

# 6

# Appendix

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# 6 Appendix

## Appendix I ESG Information

### Governance Information

#### Overview of Board members

Note: V competent; ★ partially competent

Title	Name	Gender	Education and Selected Past Positions	Selected Present Positions at Taiflex and Other Companies	Industry Experience				Professional Competence			
					Finance	Investment	Information and Electronics	Materials Science	Law	Accounting and Finance	Business Management	Risk Management
Chairperson	Ta-Wen Sun	Male	Bachelor of Business Administration, Fu Jen Catholic University	<ul style="list-style-type: none"> <li>Chairperson of Taiflex Scientific Co., Ltd.</li> <li>Director of Rudong Fuzhan Scientific Co., Ltd.</li> <li>Chairperson of Qiao Mei Development Corporation</li> <li>Chairperson of You Ben Investment Co., Ltd.</li> <li>Chairperson of Innatech Co., Ltd.</li> <li>Director of Enli Technology Co., Ltd.</li> <li>Chairperson of Taichem Materials Co., Ltd.</li> <li>Chairperson of Taiflex Green Power Co., Ltd.</li> <li>Director of Taiflex Scientific (Thailand) Co., Ltd.</li> </ul>	★	V	V	★		V	V	V
Director	Ching-Yi Chang	Male	Master of Business Administration, National Chengchi University	<ul style="list-style-type: none"> <li>Chairperson of the CID Group Ltd.</li> <li>Chairperson of LandMark Optoelectronics Corporation</li> <li>Director of Entire Technology Co., Ltd.</li> <li>Director of Eurocharm Holdings Co., Ltd.</li> <li>Director of Epoch Foundation</li> <li>Independent Director of Jetway Information Co., Ltd.</li> </ul>	V	V	V	V		V	V	V
Director	Chen-Ming Hsu	Male	<ul style="list-style-type: none"> <li>Bachelor of Electrical Engineering, Chung Yuan Christian University</li> <li>CEO of 3M Thailand Limited</li> </ul>	<ul style="list-style-type: none"> <li>Vice Chairperson of Taiflex Scientific Co., Ltd.</li> <li>Corporate Representative Director of Taiflex Green Power Co., Ltd.</li> </ul>			V	V			V	V
Director	Re-Zhang Lin	Male	Bachelor of Accounting, Soochow University	<ul style="list-style-type: none"> <li>Corporate Representative Director of Taiflex Scientific Co., Ltd.</li> <li>Chairperson of Taiwan Fu Hsing Industrial Co., Ltd.</li> <li>Corporate Representative Director of Fine Blanking &amp; Tool Co., Ltd.</li> <li>Corporate Representative Director of Launch Technologies Co., Ltd.</li> <li>Corporate Representative Director of Advanced International Multitech Co., Ltd.</li> </ul>		V	★	★		V	V	V



## Overview of Board members (Continued)

Note: V competent; ★ partially competent

Title	Name	Gender	Education and Selected Past Positions	Selected Present Positions at Taiflex and Other Companies	Industry Experience				Professional Competence				
					Finance	Investment	Information and Electronics	Materials Science	Law	Accounting and Finance	Business Management	Risk Management	
Director	Chun-Chi Lin	Male	<ul style="list-style-type: none"> <li>EMBA, College of Management, National Taiwan University</li> <li>President of KANTO-PPC Inc.</li> <li>Executive Vice President of Global Unichip Corporation</li> <li>CEO of Xintec Inc.</li> <li>CEO/President of VisEra Technologies Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Independent Director of Silicon Optronics, Inc.</li> <li>Independent Director of M31 Technology Corporation</li> <li>Chairperson of Taiwan Electron Microscope Instrument Corporation</li> <li>Chairperson of Chi Investment Limited</li> <li>Corporate Representative Director of Stek Co., Ltd.</li> <li>Supervisor of AcroCyte Therapeutics Inc.</li> </ul>		V	V	V		★	V	V	
Director	Fu-Le Lin	Male	Ph.D. in Polymer Science, University of Akron, USA	<ul style="list-style-type: none"> <li>Senior R&amp;D Director of Taiflex Scientific Co., Ltd.</li> <li>Corporate Representative Director of Koatech Technology Corporation</li> </ul>			V	V				V	V
Independent Director	Wen-I Lo	Male	<ul style="list-style-type: none"> <li>Master of Business Administration, National ChengChi University</li> <li>Vice President of CDIB Capital Management Corporation</li> <li>President of China Venture Management, Inc.</li> <li>President of R.O.C. Strategic Company Ltd.</li> <li>President of R.O.C. Venture Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Chairperson of CSX Material Co., Ltd.</li> <li>Independent Director of ADO Optronics Corporation</li> <li>Corporate Representative Director of Gemtek Technology Co., Ltd.</li> <li>Corporate Representative Director of PCL (Hsinchu) Co., Ltd.</li> <li>Chairperson of FengYi Capital Management Co., Ltd.</li> <li>Corporate Representative Supervisor of REC Technology Corporation</li> <li>Chairperson of Apex Action Investment Limited</li> <li>Supervisor of Wholesenses Global Corp.</li> </ul>	V	V	V	★	V	V	V	V	
Independent Director	Yung-Shun Chuang	Male	Honorary Doctorate, National Taiwan University of Science and Technology	<ul style="list-style-type: none"> <li>Chairperson of AAEON Technology Inc.</li> <li>Chairperson of EverFocus Electronics Corporation</li> <li>Chairperson of ONYX Healthcare Inc.</li> <li>Chairperson of Jetway Information Co., Ltd.</li> <li>Director of MACHVISION Inc.</li> <li>Director of King Core Electronics Inc.</li> <li>Director of CHC Healthcare Group</li> <li>Corporate Representative Director of Winmate Inc.</li> <li>Corporate Representative Director of XAC Automation Corporation</li> <li>Director of AtechoEM Inc.</li> <li>Corporate Representative Director of IBASE Technology Inc.</li> <li>Director of Litemax Electronics Inc.</li> <li>Director of Allied Biotech Corporation</li> <li>Independent Director of Top Union Electronics Corp.</li> </ul>			V	V		★	V	V	
Independent Director	Shi-Chern Yen	Male	Ph.D. in Chemical Engineering, University of Wisconsin	Independent Director of Taiflex Scientific Co., Ltd.			V	V				V	V





