remuneration Committee adheres

1. Performance assessment and remuneration for directors and executives should be benchmarked against industry norms, taking into consideration the reasonable correlation with individual performance, company operational performance, and future risks.
2. Directors and executives should not engage in risk-taking behaviors for remuneration.
3. Regarding the proportion of short-term performance dividends and change the part of remuneration payment time for directors and senior executives, should be considered in industry characteristics and the company's business to determine.
4. A reasonable increase in senior management's remuneration can be achieved through linkage with company goals and performance, motivating senior executives to focus more on the company's long- term strategic development and social responsibility. This approach further enhances the company's economic benefits, social impact, and environmental performance.

Organization



Division	Description
Auditing Office	Internal control auditing affairs
Office of President	Planning and execution of projects assigned by the president
Management Division	Handling of general affairs, stock affairs, the Board meeting, Annual General Shareholders' Meeting. Handling of staff recruitment, education and training, attendance, salary and labor insurance
IT Division	Matters related to the planning, execution, and management of computerized operations
Procurement Division	Bulk raw material procurement and project planning execution
Finance Division	Handling of funds dispatch
Accounting Division	Accounting and account processing
Microelectronics Division	R&D, manufacturing and sales of microelectronic solutions
Building Materials Division	R&D, manufacturing, sales, scheduling, statistics and other related affairs of gypsum board
Ready-mixed Concrete Division	R&D, manufacturing, sales, scheduling, statistics and other related affairs of ready-mixed Concrete
Cement Division	R&D, manufacturing, sales, scheduling, statistics and other related affairs of cement

Organization of Corporate Governance

In accordance with procedural rules, UCCTW holds shareholders meeting every year. The resolutions of shareholders' meetings are decided by electronic, case-by-case voting and will be published on Taiwan Stock Exchange's website right after the meeting. Relevant information regarding the board of shareholders will be recorded in the handbook for the Annual Meeting of Shareholders and published on the company's website.

In order to assist the Board of Directors in evaluating and supervising the remuneration of the company's directors, supervisors, and managers, the Remuneration Committee was established under the Board of Directors in 2011 to advice on remuneration policies. In 2017, in order to strengthen corporate governance and in addition to the members of the Remuneration Committee, which is served by independent directors, the Auditing Committee is newly established, which is also served by independent directors.

Diversity of the Board

It is stipulated in Art. 20.3 of "Corporate Governance Best Practice Principles of UCCTW" that it is the duty of the company to ensure the diversity of the board. It is fully considered, upon selection, that all candidates of the board member are equipped with diversified backgrounds stipulated by the rule cited above to ensure that the goal of having diverse board members is met.

The Board consists of 7 members including 1 director as juristic person and 4 independent directors, among the independent directors, 2 were re-elected from the 23rd Board, while the other 2 are newly appointed. As to the age structure of the Board, 1 which is within range of 61 to 70, 1 of which is within range of 51 to 60, 2 of which is within range of 41 to 50 while the rest of the 2 is within range of 31 to 40.

Gender composition of board members: 5 members are male, and 1 member is female.

In addition to possessing the knowledge in the profession required by the operation of the Company, the members of the board also equipped with diversified background in Finance, Law and other professional fields which would benefit the governance of the Company and strengthen the management of operation, supervision and evaluation of execution of managerial policy and operation strategy.

Independence of the Board

The board consists of 7 members, including 4 independent directors. All members of the board and the composition of which are qualified for the independence requirement pursuant to Sec. 3 and Sec. 4 of Art. 26-3 of Securities and Exchange Act.

Profile of Directors and Independence Status

<div>Qualification</div> <div>Name</div>	Professional qualification and Experience	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Independent Directors
<u>Chairperson</u>			
Bo-Chih Investment Co., Ltd. Represented by: HOU, Bo-Yi (24 th Session)	Since Bo-Chih Investment appointed Mr. Hou, Bo-Yi to take office of Chairperson of the Board, Mr. Hou has led the Company through the most profitable times in the history of the Company. Despite that Bo-Chih Investment was re-elected as juristic person on June 16 of 2024, the operation team of Bo-Chih Investment, led by Mr. Hou, remains an important asset to the operation of the Company. Mr. Hou is also on the Board of Tainan Spinning, Prince Housing & Development, and STUST. Mr. Hou has leveraged his abundant experience in business administration and steered the operation of the Company with steady growth and kept supervising long-term development goal when the global community is facing impact both socially and economically. Under his leadership, the footprint of the Company has extended to fields of application of electronics in medical industry, multinational development alliance of building material business and vitalization idle asset to create higher profit for the investors. Mr. Hou does not possess any of the conditions listed by Article 30 of Company Act.	Not Required	None
<u>Director</u>			
Sheng-Yuan Investment Co., Ltd. Represented by: HOU, Chih-Sheng (24 th Session)	Dr. Hou, Chih-Sheng has a PhD. Degree in Electronic Engineering from MIT, USA, Master and bachelor's degree in Electronic Engineering from Stanford and is the current President of the Company. Dr. Hou was also previously working in Electronic and Optoelectronic System Research Laboratories, Industrial Technology Research Institute. Dr. Hou and his research team had receiver Edison Awards and R&D 100 Awards due to their outstanding research. Dr. Hou recognize high efficiency and accountability as the core of his believe in terms of the management of business and thus keep the Company in the leading positions in terms of the profitability among our peers in the industry in addition to his continuous effort in innovations and steady growth. Dr. Hou does not possess any of the conditions listed by Article 30 of Company Act.	Not Required	None

<div>Qualification</div> <div>Name</div>	Professional qualification and Experience	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Independent Directors
<p>Yu-Sheng Investment Co., Ltd. Represented by: HOU, Chih-Yuan (24th Session)</p>	<p>Mr. Hou, Chih-Yuan holds a master's degree in East Asia Study from Harvard University, a bachelor's degree in political science from Columbia University. Mr. Hou is currently the Chief Operating Officer of the Company and President of Harvard Club of the R.O.C., and also sits on the Board of Tainan Spinning Ltd., Nantex Industry Co. Ltd., and CHC Resource Co., Ltd. Mr. Hou is in charge of marketing of the Company and dedicated in expanding customer base. Since Mr. Hou took office, he has led to the growth of revenue of our building material sector and continued expanding market share domestically. Mr. Hou does not possess any of the conditions listed by Article 30 of Company Act.</p>	<p>Not Required</p>	<p>None</p>
<u>Independent Director</u>			
<p>CHAN, Yi-Jen (24th Session)</p>	<p>Dr. Chan is currently the Managing Director and Chief Officer of Technology of Cytotec Co., Ltd., a Delta Group Company, and held the office of Chief Officer of Strategy of Hermes-Epitek Corp. from 2016 to 2018 and office of CEO of EPISIL Holding Inc. from 2013 to 2016. Dr. Chan is the renowned expert of high-speed and power semiconductor and contributes to the governance of the enterprise with his abundant experience in strategical planning. During his time serving as independent director, he also assists in cooperation between the electronic production section of the Company and internationally renowned manufacturers. Dr. Chan does not possess any of the conditions listed by Article 30 of Company Act.</p>	<p>All independent directors of the Company is verified to comply with the independency requirement stipulated by Art. 3 of</p>	<p>None</p>
<p>HO, Felix (24th Session)</p>	<p>Mr. Ho is currently the Chairperson of YFY Consumer Products Co. Ltd. and has served in Kearney and former Citigroup Salomon Brothers. Mr. Ho has held various executive positions within the group of YFY, including Chairperson of YFY Holdings, Acting Chairperson of E-Ink Technology and Vice Chairperson of SinoPac Bank. Mr. Ho contributes to the Board with his expertise in operation management, financing, corporate governance and expansion of oversea business. Mr. Ho does not possess any of the conditions listed by Article 30 of Company Act.</p>	<p>“Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”</p>	<p>None</p>

SU, Yen-Hsueh (24 th Session)	Ms. Su served at ABN AMRO and UBS as Asia-Pacific Chief Analyst in technology industry before she was appointed the first Chief Investment Officer in ASUSTek in 2004. Ms. Su spearheaded the ASUSTek and Pegatron restructuring in 2009 and retired from Pegatron as senior VP for investment and business development in 2013. Ms. Su's abundant experience in technology industry and investment and merger can offer the Company with her visionary advice. Ms. Su does not possess any of the conditions listed by Article 30 of Company Act.		3
YEN, Jeffry (24 th Session)	Mr. Yen is the founder and Chairperson of McCTILL Co., Ltd., but before the venture in the beauty industry, he was a successful serial entrepreneur who invested in startups, biotech industry, new media company and food & beverage industry. He is currently the CEO of McCTILL, Vice President of Long Yen Foundation and also consults for many companies. Mr. Yen, by joining the Board, contributes his expertise in innovation and creativity, business strategy, business operation, brand marketing strategy, strategic thinking & foresight, leadership and team management, corporate governance, international business, financial management, to increase the diversity of the Board. Mr. Yen does not possess any of the conditions listed by Article 30 of Company Act.		None

Operation of the Board of Directors

There are 6 meetings of the Board of Directors held in the year reported. Directors' attendance is reported as follows:

Position	Name	Attendance		Attendance Rate	Note
		In Person	By Proxy		
Chairperson	Bo-Chih Investment Co., Ltd.	6	0	100%	None
Director	Sheng-Yuan Investment Co., Ltd. Represented by: HOU, Chih-Sheng	6	0	100%	None
Director	Yu-Sheng Investment Co., Ltd. Represented by: HOU, Chih-Yuan	6	0	100%	None
Independent Director	CHAN, Yi-Jen	5	1	83.3%	None
Independent Director	HO, Felix	6	0	100%	None
Independent Director	SU, Yen-Hsueh	6	0	100%	None
Independent Director	YEN, Jeffry	6	0	100%	None

Training Records for Board of Directors Members

In order to create a systemized channel for further training of directors, allow directors to conveniently obtain relevant information, and enhance and maintain their professional capabilities, we occasionally provide corporate governance information from director and supervisory authority or private organizations and invite members to attend these trainings depending on their availability.

