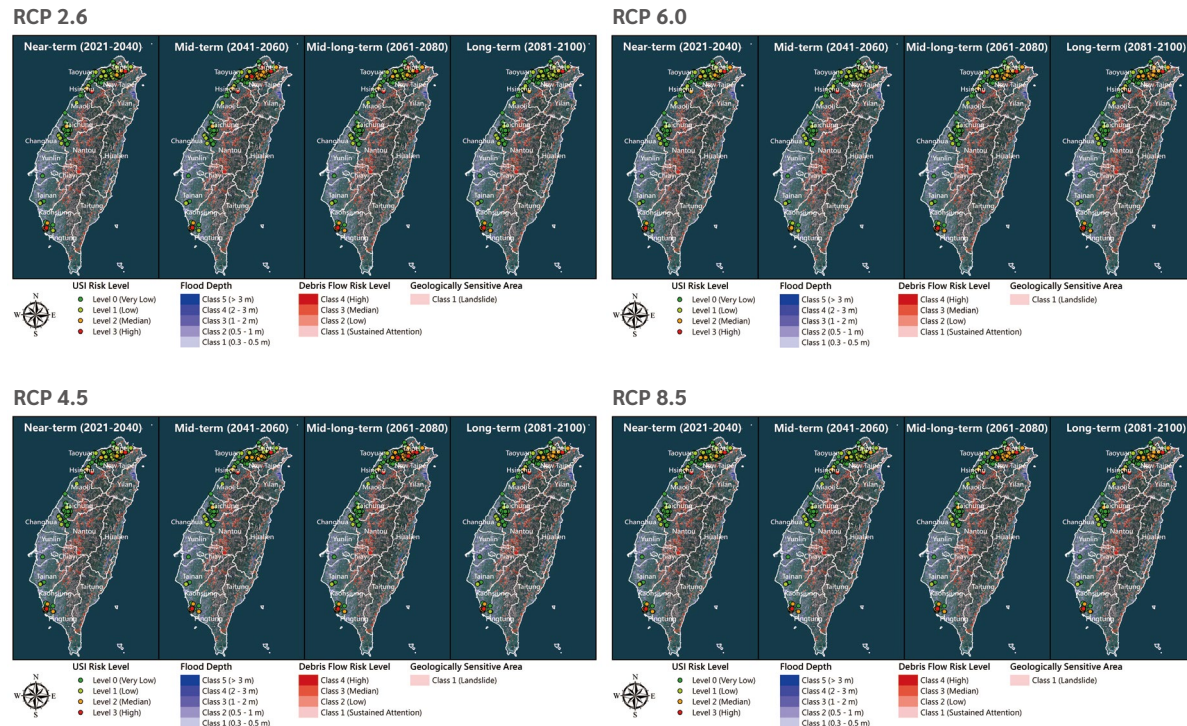




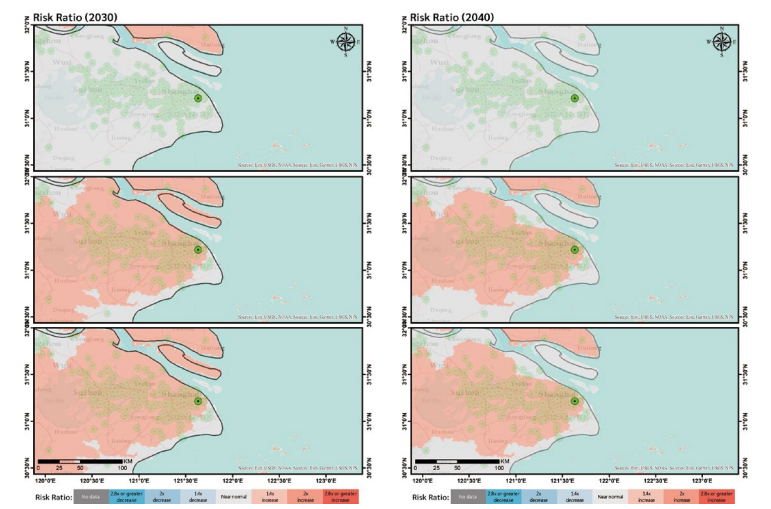
For the physical risk analysis of USI's operational sites and supplier sites in Taiwan, the World Bank's Climate Change Knowledge Portal and Taiwan Climate Change Projection Information Platform databases were used to estimate the RCP2.6, RCP4.5, RCP6.0, and RCP8.5⁽¹⁾ risk levels for extreme rainfall hazards and vulnerabilities (including floods, mudslides, and landslides) between 2021 to 2100. Although analysis indicated no risk of flooding or potential landslides in USI's own operations, we have established contingency measures in place for sudden floods and drought. Supplier site vulnerability analysis has identified 484 flooding risks and 2 landslide risks, and no supplier sites have landslide risks, which we will evaluate and implement supply chain procurement mechanisms to mitigate risks.

For the physical risk analysis of Mainland China and Mexico Facilities, we have referred to the World Resources Institute database and estimated the multiplier analysis of water stress from 2020 to 2040 compared to the base period for SSP2-4.5, SSP2-8.5, and SSP3-8.5⁽²⁾ scenarios. Except for Huizhou Facility, where the pressure on water resources is decreasing, the pressure on water resources in other facilities is increasing. We will continue to monitor the water consumption of each facility and evaluate the planning of the process water recycling system. The facilities have also formulated emergency preparedness response procedures and prepared sufficient emergency supplies in case of unexpected floods or droughts.

Hazard and Weakness Scenario Risk Analysis Chart



Base Period Water Stress Multiplier Analysis Chart



Note:
 1. RCP, Representative Concentration Pathways: different possible warming scenarios based on GHG concentration trajectories
 2. SSP, Shared Socioeconomic Pathways: five different scenarios models based on projected population, economic growth, energy demands, social equality, and other factors