## Continuing education of Directors in 2023

Title	Name	Course	Duration	Total Hours
Chairperson	Ta-Wen Sun	2023 Seminar on Prevention of Insider Trading	3	6
		2023 Taishin Net Zero Summit	3	
Director	Ching-Yi Chang	Corporate Governance and Corporate Social Responsibility: Trends and Best Practices	3	6
		Securities Illegality and Responsibility of Directors and Supervisors	3	
Director	Chein-Ming Hsu	Legal Risks and Responses to Corporate Investment and Financing - From the Viewpoint of Directors' Responsibilities	3	6
		Risks and Opportunities of Climate Change on Business Operations	3	
Director	Re-Zhang Lin	2023 Seminar on Prevention of Insider Trading	3	6
		Corporate Governance Seminar	3	
Director	Fu-Le Lin	How Would the Board Formulates ESG Sustainable Governance Strategies	3	6
		Corporate Growth Strategy and Open Innovation	3	
Independent Director	Wen-I Lo	Protection of Trade Secret and Non-competition	3	6
		Global and Taiwan Tax Reforms and Corporate Tax Governance under ESG Trends and Pandemic	3	
Independent Director	Shi-Chern Yen	Promoting Sustainable Development through Risk Management - Risk Management Best Practice Principles for TWSE/TPEX Listed Companies	3	6
		Commercial Litigation and Dispute Resolution in Practice	3	
Independent Director	Yung-Shun Chuang	Corporate Governance Seminar	3	6
		Directors and Supervisors Seminar - "Corporate Resilience and Competitiveness of Taiwan"	3	
Director	Chun-Chi Lin	Global and Taiwan Tax Reforms and Corporate Tax Governance under ESG Trends and Pandemic	3	6
		Legal Risks and Responses to Corporate Investment and Financing - From the Viewpoint of Directors' Responsibilities	3	



## Economic Data

### Condensed statements of comprehensive income over the years

Item/Year	2021	2022	2023
Net revenue (In thousands of NT\$)	9,405,002	8,721,875	8,150,519
Operating Costs (In thousands of NT\$)	6,607,973	5,059,307	4,395,498
Gross profit (In thousands of NT\$)	2,198,643	2,078,863	1,791,507
Operating income (In thousands of NT\$)	948,808	648,080	487,598
Non-operating income and expenses (In thousands of NT\$)	-7,994	229,233	-5,279
Income before income tax (In thousands of NT\$)	940,814	877,313	482,319
Net income (In thousands of NT\$)	744,862	691,713	360,723
Total comprehensive income (In thousands of NT\$)	758,884	662,244	528,248
Earnings per share (NT\$)	3.51	3.35	2.02
Employee benefits (In thousands of NT\$)	31,507	28,197	27,764
Dividends (In thousands of NT\$)	522,799	522,799	313,680
Employee wages (including employee benefits) (In thousands of NT\$)	1,176,330	1,316,059	1,196,958
Retained economic value (In thousands of NT\$)	880,037	1,602,168	2,089,352
Payments to providers of capital (In thousands of NT\$)	543,597	558,005	346,136
Payments to government (In thousands of NT\$)	196,002	185,636	171,596
Community investment (In thousands of NT\$)	1,063	700	928

- Notes:
1. Payments to providers of capital refer to dividends to all shareholders, plus interest payments to lenders (including interests on any form of debt or borrowings), and dividends payable to preferred shareholders.
  2. Payments to government refer to all taxes (including business tax, income tax, property tax) and fines.
  3. Employee benefits within the "employee wages (including employee benefits)" include labor and health insurance premiums and pensions, i.e., total monetary benefits provided to employees (excluding costs related to education and training or protective equipment, or other costs directly related to employees' job responsibilities). As for the line item "employee benefits," it refers to the amount appropriated by the Company to the "Employee Welfare Committee" for employee benefits, such as trips, health check-ups, holiday gifts, etc., i.e., total non-monetary benefits provided to employees.
  4. Community investment refers to donations and contributions.
  5. Retained economic value: "Direct economic value generated" - "Economic value distributed."
  6. We have restated the amounts of employee wages (including employee benefits) and retained economic value for 2021 and 2022 based on numbers audited by the CPAs.
  7. We have restated the amounts of payments to government for 2021 and 2022 as the numbers in the previous report were incorrect.



## Government subsidies in 2023

In NT\$

Project	Government Agency	Amount of Subsidy
Subsidy for investments on promotion of industry developments	Kaohsiung City Government	2,636,469
Youth Employment Project	Workforce Development Agency	565,839
Counseling Program for Industrial Upgrading Innovation Platform (5G high-frequency FCCL)	Industrial Development Administration, Ministry of Economic Affairs	81,084,000
2023 minimum wage subsidies for businesses affected by Covid-19	Commerce Development Research Institute, Executive Yuan	77,280
Smart machinery	Industrial Development Administration, Ministry of Economic Affairs	21,833,136
R&D investment tax credit	Industrial Development Administration, Ministry of Economic Affairs	189,235,511
Total		295,432,235

## Purchases overview over the years

Contract Type	Source	2021		2022		2023	
		No.	% to Total Purchases	No.	% to Total Purchases	No.	% to Total Purchases
Labor (Contracting and Services)	Domestic	11	0.66%	11	0.83%	8	0.17%
	Overseas	0	0	0	0	0	0
Goods (Raw Materials)	Domestic	59	79.27%	56	82.84%	63	86.54%
	Overseas	10	12.3%	7	11.04%	11	11.52%
Engineering (Construction and Equipment)	Domestic	23	3.8%	25	5.11%	22	1.76%
	Overseas	2	3.97%	1	0.18%	2	0.01%
Total		105	100%	100	100%	106	100%



## List of industry associations in 2023

Industry Associations, Other Member Associations and National or International Advocacy Organizations	Eligibility (Position)
Taiwan Printed Circuit Association (TPCA)	Director
Taiwan Technology Industrial Park Electrical and Electronic Manufacturer' s Association	Member / Representative of supervisor
Association of Industrial Relation of Export Processing Zone	Member

## Environmental Data

### Material recovery over the years

Year	Category	Recycled Volume (MT)	Method of Disposal		Reuse Rate of Recycled Volume
			Outsourced for Reuse (MT)	Recycled from Production Line (MT)	
2021	NMP	379.35	60.35	319.21	84.15%
	MEK	124.16	54.95	69.21	55.74%
2022	NMP	306.07	19.25	286.82	93.71%
	MEK	153.76	70.13	83.63	54.39%
2023	NMP	353	126	227	64.31%
	MEK	148.2	57.1	91.1	61.47%



## Recycling of packaging materials over the years

Year		2021			2022			2023		
Item	Category	Recycled	Purchased	Recovery rate	Recycled	Purchased	Recovery rate	Recycled	Purchased	Recovery rate
Plastic pallet	For suppliers	805	7,496	81.04%	530	6,796	76.55%	610	6,136	77.75%
	Recycling	5,270			4,672			4,161		
	For customers	6,324	15,160	41.72%	2,856	14,000	20.40%	3,264	13,972	23.36%
Tube core, end plug and end plate	For suppliers	3,087	3,087	100.00%	3,456	3,456	100.00%	609	3,572	17.05%
Wooden box	For suppliers	866	-	-	877	-	-	569	1,174	48.47%
Total		16,352	-	-	12,393	-	-	9,213	-	-