Date	Institution/Course	Chairman	Directors		Independent Directors			
		Bo-Chih Investment Co., Ltd.	HOU, Chih-Sheng	HOU, Chih-Yuan	CHAN, Yi-Jen	HO, Felix	SU, Yen-Hsueh	YEN, Jeffry
Apr. 10	Taiwan Institute of Directors/ Steering Corporate Wisdom, Guided by Governance				3.0			
May 7	Taiwan Institute of Directors/ Management and Outlook of Retail Industry		3.0					
May 8	TCGA/ ESG-Related Legal Issues for Consideration of Board of Directors	3.0		3.0				
June 17	TCGA/ 2030/2050 Net-Zero Emissions –Challenges and Opportunities on Sustainability for Global Businesses					3.0		
July 9	TCGA/ Strategic Considerations in Group Corporate Restructuring						3.0	
Aug. 5	TCGA/ Trends in Sustainability Reporting	3.0		3.0				
Aug. 7	Taiwan Institute of Directors/ Global Economic Outlook		3.0	3.0				
Aug. 9	TCGA/ Knowledges of Sustainability Trends and Review of Sustainability Reports For Board of Directors						3.0	
Oct.1	Chinese Institute of Independent Directors(CIID)/ [ESG Sustainability Forum] 2024 Environmental and Economic Win-Win: Taiwan's Path to ESG Implementation						3.0	
Oct.7	The Chinese National Association of Industry and Commerce, Taiwan (CNAIC) / 2024 Taishin Net-Zero Summit				3.0			
Nov.12	TCGA/ Workplace Protection Amid Challenges: Prevention of Sexual Harassment and Gender Inclusiveness					3.0		
Nov.29	Securities & Futures Institute/ 2024 Seminars on Insider Trading Legal Compliance							3.0
Dec.2	TCGA/ New Perspectives on Corporate Strategy					3.0		
Dec.20	Securities & Futures Institute/ Corporate Financial Awareness: Behavioral Finance and Corporate Decision-Making							3.0
Dec.27	Chinese Institute of Independent Directors(CIID)/ Essential Knowledge for Directors and Supervisors: Understanding How Perpetrators Exploit Unconventional and Related-Party Transactions		3.0					

Mechanisms to Avoid Conflicts of Interest

The Board of Directors hold meetings at least quarterly each year according to government regulations. In 2024, the 24th Board of Directors meeting was convened 6 times. The company has stipulated the terms of directors' conflict of interest avoidance in "Rules of Procedure for Board of Directors Meetings": if directors have conflict of interest towards topics of the meeting with themselves or the legal persons they represent; they shall explain the important contents of their interests during the meeting. If it inflicts harm on the interests of the company, one shall not participate in and abstain from discussion and voting, and they shall not exercise their voting rights on behalf of other directors.

The Remuneration Committee

UCCTW established the Remuneration Committee in 2011, and the members and attendance of the committee in 2024 are as follows:

Position	Name	Gender	Frequency of Expected Attendance	Frequency of Actual Attendance	Frequency of Proxy Attendance	Actual Attendance Ratio (%)
Chairperson	HO, Felix	Male	2	2	0	100%
Member	CHAN, Yi-Jen	Male	2	1	1	50%
Member	SU, Yen-Hsueh	Female	2	2	0	100%
Member	CHANG, Wen-Chang	Male	2	2	0	100%

The Auditing Committee

UCCTW established the Auditing Committee in 2017, and the members and attendance of the committee in 2024 are as follows:

Position	Name	Gender	Frequency of Expected Attendance	Frequency of Actual Attendance	Frequency of Proxy Attendance	Actual Attendance Ratio (%)
Chairperson	CHAN, Yi-Jen	Male	5	4	1	80%
Member	HO, Felix	Male	5	5	0	100%
Member	SU, Yen-Hsueh	Female	5	5	0	100%
Member	YEN, Jeffry	Male	5	5	0	100%

Regulatory Compliance

UCCTW has established the "Code of Ethical Conduct" and the "Ethical Corporate Management Best Practice Principles", requiring all colleagues to handle de facto or apparent conflicts of interest between individuals and their positions fairly with an honest and non-deceptive attitude and abide by professional standards; Stakeholders shall not knowingly violate any laws for personal gain. In addition, the company strengthens the promotion of ethical principles and encourages employees to report to competent authorities when they suspect or discover behaviors that violate laws and regulations or the code of ethics; If there are violators or other major proceedings, conditions should be reported to the Board of Directors and be rewarded or punished according to the relevant rules. If the disciplined person believes that the company's improper handling has caused their legitimate rights and interests to be infringed, they may file a complaint through channels of complaints for relief.

As a listed company, UCCTW should comply to laws and regulations; However, there are still a total of 3 violations of environmental regulations in 2024. We have added relevant equipment and strengthened educational training, and in the future, pay close attention to environmental issues to avoid similar situations.

Reason of Violation	Fine	Improvements
A malfunction in the valve controller of the cement grinding equipment caused cement to disperse into the air.	1 Fine: NT\$225,000	Improved as advised.
Powder material dispersed into the air through a maintenance hatch.	1 Fine: NT\$150,000	Improved as advised.
Wastewater leaked and flowed into the domestic sewage discharge pipeline.	1 Fine: NT\$68,250	Improved as advised.

2.2 Economic Performance

Consolidated operating income in 2024 was NT\$7.95 billion, and 2% increase compared to 2023's.

Observing the current economic condition, cement can still maintain the existing price-volume balance and continue to earn profits; Ready-mixed concrete will continue to increase production capacity and target excellent customers to expand market share; gypsum board will also increase production capacity and optimize manufacturing efficiency to raise product value.

Consolidated Company Financial Performance	Item	Amount (thousands)		
		2022	2023	2024
Operational Economic Value	Operating revenue	7,055,789	7,802,362	7,953,734
	Profit /loss from operations	841,090	974,411	1,057,461
	Non-operating income and expenses	1,542,239	1,608,181	749,635
Distributed Economic Value	Operating Cost	5,689,489	6,260,222	6,355,678
	Earnings Per Share	3.03	3.07	2.16
	Cash Dividend Per Share	1.5	1.8	1.7
	Cash Dividends	980,414	1,211,791	1,167,359
	Stock Dividends	0.3	0.2	0
	Number of Shares Issued for Stock Dividends	19,608	13,464	0
	Income Tax Expense	199,837	235,340	276,758
	Employee Compensation and Benefits	683,852	780,903	792,240
	Social Expenditure	3,346	4,292	4,403
Retained Economic Value	Net Profit for the Year	2,183,492	2,347,252	1,530,338
Note: Consolidated revenue statistics include the parent company and subsidiaries.				

2.3 Risk Management

Abiding by the principles of material issues, our risk management covers governmental, environmental, and economic topics, and we'll further implement relevant risk management policies and strategies.

Material Issues	Relevant Risk	Risk Management
Company operations and ethical management	Company Operations Risk	<ol style="list-style-type: none"> 1. The managers of corporate governance will implement rules governing listed companies, regularly hold board meetings, discuss and resolve proposals, and strictly abide by relevant laws and regulations to avoid violations. 2. Hold monthly corporate governance meeting.
	Ethical Management Risk	<ol style="list-style-type: none"> 1. On August 11, 2020, the "Ethical Corporate Management Best Practice Principles" was approved by the Board of Directors, and the office of the president was designated as the special unit responsible for the formulation and supervision of the "Code of Ethical Conduct". 2. On November 13, 2020, the "Procedures for Ethical Management and Guidelines for Conduct" and the "Whistleblowing Procedures of Unethical Behaviors" were approved by the Board of Directors. 3. Educational training on ethical management, covering internal and external regulations and common risk cases for directors, managers, and all employees. 4. Conduct evaluations on ethical management and clearly stipulate the terms of ethical management in contracts before establishing business relationship with customers, suppliers, and other business partners.
Regulatory Compliance	Regulatory Compliance Risk	<ol style="list-style-type: none"> 1. Sign legal contracts with external law firms, assist the handling of corporate legal affairs. 2. The company's legal professionals cooperate with external legal consultants to assist each unit in responding to current changes in social economy, environmental protection, and other regulations.
Operational and Financial Performance	Operational Performance Risk	<ol style="list-style-type: none"> 1. Each division holds monthly production and sales meetings to discuss issues regarding production and sales and propose corresponding strategies. 2. Each division holds monthly performance review meeting in order to help the management team grasp economic performances and market changes. 3. The office of the president will convene relevant divisions to improve internal management systems by setting up a special team to efficiently provide management information required to improve operational performance.

Material Issues	Relevant Risk	Risk Management
	Financial Performance Risk	<ol style="list-style-type: none"> 1. Strengthen the relationship between financial units and industry divisions and always be aware of changes in business operations and their impact on profit, loss, cash flow, asset allocation, etc. 2. Strengthen the relationship with financial institutions to improve the efficiency of fund allocation and fund utilization. 3. Regularly pay attention to the influence of the global economy, such as monetary policy, inflation, raw material index, and other economic trends, on The company.
Product Quality and Customer Satisfaction	Quality and Satisfaction Risk	<ol style="list-style-type: none"> 1. Customers can file complaints through sales representative, coordinator, and quality control personnel. When relevant personnel receive customer complaints, they will notify relevant divisions to clarify responsibilities and provide proper solutions. 2. Each division conducts customer satisfaction surveys each year and analyze results to propose plans for improvements.
	Circular Economy and Environmental Protection Risk	<ol style="list-style-type: none"> 1. Explain gypsum board recycling system on The company website and offer environmental incentives to encourage customers to recycle gypsum board and reduce waste disposal costs. 2. Invest in R&D and improvement of production process to increase the recycling rate of raw materials. 3. Each division regularly applies for relevant certifications to ensure that the company's product quality meets the requirements of domestic and foreign green building materials.
Occupational Health and Safety	Employee Physical and Mental Health	<ol style="list-style-type: none"> 1. Entrust health agencies to conduct regular health checks on employees in accordance with the "Labor Health Protection Regulation". 2. Division managers take the initiative to look after the physical and mental state of their employees and assist in arranging special vacations appropriately.
	Occupational Health and Safety	<ol style="list-style-type: none"> 1. Implement the management principles of "three cares and five techniques": self-care, mutual care, supervision and pay attention with eyes, mouths, ears, hands, hearts. 2. Regular safety and health assessments, strictly control deficiencies and actively track improvements. 3. Create a safe and hygienic working environment through three types of safety measures: inspection by supervisors, guards, and self-inspection.

Risk Management Execution Status:

The company regularly (at least once a year) reports its implementation status to the Board of Directors. The risk management execution status in 2024 has been disclosed on the company's website, please view the company's website: Corporate Governance→ Risk Management.

2.4 Responsible Business Operation

Committed to the core value of business integrity, UCCTW promises to actively implement ethical management strategies and incorporate integrity into our corporate culture.

To establish ethical corporate culture and setting it as our basis for sustainable operations, the Board of Directors approved the “Ethical Corporate Management Best Practice Principles” and the “Procedures for Ethical Management and Guidelines for Conduct” to specifically regulate employees when managing business operations; we also formulated the “Code of Ethical Conduct” to guide the behaviors of directors and managers in order to comply to ethical standards.