## Energy consumption of the organization over the years

Quantitative Indicators	Unit	2021	2022	2023	Note
Electricity Consumption	kWh	39,960,616	37,310,040	37,446,055	Notes: 1. Thermal conversion factor for electricity: 1kWh = 0.0036 GJ. 2. Conversion factors are based on the thermal conversion factors in the Greenhouse Gas Emission Factor Table (6.0.4) published by the Environmental Protection Administration: Gasoline = 7,800 kcal/L, diesel = 8,400 kcal/L, and natural gas = 8,000 kcal/m <sup>3</sup> . In addition, the conversion factors adopted in 2021 and 2022 used 1 kcal = 4.184 KJ, while it was 1 kcal = 4.1868 KJ in 2023. 3. Energy intensity = Total energy consumption (GJ) / Taiflex' s parent company only revenue for the year (in thousands of NT\$.)
	GJ	143,858.22	134,316.14	134,805.80	
Gasoline Consumption	L	6,142	5,397	4,660	
	GJ	200.45	176.13	152.19	
Diesel Consumption	L	8,113	7,836	8,243	
	GJ	285.14	275.40	289.89	
Natural Gas (LNG) Consumption	m <sup>3</sup>	2,158,929	2,157,471	1,730,237	
	GJ	72,263.67	72,214.87	57,953.25	
Total Energy Consumption	GJ	216,607.48	206,982.54	193,201.13	
Revenue	In thousands of NT\$	7,671,215	7,287,918	6,837,677	
Energy Intensity	GJ/Thousands of NT\$	0.0282	0.0284	0.0283	





## GHG emissions of the organization over the years

Quantitative Indicators	Unit	2021	2022	2023	Note
Scope 1	MT CO <sub>2</sub> e	10,077.93	10,936.00	7,482.24	1. Scope 1: Direct GHG emissions; Scope 2: GHG emissions from energy use; Scope 3: GHG emissions from transportation; Scope 4: GHG emissions from the use of product. 2. Emission intensity = (Scope 1 + Scope 2) / Taiflex' s parent company only revenue for the year (in thousands of NT\$). 3. Electricity emission factor refers to the electricity GHG emission factor released by the Energy Administration, Ministry of Economic Affairs: 0.509 kg CO <sub>2</sub> e in 2021, 0.495 kg CO <sub>2</sub> e in 2022, and 0.494 kg CO <sub>2</sub> e in 2023. 4. The parameters adopted are based on the Greenhouse Gas Emission Factor Table (6.0.4) published by the Environmental Protection Administration, and the conversion of CO <sub>2</sub> e into the Global warming potential (GWP) adopt the GWP values in the IPCC' s Sixth Assessment Report, where CO <sub>2</sub> =1, CH <sub>4</sub> =27.9, and N <sub>2</sub> O=273. 5. We have restated the GHG emission intensity for 2021 as the number in the previous report was incorrect. 6. The 2022 GHG emission data were based on inventory conducted pursuant to ISO 14064-1:2018 with a third-party verification. Numbers are restated as data are updated based on the inventory results this year. 7. The 2023 data are based on the voluntary inventory conducted in accordance with ISO 14064-1:2018 with the verification by an independent third-party scheduled for late 2024. Results will be disclosed in the next report.
Scope 2	MT CO <sub>2</sub> e	20,340.13	18,215.25	18,498.35	
Scope 3	MT CO <sub>2</sub> e	3,474.88	2,419.29	2,204.84	
Scope 4	MT CO <sub>2</sub> e	77,641.90	49,082.21	45,467.45	
Scope 1~4	MT CO <sub>2</sub> e	111,534.829	80,652.748	73,652.88	
Revenue	In thousands of NT\$	7,671,215	7,287,918	6,837,677	

## Energy conservation programs and savings in 2023

Measures	Expenditure (NT\$10 thousands of dollars)	Savings on Energy	Energy Saving (GJ)	Carbon Reduction (MT CO <sub>2</sub> e)	Note
Electricity	1. Improvements on air conditioning to optimize energy efficiency	5	165,808 kWh	596.91	1. Thermal conversion factor for electricity: 1kWh = 0.0036 GJ. Electricity emission factor refers to the electricity GHG emission factor released by the Energy Administration, Ministry of Economic Affairs: 0.494 kg CO <sub>2</sub> e in 2023. 2. Conversion factor of natural gas is based on the thermal conversion factors in the Greenhouse Gas Emission Factor Table (6.0.4) published by the Environmental Protection Administration: Natural gas = 8,000 kcal/m <sup>3</sup> and 1 kcal = 4.1868 KJ. 3. Carbon reduction from natural gas is calculated based on emission factors of Taiflex factories in 2023: Taiflex 2 of 2.0717305579 kg CO <sub>2</sub> e/M <sup>3</sup> and Taiflex 3 of 2.0777999360 kg CO <sub>2</sub> e/M <sup>3</sup> .
	2. Replacement of water towers to conserve energy	123.1	221,061 kWh	795.82	
	3. Installation of frequency converter on equipment to conserve energy	185.3	586,596 kWh	2,111.75	
	4. Replacement of heat dissipation materials in NMP cooling towers at Taiflex 3	19.5	54,208 kWh	195.15	
	5. Optimization of FFU in clean room	0	55,631 kWh	200.27	
	6. Improvement of lighting	22.5	70,736 kWh	254.65	
	7. Reduction of cooling load to conserve energy	0	228,673 kWh	823.22	
	8. Adoption of routine operation for ventilators at toilets	0	2,358 kWh	8.49	
	9. Oven pre-heating with nitrogen to conserve energy	29.1	119,764 kWh	431.15	
Total	384.5	1,504,835 kWh	5,417.41	743.37	
Natural Gas	10.Replacement of ceramic media within the RRTO at Taiflex 2 to conserve energy	421	193,070 m <sup>3</sup>	6,466.76	
	11.Adoption of auxiliary fuel for zeolite rotor concentrator at Taiflex 3 to conserve energy	2,000	44,579 m <sup>3</sup>	1,493.15	
	Total	2,421	237,649 m <sup>3</sup>	7,959.91	
Total for 2023			13,377.32	1,235.99	



## Water consumption over the years

Year	2021	2022	2023
Water withdrawal (million liters)	86.210	91.550	89.830
Water discharge (million liters)	39.670	55.010	49.740
Water consumption (million liters)	46.540	36.540	33.200
In-house water recycled (million liters)	2.420	6.850	4.010
Water recycling rate (%)	2.730	6.960	4.270
Revenue (in thousands of NT\$)	7,671,215	7,287,918	6,837,677
Water use intensity (million liters / thousands of NT\$)	0.000011	0.000013	0.000013

Notes:

1. Water consumption = Water withdrawal - Water discharge.
2. Water recycling rate = In-house water recycled / (Water withdrawal + In-house water recycled) × 100%.
3. Water use intensity = Water withdrawal (million liters) / Taiflex' s parent company only revenue for the year (in thousands of NT\$.)

## Effluents discharged over the years

In million liters

Factory/Year	2021	2022	2023
Taiflex 1	0.437	0.446	0.550
Taiflex 2	27.189	26.191	21.317
Taiflex 3	12.042	15.232	13.970
Taiflex 5	-	13.142	13.905
Total	39.668	55.011	49.742



## Wastewater discharge standards and averages over the years

In ppm

Test Items	2021		2022		2023	
	Discharge Standard	Annual Average	Discharge Standard	Annual Average	Discharge Standard	Annual Average
Copper	3.000	0.670	3.000	0.210	3.000	0.210
Suspended solids	450.000	14.460	450.000	60.930	450.000	41.180
Biochemical oxygen demand	450.000	43.730	450.000	91.630	450.000	37.490
Chemical oxygen demand	600.000	98.400	600.000	76.550	600.000	72.060
pH	9.000	8.300	9.000	7.960	9.000	7.860
Water temperature	42.000	26.950	42.000	26.980	42.000	27.290

## ODS statistics over the years

ODS	2021	2022	2023
R22 refrigerant	0.040 MT	0.0046 MT	0.0046 MT

Note: We have restated the refrigerant filling quantities for 2022 based on the verified GHG inventory data for the year.



## Air pollutant emission standards and averages over the years

Test Items	2021			2022			2023		
	Emission (kg/hr)	Emission Standard (ppm)	Annual Average (ppm)	Emission (kg/hr)	Emission Standard (ppm)	Annual Average (ppm)	Emission (kg/hr)	Emission Standard (ppm)	Annual Average (ppm)
VOCs	3.35	None	220	2.96	None	257	1.75	None	146
TSP	0.01	100.00	0.4	-	100.00	-	0.02	100.00	1
SOx	-	-	-	-	-	-	-	-	-
NOx	0.44	150.00	10	-	150.00	-	0.83	150.00	24

Notes:

1. There are currently no emission standards for VOCs. Natural gas combustion does not produce SOx; therefore, testing is not required.
2. Data in the table are historical testing results of Taiflex 2. Units for emission standards and annual testing: mg/Nm<sup>3</sup> for TSP; ppm for NOx and VOCs.

## Waste statistics in 2023

Composition Item	Hazardous/ Non-hazardous	On-site		Off-site	
		Waste Generated (MT)	Processing Method	Waste Generated (MT)	Processing Method
Waste adhesive /solvent <sup>Note 1</sup>	Hazardous	4.01	Prepared for reuse	383.39	Incineration (without energy recovery)
NMP solvent waste	Hazardous	227.48	Prepared for reuse	126.26	Recycling
MEK solvent waste	Hazardous	91.13	Recycling	57.11	Recycling
Copper sludge waste	Hazardous	-	-	5.59	Recycling
Mixture containers	Hazardous	-	-	34.96	Recycling
Waste plastic mixture	Non-Hazardous	-	-	29.00	Incineration (with energy recovery)
Waste Rubber Mixture	Non-Hazardous	-	-	4.23	Incineration (with energy recovery)
Waste Paper Mixture	Non-Hazardous	-	-	31.61	Incineration (with energy recovery)
Waste Wood	Non-Hazardous	-	-	227.56	Incineration (with energy recovery)
Liquid Manure	Non-Hazardous	-	-	0.00	Other disposal measures
Waste oil mixture	Non-Hazardous	-	-	0.00	Recycling
Scrap CCL	Non-Hazardous	-	-	216.76	Recycling



### Waste statistics in 2023 (Continued)

Composition Item	Hazardous/ Non-hazardous	On-site		Off-site	
		Waste Generated (MT)	Processing Method	Waste Generated (MT)	Processing Method
Pure copper foil	Non-Hazardous			6.80	Recycling
Scraps/Scrap cover-layers <sup>Note 2</sup>	Non-Hazardous	-	-	157.25	Incineration (with energy recovery)
Release paper <sup>Note 3</sup>	Non-Hazardous			25.60	Recycling
General recycling	Non-Hazardous	-	-	120.44	Recycling
Wood pallets <sup>Note 4</sup>	Non-Hazardous	-	-	2.80	Recycling
Empty drums	Non-Hazardous	-	-	39.00	Recycling
Plastic pallet	Non-Hazardous			33.74	Recycling

Notes:

- The statistics were included as we commenced on-site adhesive washing from August 2023.
- The term "general recycling (waste plastic)" was changed to "scraps/scrap cover-layers" in 2023.
- "Release paper" was included as we started to separate release paper and PI films of composite materials in August 2023.
- "Pallet recycled for suppliers" in the 2022 sustainability report was removed from the waste composition table in 2023. Instead, the wood pallets category reflected the reuse of wooden pallets by J.Shine International Logistics Co., Ltd. from November 2023.

### Transfer of hazardous/non-hazardous waste in 2023

Composition Processing Method	Hazardous Waste		Non-Hazardous Waste		Total
	On-site	Off-site	On-site	Off-site	
Transfer during disposal	322.62	223.92	0.00	445.14	991.68
	546.54		445.14		
Direct disposal	0.00	383.39	0.00	449.65	833.04
	383.39		449.65		
Total	929.93		894.79		1824.72
Total waste			1824.72		
Recycling rate			54.35%		

Notes:

- Transfer during disposal: Recycling; Direct disposal: Incineration (with energy recovery), incineration (without energy recovery), landfill.
- Recycling rate is calculated as: Recycled waste volume / Total waste volume × 100%.





## Social Data

### Employee statistics over the years

In person

Year	2021			2022			2023		
Contract type / Gender	Female	Male	Total	Female	Male	Total	Female	Male	Total
Total number of employees	203	665	868	200	656	856	199	604	803
Regular employees	193	631	824	198	639	852	191	579	770
Temporary employees	10	34	44	2	17	19	8	25	33
Full-time employees	203	665	868	200	656	856	199	604	803
Part-time employees	0	0	0	0	0	0	0	0	0

Notes:

- Number of employees is based on data as of the last day of the year.
- Regular employees are ones with an open-ended (i.e., no time limit) contract. Temporary employees are ones with a fixed-term (i.e., a fixed period) contract. The monthly working hours of full-time employees are defined in accordance with the working hour laws and practices of the Republic of China. Part-time employees are ones whose working hours per week, month or year are fewer than that of full-time employees.

### Employee composition over the years

In person

Year		2021	2022	2023	
Item/Gender	Age	No. of Employees	No. of Employees	No. of Employees	
Supervisory officers (team leader level or above)	Male	Under 30	7	9	5
		30-50 years old	153	149	137
		Over 51	17	26	33
	Female	Under 30	0	0	0
		30-50 years old	12	14	18
		Over 51	7	8	8
Total no. of supervisory officers		196	206	201	
Non-supervisory officers	Male	Under 30	141	112	84
		30-50 years old	323	338	317
		Over 51	24	22	28
	Female	Under 30	48	40	31
		30-50 years old	125	128	131
		Over 51	11	10	11
Total no. of non-supervisory officers		672	650	602	
Total no. of regular employees		868	856	803	

Note:  
Supervisory officers are defined as personnel at team leader level or above.