Relevant Codes and Regulations	Summary
UCCTW Ethical Corporate Management Best Practice Principles	Article 10 - Prohibition of Active and Passive Bribery When carrying out business operations, company’s directors, managers, employees, appointees, and substantial controllers shouldn’t directly or indirectly request or accept any form of bribery from customers, retailers, suppliers, public officials, or other shareholders
UCCTW Code of Ethical Conduct	Article 4 - Conflict of interest arises when personal interests intervene or may intervene with the overall interests of the company: When company directors or managers are unable to conduct business in an objective and efficient manner, or due to their position in the company, they themselves, their spouses, parents, children, or relatives within second degree of kinship receive improper benefits. The company should pay special attention to the loan or guarantee of funds, major asset transactions, and purchase (sales) transactions with the related enterprises to which the above-mentioned persons belong. The company should formulate policies to prevent conflicts of interest and provide appropriate channels for directors and managers to voluntarily declare whether they have a potential conflict of interest with the company.
UCCTW Procedures for Ethical Management and Guidelines for Conduct	The company's “Procedures for Ethical Management and Guidelines for Conduct” contains a clear code of behavioral conduct, which emphasizes employee self-discipline in management. Usually, the department supervisors are responsible for education, persuasion, and leadership, so that employees can fully understand behavioral and ethical standards. The summary is as follows: Article 4 Types of Interest The interests mentioned in this operating procedure and behavior guideline refer to cash, offers, gifts, commissions, positions, services, preferential treatment, rebates, facilitation payments, entertainment, and other things of value in any form or name. However, when it is regarded as normal social etiquette and

	<p>incidental without any risk of affecting specific rights and obligations, then it won't be counted.</p> <p>Article 23 Internal Promotion, Establishment of Reward and Punishment, Grievance System, and Disciplinary Action</p> <p>The company should incorporate ethical management into employee performance assessment and human resources policies and establish clear and effective reward and punishment and grievance systems. In accordance with relevant laws or regulations, the company should punish or dismiss any person who violates ethical guidelines.</p>
Whistleblowing Procedures of Unethical Behaviors	<p>In order to implement ethical management of business affairs, the company has established multiple reporting channels. The audit office allows internal and external personnel to report unethical behavior. There are "Guidelines to Employee Grievances" and "Sexual Harassment Complaints and Punishment Measures", and colleagues can also utilize complaint hotline, fax, or mailbox. The management department will evaluate the complaints and protect the legitimate rights and interests of employees.</p>

Ethical Operations Units and Their Performance

The Office of the President is responsible for formulating ethical corporate management policies and prevention plans, reporting the operation of ethical corporate management and its status of implementation to the Board of Directors regularly (at least once per year). The performance of the integrity management in 2024 has been disclosed on the website. To find the information, the path is through "Corporate Governance" -> "Integrity Management".

Anti-Competitive Behavior and Handling Situation

The Company has designated The Office of the President to support ethical corporate management and be responsible for devising and overseeing the ethical corporate management policy and prevention programs against unethical conducts. The frequency of report is at least once a year. Please view the corporate website: "Corporate Governance" → "Integrity management."

On April 29, 2019, the Fair Trade Commission determined that five ready-mixed concrete companies, including UCCTW, violated the Fair Trade Act and imposed penalties. After the company filed an administrative lawsuit on June 26, 2019, it's revoked by the Taipei High Administrative Court on June 30, 2020. On August 18, 2020, the Fair Trade Commission filed an appeal. On August 11, 2022, the Supreme Administrative Court ruled to remand the case back to the Taipei High Administrative Court for further review.

3 Excellent Customer Service

3.1 Innovative Research and Development

The R&D Expenses of the Company in recent years are as follows:

Unit (NT\$)	2022	2023	2024
R&D Expenses	92,355	72,623	71,824

Gypsum Board

Our Gypsum Boards comes from raw materials, product, manufacturing, application process, to recycling to reduce the waste of natural materials. Our Gypsum Boards uses desulfurized and natural gypsum, which has the smallest impact on the environment, and is also harmless to human health. During its production process, no harmful substances (e.g., asbestos, formaldehyde, and volatile organic compounds) are added. It is a fireproof building material that complies with green material standards. Our Gypsum Boards complies with the national CNS standards of the Republic of China, the American ASTM, and the Japanese JIS standards, and has obtained the approval from the Commodity Inspection Bureau of the Ministry of Economic Affairs. It has ISO9002 international standard quality assurance system certification, passed the U.S. UL Accreditation Certification; and obtained various green product certifications. Relevant certifications in this field include the Ministry of Environment's environmentally friendly products, the Ministry of the Interior's Green Materials Label, and LEED ® U.S. Green Building Council Certification. It is expected to obtain the Ministry of Environment's product carbon footprint label certification in 2024.

- In 2024, the Gypsum Boards sold by the company did not violate health and safety regulations, nor did it violate product information or labels.
- In 2024, our company sold products that complied with LEED ® (U.S. Green Building Council) sustainable building or construction certification. Gypsum Boards account for about 6%
- The company is the only Gypsum Board Manufacture in the country. All series of products are circular economy innovations that can reduce environmental impact. New products and innovative products hold 100% market share in 2024.

Ready-Mixed Concrete

Product Profile:

The Ready-Mixed Concrete by our company adopts a special proportion design, which has the best cementation and chloride reaction, and can achieve the high strength levels. Concrete reduces the amount of cement and appropriately uses recycled materials to effectively utilize resources and significantly reduces carbon dioxide emissions. This product thereby improves the life cycle of the building and achieves sustainable development. Our company's Nanzi ready-mixed concrete plant has been established and green concrete certification is expected to be obtained in April 2023, along with other certifications for other plants in 2024. The plan seeks to obtain product carbon footprint labels from the Ministry of the Environment in 2025.

- In 2024, the ready-mixed concrete sold by the company did not violate product health and safety regulations, nor did it violate product information or have discrepancies.
- In 2024, the company's sales of green concrete that met sustainable building or construction certification sits at 26%.

3.2 Customer Service

Customer Satisfaction Survey

We established a customer-oriented quality system and company principle and are committed to providing the best service, actively maintaining customer relationships, strengthening loyalty, and utilizing word of mouth to attract more customers and expand our market. The scope of customer satisfaction survey in 2023 mainly focuses on the divisions of our main operations - cement division, ready-mixed concrete division, and building materials division.

Universal Cement Corporation conducted a customer satisfaction survey covering the Cement, RMC, and Building Material of its parent company. A total of 519 questionnaires were distributed this year, with 515 responses received, resulting in a response rate of 99%.

The overall satisfaction of the company over the past three years is as follows: an average score of 90.3 points in 2022, 90 points in 2023, and 90.4 points in 2024.

Complaints and Responses

Customers can file complaints through sales representative, coordinator, and quality control personnel. When relevant personnel receive customer complaints, they will notify relevant divisions to clarify responsibilities and provide proper solutions.

There are no significant customer complaints in 2024.

4 Environmental Management

4.1 Environmental Management

Environmental Management Policy

The Company is committed to complying with domestic environmental regulations, ESG standards, and the UN Sustainable Development Goals (SDGs). Guided by sustainability, we prioritize energy conservation and carbon reduction, balancing environmental protection with economic development. Through active resource management, waste reduction, and continuous improvement, we aim to minimize environmental impact and fulfill our social responsibility.

We adopt the best available control technologies to enhance environmental performance and regulatory compliance, striving to create a low-pollution workplace and develop green products.

1. Promote waste reduction, energy saving, and process/environmental equipment improvements to meet legal standards for air, water, and waste management.
2. Continuously improve environmental performance and reduce pollution.
3. Comply with applicable environmental laws and regulations.
4. Establish an environmental management system to set and review environmental objectives.
5. Develop operational standards and provide environmental training to enhance employees' awareness and self-management capabilities.

Verification: The Subsidiary Uneo Inc. is ISO 14001 certificated on April 23, 2024.

4.2 Climate Change

TCFD Core Recommendations			
Governance	Strategy	Risk Management	Metrics and Targets
<p>UCCTW Climate Change Governance Framework:</p> <ol style="list-style-type: none"> 1. <u>Board of Directors</u> Highest decision-making entity, responsible for evaluating and approving risk management strategies and plan countermeasures and improvement plans. 2. <u>Risk Management Committee</u> Hold annual meeting, composed of company's senior executives, reports directly to the board of directors. Responsible for supervising climate change-related issues, regularly review climate-related risks and opportunities, and integrate management reports. 3. <u>Risk Management Team</u> Each division's manager is responsible for evaluating, analyzing, and planning strategies, implement countermeasures for climate-related risks and opportunities. 	<p>We adopt the management framework of TCFD and in consideration of industry characteristics and location of operations, systematically identify 13 risks and 11 derivative opportunities. For details, please refer to "Climate Change's Potential Risks and Opportunities for UCCTW and Countermeasures" in this report.</p>	<p>Risk Assessment and Management Process: Our risk management team will hold at least one internal and external systemic risk identification every year to evaluate, analyze, identify major risks and opportunities, and plan countermeasures.</p> <p>Integrated risk system: We have incorporated climate change risks into our overall risk management procedures.</p>	<p>Greenhouse Gas Scope 1, 2, 3 Emissions and Goals: Completed the assurance of the parent company's greenhouse gas Scope 1, 2 and 3 emissions in 2024; will complete the inventory of the group (including subsidiaries) in 2025, and the assurance of the group (including subsidiaries) in 2027.</p> <p>Other Climate and Environment-Related Management Indicators and Targets: Formulate management policies and reduction measures for energy, water resources, and industrial waste; find alternative fuels and sources of renewable energy; obtain domestic and foreign certifications for low environmental impact products and continue to research and develop environmental-friendly product technologies.</p>

Risks and Opportunities from Climate Change, and Company's Countermeasures (Task Force on Climate-Related Financial Disclosures | TCFD)

Item	Execution Status
1. The supervision and governance of climate risks and opportunities by the board of directors and management teams.	<ol style="list-style-type: none"> 1. The board of directors serves as the highest decision-making unit for risk management within the company, in charge of risk management. 2. Risk Management Committee: The Risk Management Committee executes the risk management decisions approved by the board of directors. It is responsible for establishing the risk management framework of the company, reviewing the company's risk management policies, integrating and promoting risk management, as well as overseeing and coordinating the overall implementation of risk management operations. Additionally, the committee provides regular (at least once a year) reports to the board of directors on the execution status.
2. How identified climate risks and opportunities impacts the company's business, strategy, and finances (short-term, medium-term, long-term).	<ol style="list-style-type: none"> 1. Extreme Climate Risks: <ol style="list-style-type: none"> (1) Extreme weather causing prolonged heavy rainfall may result in concentrated customer demand, heightened challenges in production and transportation scheduling. This could lead to order losses and necessitate improving production management efficiency. The potential occurrence of this risk is in the short term. (2) Continued rise in average temperatures due to extreme climate conditions could escalate electricity demand and lead to increased electricity prices. This might result in elevated electricity costs for the company, need to enhance energy usage efficiency. The potential occurrence of this risk is in the long term. 2. Transition Risks: <ol style="list-style-type: none"> (1) Government impose a carbon fee on the company in 2025 could result in increased regulatory expenses. The potential occurrence of this risk is in the short term. (2) Government's push for a 2050 net zero emissions policy might require the company to seek alternative energy sources to replace traditional ones, or to explore alternative fuels to replace coal. The potential occurrence of this risk is in the long term.
3. The financial impact of extreme climate and transition actions.	<ol style="list-style-type: none"> 1. Extreme Climate Risks: <ol style="list-style-type: none"> (1) Continuous heavy rainfall could potentially lead to the decrease in approximate NTD 180 million of the annual revenue.