**Diverse workforce over the years (including indigenous persons and disabled persons)**

In person

Year		2021	2022	2023	
Item/Gender	Age	No. of Employees	No. of Employees	No. of Employees	
Minority or disadvantaged groups	Male	Under 30	2	1	1
		30-50 years old	5	7	7
		Over 51	1	1	1
	Female	Under 30	1	0	0
		30-50 years old	0	0	0
		Over 51	1	1	1

Note: As of the end of 2023, the Company employed eight disabled persons and two indigenous persons. Disabled employees accounted for 1% of our employees, which met the regulatory quota stipulated by the government.

**Statistics of non-employee workers in 2023**

In person

Type	Contractual Relationship with the Company	Total Number of Workers
On-site contractors	Contractor	11
Security personnel	Contractor	13
Total number of non-employee workers		24

Notes:

1. There was no significant change in the total number of non-employees in 2023 compared to 2022.
2. On-site external parties: Information personnel, customs personnel, and material management personnel.



## Percentage of new recruits over the years

In person

Year	2021				2022				2023				Notes: 1. The number of new recruits includes the number of employees resigned during the period. 2. Percentage of new (male/female) recruits by age group = Number of new (male/female) recruits in the age group for the year / Total number of (male/female) employees at the operation site at the end of the same year. 3. Percentage of new recruits = Number of new recruits for the year / Total number of employees at the operation site at the end of the same year.
Gender	Male		Female		Male		Female		Male		Female		
Age/Item	No. of New Recruits	% of New Recruits	No. of New Recruits	% of New Recruits	No. of New Recruits	% of New Recruits	No. of New Recruits	% of New Recruits	No. of New Recruits	% of New Recruits	No. of New Recruits	% of New Recruits	
Under 30	128	14.75%	42	4.84%	58	6.78%	25	2.92%	27	3.36%	11	1.37%	
30-50 years old	87	10.02%	32	3.69%	51	5.96%	26	3.04%	30	3.74%	21	2.62%	
Over 51	2	0.23%	1	0.12%	3	0.35%	1	0.12%	3	0.37%	1	0.12%	
Total no. of new recruits	292				164				93				
Total no. of employees	868				856				803				
Percentage of new recruits	33.64%				19.16%				3.36%				

## Employee turnover statistics over the years

In person

Year	2021				2022				2023				Notes: 1. Terminated employees include employees who resign or retired or are dismissed or laid off. 2. Turnover rate (for male/female) by age group = Number of terminated (male/female) employees in the age group for the year / Total number of (male/female) employees in the age group at the end of the same year. 3. Turnover rate = Number of terminated employees for the year / Total number of employees at the operation site at the end of the same year.
Gender	Male		Female		Male		Female		Male		Female		
Age/Item	No. of Employees	Turnover Rate	No. of Employees	Turnover Rate	No. of Employees	Turnover Rate	No. of Employees	Turnover Rate	No. of Employees	Turnover Rate	No. of Employees	Turnover Rate	
Under 30	72	8.29%	14	1.61%	56	6.54%	21	2.45%	35	4.36%	11	1.37%	
30-50 years old	81	9.33%	20	2.30%	64	7.48%	33	3.86%	74	9.22%	21	2.62%	
Over 51	4	0.46%	1	0.12%	2	0.23%	2	0.23%	4	0.50%	3	0.37%	
Total no. of terminated employees	192				178				148				
Total no. of employees	868				856				803				
Turnover rate	22.12%				20.79%				18.43%				



## Parental leave statistics over the years

In person

Year	2021			2022			2023		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
No. of eligible applicants for parental leave for the year A	3	9	12	1	10	11	2	11	13
No. of applicants for parental leave for the year B	1	5	6	0	5	5	2	6	8
No. of employees expected to return from parental leave for the year C	3	3	6	0	3	3	1	3	4
No. of employees returned from parental leave for the year D	1	3	4	0	2	2	1	3	4
No. of employees returned from parental leave in previous year E	3	4	7	0	2	2	0	2	2
No. of employees returned from parental leave in previous year and stay for one year F	3	3	6	0	2	2	0	2	2
Return rate for the year % (D/C)	33.33%	100%	66.67%	0%	66.67%	66.67%	100%	100%	100%
Retention rate for the year % (F/E)	100%	75%	85.71%	0%	100%	100%	0%	100%	100%

Notes:

1. Number of employees expected to return from parental leave for the year = Number of employees who are expected to be reinstated after their parental leave for the year.
2. Number of employees retained in 2023 = Actual number of employees reinstated in 2022 and remained employees of Taiflex as of December 31, 2023.
3. Return rate for the year = Actual number of employees returned from parental leave for the year / Number of employees expected to return from parental leave for the year (D/C).
4. Retention rate for the year = Number of employees returned from parental leave in previous year and stay for one year / Number of employees returned from parental leave in previous year (F/E).



## Employee compensation in 2023

Salary Ratio by Ranking	Number of People		Annual Salary (NT\$)		Salary Ratio	
	Female	Male	Female	Male	Female	Male
Managerial Personnel	26	175	47,820,846	241,278,006	1.00	0.75
Non-managerial Personnel	173	429	114,536,687	291,249,579	1.00	1.03
Direct Personnel	60	368	35,302,744	232,831,845	1.00	1.08
Indirect Personnel	139	236	127,054,789	299,695,740	1.00	1.39

- Notes:
- The salary (annual salary) ratio of female to male: Average annual salary of female in the category/Average annual salary of male in the category.
  - Since middle and senior managers accounted for 86% of female managerial personnel and only 40% of male managerial personnel, the average annual salary was higher for female than that of male in the managerial personnel category.
  - For indirect personnel, the average salary of male indirect personnel was higher than that of female due to industry characteristics. Among the indirect personnel, the proportion of middle and senior managers was higher for male than that of female; therefore, the average salary was higher for male indirect personnel than for female ones.

## Salary ratio in 2023

Country/Region	Ratio of the annual total compensation of the Company's highest-paid individual to the median annual total compensation of the remaining employees	Ratio of the percentage increase in annual total compensation of the Company's highest-paid individual to the median percentage increase in annual total compensation of the remaining employees
Taiwan	12.26	0.00

- Notes:
- The Chairperson does not count as the highest-paid individual unless he also holds the position of the President / CEO.
  - Formula for the annual compensation ratio: Annual compensation of the highest-paid individual of the year / Annual compensation of the employee with median total compensation of the year.
  - Formula for the ratio of percentage increase in annual compensation: Percentage increase in annual compensation of the Company's highest-paid individual of the year / Percentage increase in annual compensation of the employee with median total compensation of the year.





## Employee education and training in 2023

### Summarized by training items of the talent development system

Training System / Item	Total No. of Trainees	Total Training Hours	Average Training Hours per Person	% of Training Hours to Total
New Employee Orientation	93	484	5.2	2.75%
Core Competency	3,815	4,326	1.13	24.62%
Professional Competency	4,813	11,276	2.34	64.17%
Managerial Competency	61	435	7.13	2.48%
Self-development	58	1,051	18.12	5.98%
Total	8,840	17,572	33.92	100%

### Summarized by employee type and gender

Item/Category		Managerial Personnel		Non-managerial Personnel		Direct Personnel		Indirect Personnel	
Unit / Gender		Male	Female	Male	Female	Male	Female	Male	Female
Total no. of trainee	Person	175	26	429	173	368	60	236	139
Total training hours	Hour	4,991	1,278	7,357	3,946	3,844	808	8,504	4,416
Average training hours	Hour/ person	28.520	49.150	17.150	22.810	10.446	13.470	36.034	31.770
Training expense	NT\$	261,894	166,526	354,592	249,462	45,052	976	571,434	415,012

Notes:

- (Total number of managerial personnel + Total number of non-managerial personnel) = Total number of employees at the operation site.
- (Total number of direct personnel + Total number of indirect personnel) = Total number of employees at the operation site.
- The percentage of women in the middle and senior management positions for market information and strategy development is slightly higher than that of men; therefore, there are more courses associated with new product information and strategy planning. As a result, the average number of training hours for female managerial personnel is higher.



## Statistics of OSH training and promotion over the years

Year	2021	2022	2023
No. of Trainees	1,753	2,560	2,228
No. of Training Hours	1,409.0	2,094.5	1,217.3

## OSH training and promotion in 2023

Training Item	No. of Trainees	Training Fee (NT\$)
General on-the-job OSH education and training in 2023	624	0
Training for prevention of rights violation at workplace in 2023	442	0
Traffic safety promotion in 2023 - Recognize signs and markings in the industrial park - safe driving	590	0
Fire safety training for new recruits	42	0
General hazard education and training	387	0
First aid training course (CPR+AED)	14	0
On-the-job training for supervisors of specific chemical substance operations	3	2,400
Training for operators of specific high-pressure gas equipment	2	9,600
Training for personnel transporting dangerous goods	1	3,200
On-the-job training for personnel transporting dangerous goods	1	3,000
Training for forklift operators	5	19,000
On-the-job training for forklift operators	10	5,000
On-the-job training for boiler operators	1	2,400
On-the-job training for supervisors of hypoxia operations	1	500
On-the-job training for operators of fixed cranes	3	1,500
On-the-job training for supervisors of organic solvent operations	2	1,600
On-the-job training for first aid personnel	2	1,000
Training for operators of fixed cranes under 3 MT	1	3,500
Preliminary training for security inspectors	1	2,700
Annual 3-hour radiation protection training	1	800
<b>Total</b>	<b>2,133</b>	<b>56,200</b>

Note: Trainees include both employees and on-site external parties.



## Occupational injury statistics over the years

Category		Item	2021	2022	2023
Employee	Working hours	Total working hours of female employees	364,104	386,344	388,664
		Total working hours of male employees	1,232,200	1,263,096	1,201,112
		Total working hours	1,596,304	1,649,440	1,589,776
	No. of recordable occupational injuries (including the number of fatalities and serious occupational injuries)	Total number of female occupational injuries (times)	2	1	0
		Total number of male occupational injuries (times)	1	2	1
		Total number of occupational injuries (times)	3	3	1
	Fatality rate of occupational injuries		0	0	0
	Rate of severe occupational injury		0	0	0
	Rate of recordable occupational injury		1.88	1.82	0.63
Non-employee	Working hours	Total working hours of female employees	2,710	11,520	0
		Total working hours of male employees	13,713	42,240	32,206
		Total working hours	16,423	53,760	32,206
	No. of recordable occupational injuries (including the number of fatalities and serious occupational injuries)	Total number of female occupational injuries (times)	0	0	0
		Total number of male occupational injuries (times)	0	0	0
		Total number of occupational injuries (times)	0	0	0
	Fatality rate of occupational injuries		0	0	0
	Rate of severe occupational injury		0	0	0
	Rate of recordable occupational injury		0	0	0

Note:

1. Fatality rate of occupational injuries = (Number of fatalities caused by occupational injuries / Working hours) × 1,000,000
2. Rate of severe occupational injury = [Number of severe occupational injuries (excluding fatalities) / Working hours] × 1,000,000.
3. Rate of recordable occupational injury = [Number of recordable occupational injuries (including fatalities and severe occupational injuries) / Working hours] × 1,000,000.

4. Severe occupational injury means occupational injury that cannot be recovered from within 6 months.
5. Recordable occupational injuries exclude ones from commuting.
6. Type of recordable occupational disasters in 2023: 1 incident of burns.



# Appendix II: Sustainability Report Assurance Statement

**afaq** **Independent Assurance Statement**  
 TAIFLEX SCIENTIFIC CO., LTD.'S 2023 SUSTAINABILITY REPORT

AFNOR GROUP was established in 1926. We are the National Standardization Body of France, a permanent council member in ISO and one of the leading certification bodies in the world. This verification work was carried out by AFNOR ASIA LTD., a subsidiary of AFNOR GROUP. All the members of the verification team have professional backgrounds and have accepted AA1000 AS, AFAQ 26000, ISO 9001, ISO 14001, ISO 14064, ISO 45001, ISO 50001, and other sustainability-related international standard trainings. All assigned verifiers have been approved as the lead auditors or verifiers. AFNOR GROUP hereby provides a summary of TAIFLEX SCIENTIFIC CO., LTD.'s Sustainability Report of 2023 (hereinafter referred to as "the Report") but was not involved in any way in its preparation.

AFNOR GROUP and TAIFLEX SCIENTIFIC CO., LTD. (hereinafter referred to as "TAIFLEX") are independent entities. AFNOR ASIA LTD., was commissioned by TAIFLEX to conduct the assessment and assure the Sustainability Report of 2023 in accordance with AA1000 Assurance Standard (v3) and the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards).

**SCOPE**

TAIFLEX SCIENTIFIC CO., LTD. is responsible for reporting fairly on the economic, environmental and social aspects of operating activities and performance of various operating sites in Taiwan in sustainability reports in accordance with the declared sustainability reporting standards.

AFNOR Asia is responsible for:

- Evaluating the accordance of the Report with the Type 1 of AA1000 Assurance Standard (v3) based on the AA1000 Accountability Principles (2018). The reliability verification of the revealed sustainability performance information and data was not included. The verification scopes include sustainability issues, response mechanism, performance information, management systems of information, and the processes of materiality evaluation and stakeholder participation.
- In accordance with the GRI Standards, we verified the statement options and material topics disclosed in the report compiled by TAIFLEX.