	<p>(2) The rise in average temperatures could potentially lead to the increase in approximate NTD 19 million of the annual electricity expense.</p> <p>(3) The rise in average temperatures could potentially lead to the increase in approximate NTD 71 million of the annual expenses for investing in process equipment improvements.</p> <p>2. Transition Risks:</p> <p>(1) Imposition a carbon fee on the company could potentially lead to the increase in approximate NTD 5.4 million of the annual regulatory expense.</p> <p>(2) Seeking alternative electricity could potentially lead to the increase in approximate NTD 130 million of the annual electricity expense.</p>
4. How to integrate the climate risk of recognition, assessment, and management process into the overall risk management framework.	The risk management committee convenes regular monthly meetings to identify potential climate risks, assess their specific impact on finances in terms of clarity and significance, and review the implemented management measures.
5. When conducting a scenario analysis to assess resilience against climate change risks, should describe the usages of scenarios, parameters, assumptions, analysis factors, and key financial impacts.	<p>1. Extreme Climate Risks:</p> <p>(1) Prolonged heavy rainfall leads to order losses : Based on the cancelled order amount due to heavy rainfall, and assume yearly increase 1%.</p> <p>(2) The rise in average temperatures lead to increased electricity prices: Assume the price in 2030 is higher than current electricity price for 15%.</p> <p>(3) The rise in average temperatures necessitates the company to enhance energy usage efficiency: Assume an annual investment of 1% of revenue is required for process equipment improvement.</p> <p>2. Transition Risks:</p> <p>(1) Imposition a carbon fee on the company leads to increased regulatory expenses: Multiply the carbon emission amount by the assumed carbon price rate of NTD 300 per ton.</p> <p>(2) Purchase the green electricity leads to increased electricity price: Assume the company replaces 100% of its electricity consumption with green electricity.</p>
6. If there is a transition plan for adapting to related risks of climate management, describe the plan, and along with the indicators and goals used for identifying and managing physical risks and transition risks.	<p>1. Enhance energy usage efficiency: Annually invest 1% of revenue for process equipment improvement.</p> <p>2. Seeking alternative energy for replacing traditional energy: Achieve 100% green electricity usage before 2050.</p> <p>3. Seeking alternative fuel for replacing fire coal: Achieve 100% to replace fire coal before 2050.</p>

<p>7. If using internal carbon pricing method as a planning tool, should describe the basis for price formulation.</p>	<p>The Company adopts the shadow pricing method by incorporating a carbon price of NT\$300 per ton into internal operational decision-making, thereby increasing the incentive for internal units to invest in low-carbon processes.</p>
<p>8. If climate-related goals have been established, should describe the information regarding covered activities, greenhouse gas emission scopes, planning timeline, the progress of annual achievement; if use carbon offsets or Renewable Energy Certificates (RECs) to achieve these goals, should describe the carbon offsets sources and amount, or the amount of RECs.</p>	<p>(1) Carbon Intensity (CO2 Emissions ton / Revenue of NT\$ million): The company will strive to maintain its current intensity and continuously reduce emissions.</p> <p>(2) Water Intensity (Water Usage ton / Revenue of NT\$ million): The company will strive to maintain its current intensity and aims to reduce it to 30 tons / revenue of NT\$ million by 2030.</p> <p>(3) Total Business Waste Weight: The company is committed to maintaining its current waste weight and aims to achieve a zero-waste goal.</p>
<p>9. Greenhouse gas investigation and assurance status</p> <p>(1) Individual entities of the parent company shall complete the inventory by 2023 and shall complete the assurance by 2024.</p> <p>(2) Subsidiaries included in the consolidated financial statements shall complete the inventory by 2025 and shall complete the assurance by 2027.</p> <p>(3) Describe the emission volume (tons CO2e), intensity (tons CO2e/NT\$ million), and data coverage of greenhouse gases in recent 2 fiscal years:</p>	

		2023		2024	
		the emission volume (tons CO2e)	intensity (tons CO2e/NT\$ million)	the emission volume (tons CO2e)	intensity (tons CO2e/NT\$ million)
the parent company	Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company)	36,156.3199		37,948.4369	
	Indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam)	19,673.9336		19,540.7472	
	Total	55,830.2535		57,489.1841	
Subsidiaries under the consolidated financial report	Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company)	-		2,178.0365	
	Indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam)	-		1,652.2752	
	Total	-		3830.3117	
Total		55,830.2535	12.05	61,319.4958	0.08
the parent company	Products used by organization	12,636.2711	-	13,078.4135	-
<p>Note1: In accordance with IFRS S2 “Climate-Related Disclosures,” the ISO 14064-1:2018 standard is adopted for greenhouse gas inventory.</p> <p>Note2: The emission intensity for 2023 is calculated as the parent company's individual emissions divided by the annual production value (NT\$ million) of cement, ready-mixed concrete, and gypsum board.</p> <p>Note3: The emission intensity for 2024 is calculated as the total emissions of the parent and subsidiaries, based on the consolidated financial statements, divided by the consolidated revenue (NT\$ million).</p> <p>Note4: The Scope 3 emission for 2024 includes indirect GHG emissions from products used by organization (Category 4).</p>					

(4) Describe the status of assurance in recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

The scope of assurance		Emission volume (tons CO2e)	
		2023	2024
the parent company	Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company)	36,156.3199	37,948.4369
	Indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam)	19,673.9336	19,540.7472

	Total	55,830.2535	57,489.1841
	The percentage of disclosed inventory data as mentioned in the preceding paragraph.	100%	100%
Assurance institution		DNV	DNV
Assurance standards		ISO14066:2011 ISO14065:2020 ISO14064-3:2019 reasonable level of assurance	ISO14066:2023 ISO14065:2020 ISO14064-3:2019 reasonable level of assurance
Assurance opinion		unmodified opinion	unmodified opinion
<p>(5) The greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets:</p> <p>A. Since 2022, the Company has been conducting third-party greenhouse gas assurance for the parent company.</p> <p>B. In accordance with the Financial Supervisory Commission's schedule for sustainable development of listed companies, the Company will complete the inventory operations for the group (including subsidiaries) in Apr., 2025. Therefore, we have set 2024 as the baseline year for carbon reduction and aim to gradually reduce carbon emissions annually.</p> <p>C. Reduction Targets: A reduction of 5% compared to 2024 by 2030, a reduction of 60% compared to 2024 by 2040, and 100% reduction compared to 2024 by 2050.</p> <p>D. Concrete action plan: Through improving processes, replacing traditional energy sources with green energy, implementing green transportation, and regularly maintaining and replacing old high-energy-consuming equipment.</p>			

Climate Change's Potential Risks and Opportunities for UCCTW and Countermeasures

Climate change is a global issue. We adopted the disclosure and management framework prescribed in the task force on climate-related financial disclosures (TCFD), in consideration of industry characteristic and location of operations, systematically assess climate-related risks and opportunities and propose corresponding countermeasures.

Type		Climate-related topics	Potential Risk	Derived Opportunities	Countermeasures
Transition Risks	Policy	<ul style="list-style-type: none">• GHG emission control and carbon tax	<ul style="list-style-type: none">• Low-carbon equipment and input of management cost .	<ul style="list-style-type: none">• Join carbon emission trading.	<ul style="list-style-type: none">• Organize and implement internal energy conservation and carbon reduction corporate policies.
		<ul style="list-style-type: none">• Renewable energy development policies: Compulsory installation of renewable energy facilities up to a certain percentage.	<ul style="list-style-type: none">• Cost of renewable energy equipment or renewable energy certificates .	<ul style="list-style-type: none">• Opportunities to plan for renewable energy adoption• Opportunities to expand new energy business.	<ul style="list-style-type: none">• Obtain renewable energy certificates.• Install renewable energy facilities.• Continue to enhance energy use efficiency.
	Technology	<ul style="list-style-type: none">• Trend of low carbon emission/low environmental impact technologies.	<ul style="list-style-type: none">• Invest in relevant technologies which increases operational cost.	<ul style="list-style-type: none">• Opportunities of innovation.	<ul style="list-style-type: none">• Waste to recycled resources: actively optimize the recycling system of gypsum boards/circular economy.• Encourage employees to propose low carbon emission/low environmental impact technologies.
	Market	<ul style="list-style-type: none">• Environmental-friendly green products R&D and customer needs.	<ul style="list-style-type: none">• Unable to satisfy customer need, which reduces profits.	<ul style="list-style-type: none">• Develop new green products.• Optimize circular economy and the competitiveness of green building materials.	<ul style="list-style-type: none">• Continue to promote existing UCCTW green building materials.• Actively expand customer service of UCCTW gypsum board recycling system, collaboratively respond to product reuse and recycle.• Analyze product substitute risks and the advantages and disadvantages of other products.• Actively respond to customer need, invest in R&D of new products.