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**REFERENCES**

The scope of the assurance includes an assessment of the source adequacy of specific performance information and an assessment of adherence to the following reporting criteria :

- AA1000 Accountability Principles (2018)
- GRI Standards

**METHODOLOGY**

- The inclusivity, materiality, responsiveness, and impact in the Report were assessed according to the principles of management process against AA1000 Assurance Standard (v3).
- The report is reported in accordance with the GRI Standards, and the content of the report is reviewed for general disclosures and specific topic disclosures that comply with the GRI Standards.
- The mechanism of communication and response to the interest of stakeholders was verified through discussion and interview with the management team, however, the assessment team did not make any direct contact with external stakeholders.
- The qualitative and quantitative information produced, collected, and disclosed by the Report was reviewed through a validated sampling plan.
- The documents, materials and information related to the report were examined and reviewed by interviewing the responsible persons of each group of TAIFLEX.
- Interviews with members of the organization related to sustainable development management and report writing, including representatives of all levels and departments.
- All documents, data and information related to the preparation of this report were checked by the verification team through interviews with relevant personnel.
- Check the sufficiency and completeness of supporting materials and evidence for the content of the report.

**CONCLUSION**

- AA1000 Accountability Principles**

**Inclusivity**

TAIFLEX has continued to seek the participation of stakeholders and established major sustainability themes to develop and achieve responsible and strategic responses to sustainability. The report fairly reports and discloses environmental, social and governance information, covers the

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issues expected by stakeholders, and supports the achievement of the company's strategies, goals, standards and performance.

**Materiality**

TAIFLEX has published information on relevant sustainable development issues, allowing stakeholders to judge the company's governance and performance. The report has presented the decision-making mechanism for materiality issues implemented by the company, effectively focusing on sustainable issues of concern to all stakeholders.

**Responsiveness**

TAIFLEX has developed and implemented a stakeholder response mechanism through communication channels to provide timely responses to issues of concern to stakeholders. Through continuous engagement with stakeholders, the organization will develop various policies, norms, codes and goals that meet the expectations of stakeholders.

**Impact**

TAIFLEX has adopted the monitoring and measurement of risks and opportunities for the impact on the overall environment during its operations, identified various risks and opportunities to formulate action plans, and responsibly demonstrated its management, communication and improvement of its sustainable performance. In the future, the organization will continue to provide resources to support the identification, measurement, assessment and management of impacts.

- Global Reporting Initiative Sustainability Reporting Standards**

Based on the results of the review, we confirmed that the general disclosure and specific disclosure content of the report and the necessary management policy disclosure of major topics have complied with the requirements of GRI Standards. In the future, the organization can continue to complete the management content of major themes and the disclosure of relevant information of each base according to reporting requirements, and fully present the organization's development context and comparative information to stakeholders.

**ASSURANCE OPINION**

AFNOR GROUP has developed a complete sustainability reporting assurance standard based on the verification guidelines of the AA1000 Assurance Standard (v3) and the GRI Standards.

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**ASSURANCE OPINION**

AFNOR GROUP has developed a complete sustainability reporting assurance standard based on the verification guidelines of the AA1000 Assurance Standard (v3) and the GRI Standards.

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## Appendix III: Comparison Table of GRI Standard

\* Material Topics

Statement of use	TAIFLEX Scientific Co., Ltd. has prepared the report in accordance with the GRI Standards for the period from January 1, 2023 to December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	None

No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
<b>GRI 2: General Disclosures 2021</b>				
<b>Organization and reporting practice</b>				
2-1	Organizational details	About Taiflex	005	
2-2	Entities included in the organization' s sustainability reporting	About this report	002	
2-3	Reporting period, frequency and contact point	About this report	002	
2-4	Restatements of information	About this report	002	
2-5	External assurance	About this report	002	
<b>Activities and workers</b>				
2-6	Activities, value chain and other business relationships	About Taiflex	005	
		3.1 Market and Business Expansion	038	
2-7	Employees	About Taiflex	005	
		5.1 Right Person for the Right Job	068	
		Appendix I ESG Information	090	
2-8	Workers who are not employees	Appendix I ESG Information	090	
<b>Governance</b>				
2-9	Governance structure and composition	1.1 Sustainable Development Committee	009	
		2.1.1 Organizational structure	022	
		Appendix I ESG Information	090	





No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
2-10	Nomination and selection of the highest governance body	2.1.1 Organizational structure	022	
		2.1.2 Board operations	024	
2-11	Chair of the highest governance body	2.1.2 Board operations	024	
2-12	Role of the highest governance body in overseeing the management of impacts	1.1 Sustainable Development Committee	009	
2-13	Delegation of responsibility for managing impacts	1.1 Sustainable Development Committee	009	
		2.1.2 Board operations	024	
2-14	Role of the highest governance body in sustainability reporting	About this report	002	
2-15	Conflicts of interest	2.1.2 Board operations	024	
2-16	Communication of critical concerns	2.1.2 Board operations	024	
2-17	Collective knowledge of the highest governance body	2.1.2 Board operations	024	
		Appendix I ESG Information	090	
2-18	Evaluation of the performance of the highest governance body	2.1.2 Board operations	024	
2-19	Remuneration policies	2.1.1 Organizational structure	022	
		5.2.1 Talent attraction and retention	071	
2-20	Process to determine remuneration	2.1.1 Organizational structure	022	
		5.2.1 Talent attraction and retention	071	
2-21	Annual total compensation ratio	Appendix I ESG Information	090	
<b>Strategies, policies and practices</b>				
2-22	Statement on sustainable development strategy	Message from the Chairperson	003	
		Message from the President	004	
		2.3.1 Emphasize the culture of integrity	031	
		2.4.1 Procurement policy	034	
2-23	Policy commitments	4.1 Environmental Policy and Investment	056	
		5.1 Right Person for the Right Job	068	
		5.2.2 Human rights protection and labor-management communication	073	
		5.3.1 Occupational risk management	078	



No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
2-24	Embedding policy commitments	2.3.1 Emphasize the culture of integrity	031	
		2.4.1 Procurement policy	034	
		5.2.2 Human rights protection and labor-management communication	073	
		5.3.1 Occupational risk management	078	
2-25	Processes to remediate negative impacts	2.3.1 Emphasize the culture of integrity	031	
		2.4.1 Procurement policy	034	
		4.1 Environmental Policy and Investment	056	
		5.2.2 Human rights protection and labor-management communication	073	
2-26	Mechanisms for seeking advice and raising concerns	2.3.1 Emphasize the culture of integrity	031	
		5.2.2 Human rights protection and labor-management communication	073	
2-27	Compliance with laws and regulations	2.1.2 Board operations	024	
		2.3.1 Emphasize the culture of integrity	031	
		2.3.2 Internal controls	031	
2-28	Membership associations	Appendix I ESG Information	090	
<b>Stakeholder engagement</b>				
2-29	Approach to stakeholder engagement	1.2 Stakeholder Communication and Response	009	
2-30	Collective bargaining agreements	5.2.2 Human rights protection and labor-management communication	073	
<b>GRI 3: Material Topics 2021</b>				
3-1	Process to determine material topics	1.3 Identify Material Topics of the Year	013	
3-2	List of material topics	1.3 Identify Material Topics of the Year	013	