		<ul style="list-style-type: none"> • The increase of carbon tax and the cost of raw materials for importing countries. 	<ul style="list-style-type: none"> • Operational cost increases. 	<ul style="list-style-type: none"> • Opportunity to develop substitutes of raw materials • Motivation to develop and optimize product ratio. 	<ul style="list-style-type: none"> • Prioritize the purchase of domestic raw materials. • Set up long-term contracts and system for second suppliers to stabilize prices. • Research on the procurement of other substitutes to raise product diversity.
	Operations and Reputation	<ul style="list-style-type: none"> • ESG sustainable investment. 	<ul style="list-style-type: none"> • Impact on company image. • Customers take corporate social responsibility into consideration when purchasing products. • Invest, fundraise, and finance. 	<ul style="list-style-type: none"> • Opportunities to move towards low carbon economy and corporate sustainable development. 	<ul style="list-style-type: none"> • Establish special ESG department • Communicate results to stakeholders via company website, annual report, and CSR report.
Physical Risks	Acute	<ul style="list-style-type: none"> • Typhoons, floods, and other natural disasters. 	<ul style="list-style-type: none"> • Damage to our plant equipment/ Disruption in product delivery/ staff off duty results in operational lost. • Disruption of foreign supply chain due to natural disasters. 	<ul style="list-style-type: none"> • Extreme weathers cause rockslides, destroy bridges and highways, which raises demand for The company's products. • Strengthen operational resilience. 	<ul style="list-style-type: none"> • Business Continuity Planning: -Continue to optimize inventory and flexible transportation scheduling. - Maintain stable operations to support public construction needs. • Monitor water regime information and formulate water shortage countermeasures through real-time information from the Water Resources Department. • Advocate and implement energy saving and carbon reduction environmental protection measures. • Prioritize the use of high-efficiency and energy-saving products. • Conduct periodic inspections and dispose old equipment to reduce energy burden.
	Chronic	<ul style="list-style-type: none"> • Droughts. 	<ul style="list-style-type: none"> • Water shortage hinders production process. 		
		<ul style="list-style-type: none"> • Rising global temperature. 	<ul style="list-style-type: none"> • In order to avoid overheating of equipment due to high temperature and maintain working environment of plants, the energy consumption of air conditioners increases, which also increases operational costs. 		
		<ul style="list-style-type: none"> • Rising sea level.. 	<ul style="list-style-type: none"> • Disruption of drainage systems, causing potential flooding. 		

4.3 Energy Management

Energy Management Policies and Plans

The Company actively promotes various energy reduction measures, selects equipment with high energy efficiency and energy-saving designs to reduce energy consumption in operations and products, and expands the use of renewable energy to optimize energy efficiency.

In accordance with the "Regulations on Setting Energy Conservation Objectives and Execution Plans for Energy Users from 2025 to 2028", the Company has set an annual electricity-saving target of 1% from 2024 to 2028. The projected electricity-saving rate for 2025 is 1.07%.

1. Use energy-saving LED lamps, expected to save electricity by 30%.
2. Turn lights off when not in use, during lunch breaks, and after work
3. Regularly check and replace old high-power consuming equipment, and use higher-efficiency equipment to reduce power consumption.
4. Cooperate with the Environmental Protection Administration to promote the implementation of large-scale diesel vehicle replacement plan.
5. Support local procurement, reduce long-distance shipping.

GJ=1 billion J		Parent Company		
		2022	2023	2024
Total Energy Consumption	GJ	545,167	605,294	671,659
Outsourced electricity	GWh	39.8	39.7	42.7
	GJ	143,158	143,082	153,676
	Consumption Ratio	26.30%	23.6%	22.9%
	Outsourced electricity/ Total Energy Consumption			
Green Energy Power	GWh	-	-	0.06
	GJ	-	-	2,020
	Consumption Ratio	-	-	0.3%
	Outsourced electricity/ Total Energy Consumption			
Diesel	L	2,062,338	2,164,128	2,738,965
	GJ	72,517	76,096	96,309
Gasoline	L	78,065	107,209	136,698
	GJ	2,549	3,500	4,463
Fuel	KL	6,570	5,728	5,074
	GJ	264,019	230,183	203,902
Coal	T	2,472	5,346	6,408,319
	GJ	62,924	136,052	163,097
LPG	KL	-	4,372	5,348
	GJ	-	121	148
Natural Gas	Meters Cubed/Degree	-	485,528	1,434,658
	GJ	-	16,259	48,044

Implementation Results of 2024:

1. The energy intensity is 84 GJ/ Revenue of NT\$ million in 2024.
2. Invested NT\$17 million in a solar photovoltaic system; self-generated green electricity reduces carbon emissions by approximately 280 metric tons CO₂e annually.
3. Invested NT\$270,000 in motor replacements; electricity savings reduce carbon emissions by about 5 metric tons CO₂e per year.

Note 1: The energy management data disclosed for 2024 covers the parent company and subsidiaries. The data for 2022 and 2023 covers only the parent company.

Note 2: The emission intensity for 2022 and 2023 are calculated as the parent company's individual emissions divided by the annual production value of cement, ready-mixed concrete, and gypsum board; The emission intensity for 2024 is calculated as the total emissions of the parent and subsidiaries, based on the consolidated financial statements, divided by the consolidated revenue.

Note 3: LPG and natural gas data are not calculated in 2021 and 2022, and will be presented starting in 2023

Note 4: The unit calorific value of energy products in 2023 refers to the energy calorific value published by the Energy Bureau of the Ministry of Economic Affairs:

Electricity: 1 degree = 860 kcal; Diesel: 1 liter = 8,400 kcal; Automobile gasoline: 1 liter = 7,800 kcal; Fuel oil: 1 liter = 9,600 kcal; Coal (Bituminous Coal as Fuel Medium): 1kg = 6,080 kcal; Liquid Natural Gas: 1 Cubic Meter = 9,000 kcal; (Self-Produced) Natural Gas: 1 Cubic Meter = 8,000 kcal; liquid petroleum gas (LPG) 1 liter = 6,635 kcal.

4.4 Water Management

Water Use Management Policies

According to the Water Risk Atlas by the World Resources Institute(WRI), the water sources of The company are located in the not water resource stress area. The company’s water intake of various categories is mainly tap water and groundwater, all of which are fresh water (TDS ≤ 1,000 mg/L).

- 1. Promote the value of water resources and make maximizing water efficiency in plants as our main principle.
- 2. Processed wastewater is recycled and reused in the factory and used for road watering, dust suppression, etc. to reduce air pollution.
- 3. Prioritize the use of water-saving equipment, reduce inefficient water use.

Water Intensity (Water Usage ton / Revenue of NT\$ million): The company will strive to maintain its current intensity and aims to reduce it to 30 tons / Revenue of NT\$ million by 2030.

Implementation Results of 2024: The water intensity is 48 tons / Revenue of NT\$ million.

1,000 m³=1 million liter=1,000 tons	Parent Company		
	2022	2023	2024
Total Water Intake (Water Usage)	297.2	287.9	297.0
Total Water Consumption	297.2	287.9	297.0
Tap Water	119.8	102.2	90.9
Underground Water	134.2	148.7	154.7
Reused Water	43.2	37.0	51.4
Percentage of Reused Water	15%	13%	17%

4.5 Pollution Prevention

Air Pollution

Air Pollution Management Policies and Goals: Emissions of air pollutants are all below regulatory standards.

Tons	Parent Company		
	2022	2023	2024
CO	None		
NO _x (N ₂ O not included)	15.3	16.6	19.8
SO _x	1.9	2.0	1.9
Airborne Particles/Particulate Matter	30.3	27.7	27.6
MnO	None		
Pb	0.0018	0.0024	0.0027
VOCs	0.2065	0.1655	0.1330
PAHs	None		
Cd	0.0003	0.0003	0.0003
Hg	0.0001	0.0001	0.0002
As	0.0011	0.0011	0.0010
PCDD/Fs(t I-TEQ)	1.7E-09	2.4E-09	2.5E-09

Note1: NO_x calculation method: emission pipeline (material consumption * average discharge coefficient of 3 times of testing)

Note2: SO_x calculation method: emission pipeline (material consumption * average discharge coefficient of 3 times of testing * sulfur content 0.04%)

Note3:

【Cement Plant】Particulate matter emission coefficient, source, and calculation method are as follows: Airborne particles (chimneys、storage yard): Consumption X (1 - (control efficiency) X emission coefficient = emission amount

【Gypsum board plant】Particulate matter pollution calculation method: Discharge pipeline (activity intensity * average discharge coefficient of 3 times of testing) + (those from in vehicle, loading, unloading, wind-erosion of loading and unloading in inventory)

Note4: Pb calculation method: Emission pipeline (announced emission coefficient * activity intensity * (1 - control efficiency)

Note5: VOCs calculation method: production, storage tank (raw material consumption * VOC content 0.5%)

4.6 Waste Management

Waste Management Policies

In accordance with the certified standards of hazardous industrial waste promulgated by the Environmental Protection Administration, our operations mainly produce general industrial waste and factory domestic waste, no hazardous industrial waste is produced.

Waste Management Policy

1. Practice reduction at source:

- (1) Promote paperless operations, recycle and reuse paper.
- (2) Encourage colleagues to bring their own tableware and reduce the amount of garbage.

2. Recycle and reuse:

- (1) Comply with the recycling standards of the Environmental Protection Administration, implement domestic waste recycling in plants
- (2) Comply with the “Criteria Governing Methods of and Facilities for Storage, Clearance and Disposal of Industrial Wastes”, prioritize recycle and reuse. Wastewater and used oil are recycled and reused in plants; waste wood, waste plastic, wastepaper containing gypsum, waste iron, waste tires, etc. are entrusted to qualified manufacturers certified by the Environmental Protection Administration for removal and recycling.

Quantitative goals for waste management in the future: The company will be committed to maintain the total weight of current output and hopes to achieve the zero waste goal.
Implementation results in 2024: Recycling ratio has reached 97.4%.

	Parent Company		
	2022	2023	2024
General industrial waste (tons)	16,244	12,203	6,359
Percentage of recycled waste	98.2%	99.5%	97.4%
Hazardous industrial waste	None		

5 Employee and Benefits

5.1 Human Rights

UCCTW Human Rights Policy

We support and abide by human rights standards and principles, such as United Nations' Universal Declaration of Human Rights, International Covenant on Economic, Social and Cultural Rights, International Covenant on Civil and Political Rights, United Nations Global Compact, and International Labor Organization's Declaration of Fundamental Principles and Rights at Work, and refrain from any violations on human rights.

We have formulated human rights policy to protect employees (including contract and temporary employees) and expect our suppliers, distributors, partners, and other business organizations with substantial control capabilities to strictly abide by the following principles to safeguard human rights:

1. Follow each location of operations' labor and environmental policies.
2. Provide reasonable working conditions and healthy and safe working environment.
3. Provide a working environment free from discrimination and harassment and treat everyone equally regardless of race, nationality, age, gender, marital status, political affiliation, and religious beliefs.
4. Prohibit forced labor.
5. Prohibit child labor.
6. Respect employees' privacy and freedom of assembly.
7. Keep channels of labor-management communication open and provide a grievance channel.

Human Rights Topic	Management Plans
Follow each location of operations' labor and environmental policies	<p>Follow laws and regulations, establish relevant rules and mechanisms.</p> <p>Adopt any changes in laws and regulations.</p>
Provide reasonable working conditions and healthy and safe working environment	<p>Set workplace safety and hygiene codes, protect employees from industrial harm, and offer healthy and comfortable working environments.</p> <p>Provide protection facilities, equipment, and tools needed in industrial operations to protect employees' safety.</p> <p>Workplace safety monitoring inspections: On-site supervisor (division head) and environmental safety officers will patrol the plants every day.</p> <p>Equipment safety management: We list and inspect dangerous mechanical equipment in accordance with the law to ensure safe operations.</p> <p>Implemented system of occupational health and safety at company's location of operations:</p> <ol style="list-style-type: none"> Practice "three cares and five techniques": self-care, mutual care, and supervision, pay attention with eyes, mouths, ears, hands, and hearts. Regular safety and hygiene evaluations, strictly control deficiencies and track improvement status. Build safe and healthy working environment through supervisor patrols, safe protective gears, and self-inspections. <p>Fire safety inspections: At least once per year, commission external professional manufacturer to conduct inspections, then re-inspected by the Fire Department.</p> <p>Security:</p> <ol style="list-style-type: none"> The main entrance of our office is set up with access control system to prevent outsiders from invading and destroying private property. We also maintain the effectiveness of our fire alarm system. In the unfortunate event of an employee's death due to work, compensations will be provided before the law. <p>Goal:</p> <ol style="list-style-type: none"> Aim for "zero disasters". Continue to hold safe and healthy environmental management educational training and effectively communicate relevant principles to each plant's employees.

	c. The President will host monthly meetings to review deficiencies and suggest improvements based on inspections.
Equal treatment, prohibit all workplace discrimination and harassment	<p>According to the Labor Standards Act, international regulations, and UCCTW Human Rights Policy, our recruitment process is open, equal, and fair.</p> <p>Salary is determined based on the academic background required for the position, and there will be no discrimination based on race, nationality, age, gender, marital status, political stance and religious belief.</p>
Prohibit forced labor	According to the Labor Standards Act, international regulations, and UCCTW Human Rights Policy, won't force anyone to perform involuntary labor.
Prohibit child labor	According to the Labor Standards Act and UCCTW Human Rights Policy, won't employ any children.
Respect employees' privacy and freedom of assembly	According to the Labor Standards Act, allow the formation of unions.
Keep channels of labor-management communication open and provide a grievance channel	<p>When the company has major operational changes, they will be notified in accordance with the Labor Standards Act and other laws.</p> <p>Employees can submit suggestions and questions through the welfare committee, labor-management conference, labor union, other units, or through the internal electronic communication system.</p> <p>If there is any violation of human rights, it will be immediately investigated and conditions will be improved.</p>

Human Rights Due Diligence

Relevant human rights issue	Results of the 2024 annual survey
Human rights policy training	Implemented during training every quarter.
Follow the policies	The company complies with the Labor Standards and adheres to relevant laws and regulations.
Safe working environment	At least once a year, the company invites external professional vendors to conduct inspections, and then the fire department to check safety. There were 3 occupational disasters in 2024.
Equal treatment	Starting from December 2023, the company has scheduled to conduct human rights training at least once a year. Salary standards are established based on the qualifications and experience required for each position, and will never discriminate based on race, nationality, age, gender, marital status, political stance, or religious beliefs.
Forced labor	According to the Labor Standards Act, international regulations, and UCCTW Human Rights Policy, won't force anyone to perform involuntary labor.
Child labor	No relevant incidents.
Employees' privacy and freedom of assembly	No incidents of employee privacy infringement or interference preventing the freedom of association have occurred.
Channels of labor-management communication	<ol style="list-style-type: none"> 1. When the company has major operational changes, they will be notified in accordance with the Labor Standards Act and other laws. 2. Employees can submit suggestions and questions through the welfare committee, labor-management conference, labor union, other units, or through the internal electronic communication system. There is also an anonymous whistleblower mailbox available for protection and complaints. The mailbox can be reached at ucc@ucctw.com. 3. If there is any violation of human rights, it will be immediately investigated and conditions will be improved.

5.2 Talent Management

Employee Profile

In order to retain outstanding talents and give employees the opportunity to develop their potential and show their best achievements, we continue to guide employees through various communication channels, such as meetings, internal emails, announcements, and occasional meetings with supervisors, etc., to deepen company culture and operations, strengthening the two-way commitment between the company and its employees.

	Supervisor		Non-supervisor		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
Under 29	3	1%	43	9%	46	10%
30-50	66	13%	247	50%	313	63%
Above 51	62	13%	72	15%	134	27%
Total	131	27%	362	73%	493	100%

	Supervisor		Non-supervisor		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
Female	12	2%	82	17%	94	19%
Male	119	24%	280	57%	399	81%
Total	131	27%	362	73%	493	100%
Note: Gender identification is self-determined by employees.						

	Female	Male	Total
Permanent Employees	94	399	493
Temporary Employees	0	3	3
Zero-Hour Contract Employees	0	0	0
Total	94	402	496
Note 1: Temporary employees refer to retired employees who are rehired as contract workers.			

	Female	Male	Total
Full-time Employees	94	399	493
Part-time Employees	0	0	0
Total	94	399	493

New employee hires						
Age	Female		Male		Total	New entry rate
	Number	New entry rate	Number	New entry rate		
Under 29	1	2%	26	57%	27	59%
30~50	11	4%	76	24%	87	28%
Above 51	1	1%	3	2%	4	3%
Total	13	14%	105	26%	118	24%

Note: UCCTW only consists of 6 summer interns and by the end of 2024, there will be no non-employed workers.

Employee turnover						
Age	Female		Male		Total	Turnover rate
	Number	Turnover rate	Number	Turnover rate		
Under 29	5	11%	16	35%	21	46%
30~50	11	4%	62	20%	73	23%
Above 51	1	1%	12	9%	13	10%
Total	17	18%	90	13%	107	22%
Note: New Entry Rate= Number of New Entrants in Category in the Current Year/ Total Number of Employees in this Category at the End of the Year. Turnover Rate = The number of people who resigned in this category in the current year/ Total Number of Employees in this Category at the end of the Year.						

Salary System

We provide competitive salaries and give out bonuses to reward employees with outstanding performances. New colleagues decide their salaries based on their educational background, experience, ranking, and responsibilities, regardless of gender or age. We employ talents based on skills, value the efforts and contributions of employees, and regard performance and attitude as the basis for salary and promotion. All full-time colleagues are required to accept performance evaluations, and together, pursue better improvements.

In 2023, our employee remuneration package mainly includes three parts: fixed salary, bonus, and welfare. The previous employee remuneration policy is based on individual performance and contribution to the company, the market value of their positions, and future operational risks; If the company earns profit in the current year, according to company regulations, at least 1% of it shall be allocated as the remuneration of colleagues. The remuneration of senior executives is determined by the Remuneration Committee, and all members of the committee are external experts. The standard of remuneration for managers is determined according to their personal performance, contribution to the overall operation of the company, and the market rate salary.

- The annual total remuneration of the company's highest-paid individual is the same as the annual total remuneration of other employees of the same organization (excluding the highest-paid individual). The median salary is approximately 55.1 times.
- The annual total salary of the company's highest paid individual is 1.13 times that of last year.
- The median annual total compensation of other employees of the organization (excluding the highest paid individual), this year is 1.06 compared to last year's compensation.

Salary of full-time employees who are not in supervisory positions

In 2023, the company has 453 full-time employees who are not in supervisory positions, with an average salary of \$850,000 NTD and a median salary of \$792,000 NTD. The above data is in accordance with the regulations of Taiwan Stock Exchange, deducting supervisors' (managers) and those who meet exclusion and exemption requirements. Salary for those who have worked less than one year is calculated based on their number of working days, and employee remuneration is calculated on an accrual basis.

Year	Number of full-time employees	Average salary	Median salary
		NTD Thousand	
2022	437	796	724
2023	466	814	745
2024	453	850	792

Note: This data set excludes assistant vice president and above.

Welfare System

In order to build collaborative relationships between employees, cultivate and lead outstanding talents who uphold company's core values, and strive towards the goal of success, all full-time employees are entitled to the following benefits:

Type	Benefits
Festivals	<ol style="list-style-type: none">1. Establish an Employee Welfare Committee to allocate welfare funds according to the law. Provide bonuses for Moon Festival, Dragon Boat Festival, Chinese New Year, and Labor Day.2. Provide travel money and birthday bonus.3. Plants hold model worker commendation every year.4. Year-end dinner party lottery.5. Meal allowances.
Family Care	<ol style="list-style-type: none">1. Marriage allowance, death condolences for immediate family members.2. Scholarship for employees' children education; children can apply for childcare leave without pay before they reach the age of three, maximum two years.3. Provide employees study leave without pay to encourage academic pursuits, maximum one year.
Health Insurance	<ol style="list-style-type: none">1. Provide annual health check.2. Provide labor insurance, health insurance, and other insurances.3. In the event of a natural disaster, when the local government announced work cancellations, then employees who work on that same day will be paid as usual for the day's salary, and overtime will be paid according to the extra hours of work.
Work Bonus	<ol style="list-style-type: none">1. Production competition bonus2. Attendance bonus
Seniority Benefits	<ol style="list-style-type: none">1. Employees who have worked for a certain period of time will be given special leave in accordance with the Labor Standards Act. In addition, special leave is added for new employees in the same year to encourage employees to stay2. Present commemorative gold medal to retired employees and thank them for their hard work and years at UCCTW

pension system

For employees who choose the new system, we will allocate 6% of the employees' salary to the individual account of the Bureau of Labor Insurance in accordance with the pension system of the "Labor Pension Act".

Parental leave

In accordance with the “Act of Gender Equality in Employment”, employees who meet the qualifications for childcare leave without pay can apply in accordance with the regulations. In 2024, out of a total of 7 employees who applied for parental leave without pay, 4 employees who returned to work, leaving a retention rate of 57%.

Description	2022		2023		2024	
	F	M	F	M	F	M
Number of people eligible for parental leave.	1	1	7	3	4	3
Number of people who applied for parental leave.	1	1	7	3	4	3
Number of people who returned to work during the reporting period after taking parental leave.	1	1	2	2	2	2
Return to Work Rate (%)	100	100	40	40	57	57
Number of people still employed 12 months after reinstatement from parental leave.	1	1	2	2	2	2
Retention Rate (%)	100	100	40	40	57	57

Communication Channels

We adhere to the principles of harmonious communication, form labor unions, and hold regular labor-management meetings to jointly create a friendly working environment and safeguard the rights and interests of union members. The labor union of Alian Cement Plant was established in 1978, and the labor union of Haihu Gypsum Board Plant was established in 1996. In the past three years, there have been 0 complaints from colleagues.

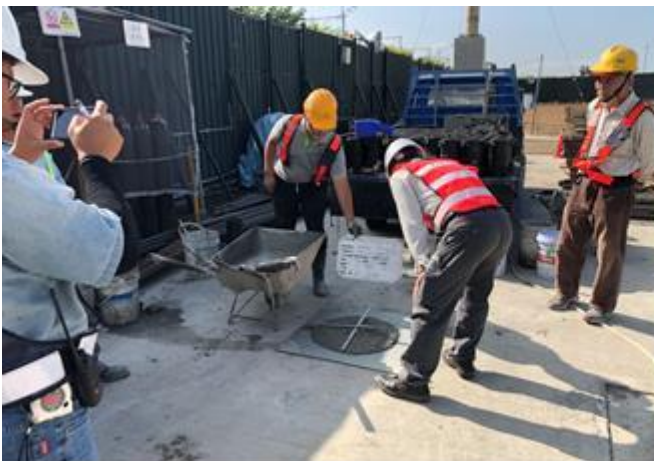
The composition of labor union includes: management representatives (plant manager, vice plant manager, general affairs section manager) and members (employees). Management representatives interact with members by participating in union membership meetings. On weekdays, operational plants and unions will maintain a smooth communication channel; When employees report labor-related matters, the management representatives will respond and coordinate as soon as possible, record the content of the meeting in detail, and submit it to senior managers. The communication channel between employers and employees must remain clear and well-organized, and we strive to achieve information transparency at all times. Therefore, the internal electronic bulletin board is used to post important messages to proactively inform employees operating policies and changes, creating a real-time, synchronous, and peer-to-peer space for communication and coordination.

Members of labor unions are granted leave with pay to attend meetings, allowing trade unions to attend external education, training, and events with other labor unions. We also provide independent offices for labor unions to handle union matters. The company has the Universal Cement Corporation Alian Plant Labor Union and the Universal Cement Corporation Haihu Gypsum Board Plant Labor Union. Currently, no collective agreements have been established, and all related activities are conducted in accordance with regulations.

Items to be discussed in 2024 trade union meetings are proposal for salary adjustments, company bonuses, and retirement benefits for former employees, uniform distribution, and membership fee adjustments. Other major topics of labor-management meetings include:

Plant operations report: report on the current employees, salary, management, and company-related publicity matters in plants.

Proposal and discussion: The content of the proposal, such as working hours, benefits, training, company, shift system, company trip, etc., as well as related affairs or feedback, can be proposed by the union.



5.3 Talent Development

In order to ensure the sustainable development of employees' careers, we regard employees as important assets and stakeholders of the company, strive to maintain a good workplace environment and system, and provide competitive employee compensation and benefits. If the company earns profit, no less than 1% will be allocated as employee remuneration as we share the success of the company. We have invested in relevant resources to create a safe working environment and provide education and training courses. We hope that colleagues and working partners can enjoy a safe and happy working environment, progress and grow with the company.

UCCTW Educational Background of Permanent Employees				
Year		2022	2023	2024
Number of Employees	Total	487	473	493
Average Age		41.61	42.05	43.30
Average Seniority		9.90	10.38	10.09
Education	PhD	0.62%	0.63%	0.62%
	MA	10.68%	9.73%	10.14%
	BA	58.73%	59.62%	60.24%
	High School	27.93%	27.91%	26.37%
	Below High School	2.05%	2.11%	2.63%

Recruitment

One fundamental factor of The company's stable growth in recent years is the recruiting and training of talents in the right conditions, so that employees can perform their duties efficiently. The main business sector of UCCTW is the building materials industry. We have not only extended our profession into the microelectronics business, but also committed to corporate sustainability and technological upgrades and transformation. Therefore, our recruitment focuses on talents with international mindsets, excellent language abilities, and electronic professional backgrounds.

We have always recruited in an open and transparent manner and sent out relevant contents through recruitment websites, online communities, and entity briefings, so that job seekers can better understand our corporate culture and principles, company operating policies, and each division's job content and skill requirements. We believe human effort is the most important factor. Our selection of talents is never solely based on academic background, nor is there any difference due to factors such as religion, political party, gender, sexual orientation, etc. We integrate the opinions of division managers to find the most suitable talents. We hope that every colleague agrees with the business principles of UCCTW: diligence, integrity, stability and practicality, and work hard to improve together.

External recruitment	Recruitment through various external channels
2024 School recruitment	National Taiwan University, National Taiwan University of Science and Technology, Cheng Shiu University, National Cheng Kung University
Employee referral	To encourage our colleagues to refer outstanding talents to join UCCTW, we have established the "Talent Referral Bonus Program." Aims to expedite the recruitment process, enhance employee engagement in talent acquisition, reduce recruitment costs, and grow together.

Training

New Employee Training
Strengthen new employee's understanding of job content and workplace environment, implement necessary training.
Current Employee Training
Arrange current employees to participate in the company's internal education and training and external units' courses occasionally to enhance professional abilities. In order to encourage colleagues to pursue further studies, there are options for colleagues' tuition, loans, and measures to take leaves without pay.
Workplace Health and Safety Training
Arrange operation supervisors to check on first aid training, lifting equipment, stackers, dangerous machinery and equipment, and employee safety and health.
Fire Safety Training
In order to strengthen the ability to respond to disasters, fire drills and other drills are held regularly to reduce the risk of damage in the event of a disaster.

To provide employees required knowledge and skills and increase production efficiency, we conduct internal and external educational training in accordance with the "Training Management Procedures of Educational Training Program". According to relevant needs, it can be divided into two types: annual training needs and temporary training needs. The annual training needs should be submitted before the end of the current year, and the training plan for next year can only be processed after approval; the temporary training needs can be submitted according to the needs of each division.

In 2024, NT\$ 0.48 million was invested in education and training. After the supervisors receive external training, they will arrange internal training courses. The total number of training hours for colleagues is 4,419 hours. The average education and training hours for female employees is about 10.8 hours, and the average education and training hours for male employees is about 6 hours; the average education and training hours for supervisors is about 10.5 hours, and the average education and training hours for non-supervisors is about 6.6 hours. In 2024, a total of 229 participants attended occupational safety courses, accumulating a total of 807 person-hours.

5.4 Health and Safety

Security

Establishing a safe and equal workplace environment is our commitment to our colleagues. The company is committed to creating a safe and friendly working environment, and requires strict standards for fire safety and sanitation of labor and buildings, and implements maintenance in order to comply with laws and regulations. In order to eliminate potential dangers in the workplace, the company formulates relevant regulations, provides complete protective equipment and equipment, and conducts education and publicity on accident prevention measures. The following are the relevant work environment safety measures promoted.

Safety measures	Abstract Explanation
Supervisor Inspection	Supervisors at all levels supervise and inspect the site to eliminate all potential workplace hazards and ensure the personal safety of employees.
Safety Gear	According to the needs of different work areas, provide all employees with personal protective equipment such as safety shoes, safety helmets, respiratory protection equipment, eye protection equipment, earplugs, earmuffs and gloves to ensure the occupational safety and occupational hygiene of employees.
Self-inspection	Workplace safety needs to be jointly maintained by both the employer and the employee. The company invests in resources to establish a safe working environment. Colleagues also actively and independently inspect machinery and equipment, perform work environment measurements, and other industrial safety affairs; regularly inspect and upgrade software and hardware equipment, and formulate strict supervision system to create a good workplace.

In accordance with the "Labor Health Protection Rules" every year, the company entrusts medical institutions approved by labor physical and health examinations to conduct regular health examinations for employees; in addition to referring to the prescribed items, the company also provides additional items (such as electrocardiogram, ultrasound, etc.), to ensure that the employees in the factory can detect and prevent early, and protect their personal health. The company arranges special health checks for employees who work in workplaces that are particularly harmful to health such as noise and dust. If there is a major abnormality in the results of the health examination, the medical institution that cooperates with the implementation of the inspection will give priority to notifying the undertaker by phone or email as soon as possible, and those with major abnormalities must carry out re-examination operations and continue to track and manage. Talent is an important asset of an enterprise. The company will assist employees to strengthen health education knowledge and improve health.

In 2024, there were 3 occupational accidents involving employees, accounting for 0.61% of the total workforce at year-end.

In 2024, the total working hours amounted to 1,044,810 hours. The total recordable incident rate was calculated as 0.57 ($3 * 200,000 / 1,044,810 = 0.57$).

Recordable silicosis among full-time and contract employees in 2024: 0.

The company's management of occupational accidents requires reporting for both severe cases and minor injuries or illnesses. Currently, there is no mechanism for reporting false alarms related to accidents.

GRI Standards Content Index

Statement of Use		UCCTW has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2023.				
Usage of GRI 1		GRI 1 : Foundation 2021				
Applicable GRI industry guidelines.		Not applicable.				
GRI Standards	Disclosure	Page	Skip			Reference numbers for disclosure items in GRI industry Standards.
			Request for Skip	Reason	Explanation	
General Disclosures						
GRI 2 : General Disclosures 2021	2-1 Information of the organization	2	Not applicable.			Not applicable.
	2-2 Entities included in the organization's sustainability reporting	2				
	2-3 Reporting period, frequency, and contact person	2				
	2-4 Restatements of information	No reorganization of information this year				
	2-5 External assurance	2				
	2-6 Activities, value chain, and other business relationships	7	-	-	-	
	2-7 Employees	63	-	-	-	
	2-8 Non-employee workers	64	-	-	-	
	2-9 The management approach and its components	27	-	-	-	
	2-10 Nomination and selection of the highest governance body	29	-	-	-	
	2-11 Chair of the highest governance body	30	-	-	-	
	2-12 Role of the highest governance body in overseeing impact management	19	-	-	-	

	2-13 Person responsible for impact management	19	-	-	-	
	2-14 Role of the highest governance body in sustainability reporting	19	-	-	-	
	2-15 Conflict of benefits	36	-	-	-	
	2-16 Communication of key significant events	Note: Refer to chapter 3 of UCCTW annual report for the report on corporate governance	-	-	-	
	2-17 Collective intelligence of the highest governance body	30	-	-	-	
	2-18 Performance assessment of the highest governance body	25	-	-	-	
	2-19 Compensation policy	66	-	-	-	
	2-20 Compensation determination process	66	-	-	-	
	2-21 Annual total compensation ratio	66	-	-	-	
	2-22 Statement of sustainable development strategy	38	-	-	-	
	2-23 Policy commitments	38	-	-	-	
	2-24 Incorporation of policy commitments	38	-	-	-	
	2-25 Procedures for addressing negative impacts	38	-	-	-	
	2-26 Mechanisms for seeking advice and raising concerns	38	-	-	-	
	2-27 Regulatory compliance	36	-	-	-	
	2-28 Membership of associations	16	-	-	-	
	2-29 Stakeholder engagement policy	13	-	-	-	
	2-30 Collective bargaining agreements	59	-	-	-	
Material Topics						

GRI 3 : Material Topics 2021	3-1 Process for determining material topics	18	Not applicable.			
	3-2 List of material topics	19				
GRI 201 : Economic Performance 2016						
GRI 3 : Material Topics 2021	3-3 Management of material topics	21	-	-	-	-
GRI 201 : Economic Performance 2016	201-1 Direct economic value generated and distributed	37	-	-	-	-
	201-2 Financial implications and other risk and opportunities plans	47	-	-	-	-
	201-3 Defined benefit plan obligations and other retirement plans	67	-	-	-	-
GRI 302 : Energy 2016						
GRI 3 : Material Topics 2021	3-3 Management of material topics	21	-	-	-	-
GRI 302 : Energy 2016	302-1 Energy consumption within the organization	54	-	-	-	-
	302-3 Energy intensity	54	-	-	-	-
GRI 303 : Water 2018						
GRI 3 : Material Topics 2021	3-3 Management of material topics	21	-	-	-	-
GRI 303 : Water 2018	303-3 Water withdrawal	56	-	-	-	-
GRI 305 : Emission 2016						
GRI 3 : Material Topics 2021	3-3 Management of material topics	21	-	-	-	-
GRI 305 : Emission 2016	305-1 Direct (Scope 1) greenhouse gas emissions	50	-	-	-	-
	305-2 Indirect energy- related (Scope 2) greenhouse gas emissions	50	-	-	-	-
GRI 401 : Employment 2016						
GRI 401 : Employment 2016	401-1 New employee hires and employee turnover	64	-	-	-	-

	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	67	-	-	-	-
	401-3 Parental leave	68	-	-	-	-
GRI 403 : Occupational Health and Safety 2016						
GRI 403 : Occupational Health and Safety 2016	403-3 Occupational health services	73	-	-	-	-
	403-6 Worker health promotion	59	-	-	-	-
GRI 404 : Training and Education 2016						
GRI 404 : Training and Education 2016	404-1 Average hours of training per year per employee	72	-	-	-	-
	404-3 Percentage of employees receiving regular performance and career development reviews	66	-	-	-	-
GRI 405 : Diversity and Equal Opportunity 2016						
GRI 405 : Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	59	-	-	-	-
GRI 408 : Child Labor 2016						
GRI 408 : Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	59	-	-	-	-
GRI 409 : Forced or Compulsory Labor 2016						
GRI 409 : Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	59	-	-	-	-
GRI 416 : Customer Health and Safety 2016						
GRI 416 : Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of products and service categories	42	-	-	-	-
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	42	-	-	-	-

GRI 417 : Marketing and Labeling 2016

GRI 417 : Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	42	-	-	-	-
	417-2 Incidents of non- compliance concerning product and service information and labeling	42	-	-	-	-
GRI 418 : Customer Privacy 2016						
GRI 418 : Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	44	-	-	-	-

SASB Standards for Construction Materials

Disclosure topic	Code	Accounting Metric	Page	Note
Activity Metrics	EM-CM-000.A	Production volume of major product lines.	9	Capacity of cement, RMC, gypsum boards of the year of 2024.
Greenhouse Gas Emissions	EM-CM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	50	
	EM-CM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	51	
Air Quality	EM-CM-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) particulate matter (PM ₁₀), (4) dioxins/furans, (5) volatile organic compounds (VOCs), (6) polycyclic aromatic hydrocarbons (PAHs), and (7) heavy metals	57	
Energy Management	EM-CM-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage alternative, (4) percentage renewable	54	The company is not currently utilizing alternative energy or renewable energy sources.
Water Management	EM-CM-140a.1	(1) Total fresh water withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress	56	
Waste Management	EM-CM-150a.1	Amount of waste generated, percentage hazardous, percentage recycled	58	
Biodiversity Impacts	EM-CM-160a.1	Description of environmental management policies and practices for active sites	-	The company has no cement mining process, so this indicator is not applicable.
	EM-CM-160a.2	Terrestrial acreage disturbed, percentage of impacted area restored	-	
Workforce Health & Safety	EM-CM-320a.1	(1) Total recordable incident rate (TRIR) and (2) near miss frequency rate (NMFR) for (a) fulltime employees and (b) contract employees	73	
	EM-CM-320a.2	Number of reported cases of silicosis	73	
Product Innovation	EM-CM-410a.1	Percentage of products that qualify for credits in sustainable building design and construction certifications	42	RMC, gypsum board

Disclosure topic	Code	Accounting Metric	Page	Note
	EM-CM-410a.2	Total addressable market and share of market for products that reduce energy, water, and/or material impacts during usage and/or production	42	RMC, gypsum board
Pricing Integrity & Transparency	EM-CM-520a.1	Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and anti-trust activities	41	Anti-competitive behavior and its handling

Operational Guidelines for the Preparation and Submission of Sustainability Reports by Listed Companies: Sustainability Disclosure Indicators - Cement Industry

Item	Indicator	Indicator Type	Annual Disclosure Status	Unit	Note (Chapter)
1	Total energy consumption, percentage of purchased electricity, and utilization rate of renewable energy.	Quantify	671,659GJ 、 22.9% 、 0.3%	Gigajoules(GJ) , percentage (%)	4.3
2	Total water withdrawal and total water consumption.	Quantify	297.0 kilostere 、 297.0 kilostere	kilostere(m ³)	4.4
3	Total weight of generated waste, percentage of hazardous waste, and proportion of recycled waste.	Quantify	6,359 metric tons 、 0% 、 97.4%	metric tons (t), percentage (%)	4.6
4	Explanation of occupational accident count and rate.	Quantify	3 people 、 0.61%	person, percentage(%)	5.4
5	Primary product output by product category.	Quantify	Cement 372,746 tons ; RMC 1,501,765 m ³ ; Perforated Gypsum 16,074,007 m ²	differentiated by product type	1.2

ISAE 3000 Limited Assurance Report



會計師有限確信報告

環球水泥股份有限公司 公鑒：

環球水泥股份有限公司民國 113 年永續報告書，業經本會計師針對環球水泥股份有限公司所揭露之績效指標執行確信程序竣事，並出具有限確信報告。

確信標的資訊與適用基準

環球水泥股份有限公司所揭露之績效指標（以下簡稱「標的資訊」）與適用基準，請詳附件一「確信項目彙總表」。

管理階層之責任

管理階層之責任係依照臺灣證券交易所「上市公司編製與申報永續報告書作業辦法」及全球永續性報告協會（Global Reporting Initiatives, GRI）發布之通用準則及主題準則編製標的資訊，且維持與標的資訊編製有關之必要內部控制，以確保標的資訊未存有導因於舞弊或錯誤之重大不實表達。

會計師之責任

本會計師之責任係依照確信準則 3000 號「非屬歷史性財務資訊查核或核閱之確信案件」規劃及執行有限確信工作，基於所執行之程序與所獲取之證據，對標的資訊（詳附件一）是否未存有重大不實表達取得有限確信，並出具有限確信報告。相較於合理確信案件，有限確信案件所執行程序之性質及時間不同，其範圍亦較小，故於有限確信案件所取得之確信程度亦明顯低於合理確信案件中取得者。

本會計師係基於專業判斷規劃及執行確信程序，以獲取相關標的資訊之有限確信證據，且任何內部控制均受有先天限制，因此未必能查出所有業已存在之重大不實表達。本會計師執行確信程序包括：

1. 對參與編製標的資訊之管理階層及相關人員進行查詢，以瞭解編製標的資訊之政策、流程、內部控制及資訊系統，以辨認可能存有重大不實表達之領域；

- 1 -

◎ 台南所/ 70848 台南市安平區永華路二段248號16樓之3 ◎ 高雄所/ 80284 高雄市苓雅區建國一路109號9樓之3

傳承 / 堅定 / 當責

Legendary & Steadfast Accountancy

2. 對標的資訊選取樣本進行檢查、驗算、重新執行、觀察及分析性程序等程序，以取得有限確信之證據。

先天限制

由於諸多確信項目係屬非財務資訊，相較於財務資訊之確信受有更多先天限制，故該等資訊之相關性、重大性與正確性之解釋可能涉及更多管理階層之重大判斷、假設與解釋，不同利害關係人對該等資訊亦可能有不同之解讀。

獨立性及品質管理規範

本會計師及所隸屬會計師事務所已遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。

本會計師所隸屬會計師事務所適用品質管理準則 1 號「會計師事務所之品質管理」，該品質管理準則規定會計師事務所設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及所適用法令有關之政策或程序。

確信結論

依據所執行之程序與所獲取之證據，本會計師並未發現標的資訊在所有重大方面有未依照適用基準編製而須作修正之情事。

其他事項

本確信報告出具後，環球水泥股份有限公司對任何確信標的資訊或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

秉承聯合會計師事務所

會計師 蘇 正 輝

蘇正輝



中 華 民 國 1 1 4 年 5 月 2 3 日

確信項目彙總表

編號	標	的	資	訊	對 應 章 節	適 用 基 準
1.	環泥公司及 合併財務報告子公司	2024 年	總能源耗用量	671,659GJ	4.3 能源管理	臺灣證券交易所 「上市公司編製 與申報永續報告 書作業辦法」第 4 條第三項附表 一之四編號一
	外購電力百分比	22.9%	再生能源使用率	0.3%		
2.	環泥公司	2024 年	總用水量	297.0 千立方公尺	4.4 水資源管理	臺灣證券交易所 「上市公司編製 與申報永續報告 書作業辦法」第 4 條第三項附表 一之四編號二
	總耗水量	297.0 千立方公尺				
3.	環泥公司	2024 年	製造所產生的廢棄物總量	6,359 公噸	4.6 廢棄物管理	臺灣證券交易所 「上市公司編製 與申報永續報告 書作業辦法」第 4 條第三項附表 一之四編號三
	回收廢棄物占比	97.4%	有害事業廢棄物	0%		

(接次頁)

(承前頁)

編號	標 的 資 訊			對 應 章 節	適 用 基 準
4.	環泥公司		2024 年	5.4 安全健康	臺灣證券交易所 「上市公司編製 與申報永續報告 書作業辦法」第 4 條第三項附表 一之四編號四
	職業災害人數		3		
	比率		0.61%		
5.	環泥公司		2024 年	1.2 產品簡介	臺灣證券交易所 「上市公司編製 與申報永續報告 書作業辦法」第 4 條第三項附表 一之四編號五
	產品	水泥（噸）	372,746		
		預拌混凝土 （立方公尺）	1,501,765		
		石膏板 （平方公尺）	16,074,007		



環球水泥股份有限公司

Universal Cement Corporation



10F, 125, Sec. 2, Nan-King East Road, Taipei 104, Taiwan Tel:
+886 2-2507-7801 Fax: +8862-2507-5870