GRI Standard Type / Topic	No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
<b>Topic-specific GRI standard: 200 (Economic topics)</b>					
<b>* Economic Performance</b>					
GRI 3 Economic Performance Management Disclosure 2021	3-3	Management of material topics	3.1 Market and Business Expansion	038	
	201-1	Direct economic value generated and distributed	3.1 Market and Business Expansion Appendix I ESG Information	038 090	
GRI 201 Economic Performance Topic Disclosure 2016	201-2	Financial implications and other risks and opportunities due to climate change	2.2.2 Climate risk adaptation actions	028	
	201-3	Defined benefit plan obligations and other retirement plans	5.2.1 Talent attraction and retention	071	
	201-4	Financial assistance received from government	Appendix I ESG Information	090	
<b>* Market Presence</b>					
GRI 3 Market Presence Management Disclosure 2021	3-3	Management of material topics	5.2 Create a Friendly Workplace	070	
	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.2.1 Talent attraction and retention Appendix I ESG Information	071 090	
GRI 202 Market Presence Topic Disclosure 2016	202-2	Proportion of senior management hired from the local community	5.1 Right Person for the Right Job	068	
	<b>Indirect Economic Impacts</b>				
GRI 203 Indirect Economic Impacts Topic Disclosure 2016	203-1	Infrastructure investments and services supported	5.4 Care for Children and Youth	085	
	203-2	Significant indirect economic impacts	5.1 Right Person for the Right Job	068	
<b>* Procurement Practices</b>					
GRI 3 Procurement Practices Management Disclosure 2021	3-3	Management of material topics	2.4 Sustainable Supply Chain	033	
	204-1	Proportion of spending on local suppliers	2.4.1 Procurement policy Appendix I ESG Information	034 090	
GRI 204 Procurement Practices Topic Disclosure 2016					
<b>* Anti-corruption</b>					
GRI 3 Anti-corruption Management Disclosure 2021	3-3	Management of material topics	2.3 Regulatory Compliance and Internal Control	030	



GRI Standard Type / Topic	No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
GRI 205 Anti-corruption Topic Disclosure 2016	205-2	Communication and training about anti-corruption policies and procedures	2.3.1 Emphasize the culture of integrity	031	
	205-3	Confirmed incidents of corruption and actions taken	2.3.1 Emphasize the culture of integrity	031	
<b>* Anti-competitive Behavior</b>					
GRI 3 Anti-competitive Behavior Management Disclosure 2021	3-3	Management of material topics	2.3 Regulatory Compliance and Internal Control	030	
GRI 206 Anti-competitive Behavior Topic Disclosure 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.3.1 Emphasize the culture of integrity	031	
<b>Tax</b>					
GRI 207 Tax Topic Disclosure 2019	207-1	Approach to tax	2.3.2 Internal controls	031	
	207-2	Tax governance, control, and risk management	2.3.2 Internal controls	031	
	207-3	Stakeholder engagement and management of concerns related to tax	2.3.2 Internal controls	031	
<b>Topic-specific GRI standard: 300 (Environmental topics)</b>					
<b>Materials</b>					
GRI 301 Materials Topic Disclosure 2016	301-2	Recycled input materials used	4.1.1 Build a green industry chain	056	
			4.3.1 Source reduction	064	
			Appendix I ESG Information	090	
	301-3	Reclaimed products and their packaging materials	4.1.1 Build a green industry chain	056	
Appendix I ESG Information			090		
<b>* Energy</b>					
GRI 3 Energy Management Disclosure 2021	3-3	Management of material topics	4.2 Energy and Carbon Emission Management	058	
	302-1	Energy consumption within the organization	4.2 Energy and Carbon Emission Management	058	
Appendix I ESG Information			090		
GRI 302 Energy Topic Disclosure 2016	302-3	Energy intensity	4.2 Energy and Carbon Emission Management	058	
			Appendix I ESG Information	090	
	302-4	Reduction of energy consumption	4.2 Energy and Carbon Emission Management	058	
			Appendix I ESG Information	090	



GRI Standard Type / Topic	No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
<b>Water and Effluents</b>					
GRI 303 Water and Effluents Topic Disclosure 2018	303-1	Interactions with water as a shared resource	4.3.1 Source reduction	064	
	303-2	Management of water discharge-related impacts	4.3.2 Pollution control	065	
			Appendix I ESG Information	090	
	303-3	Water withdrawal	4.3.1 Source reduction	064	
			Appendix I ESG Information	090	
303-4	Water discharge	4.3.1 Source reduction	064		
		Appendix I ESG Information	090		
303-5	Water consumption	4.3.1 Source reduction	064		
		Appendix I ESG Information	090		
<b>* Emissions</b>					
GRI 3 Emissions Management Disclosure 2021	3-3	Management of material topics	4.2 Energy and Carbon Emission Management	058	
			4.3 Waste Reduction Actions	062	
GRI 305 Emissions Topic Disclosure 2016	305-1	Direct (Scope 1) GHG emissions	4.2 Energy and Carbon Emission Management	058	
			Appendix I ESG Information	090	
	305-2	Energy indirect (Scope 2) GHG emissions	4.2 Energy and Carbon Emission Management	058	
			Appendix I ESG Information	090	
	305-3	Other indirect (Scope 3) GHG emissions	4.2 Energy and Carbon Emission Management	058	
			Appendix I ESG Information	090	
	305-4	GHG emissions intensity	4.2 Energy and Carbon Emission Management	058	
Appendix I ESG Information			090		
305-5	Reduction of GHG emissions	4.2 Energy and Carbon Emission Management	058		
		Appendix I ESG Information	090		
305-6	Emissions of ozone-depleting substances (ODS)	4.3.2 Pollution control	065		
		Appendix I ESG Information	090		
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	4.3.2 Pollution control	065		
		Appendix I ESG Information	090		



GRI Standard Type / Topic	No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
<b>* Waste</b>					
GRI 3 Waste Management Disclosure 2021	3-3	Management of material topics	4.3 Waste Reduction Actions	062	
	306-1	Waste generation and significant waste-related impacts	4.3.2 Pollution control	065	
GRI 306 Waste Topic Disclosure 2020	306-2	Management of significant waste-related impacts	4.3.2 Pollution control	065	
	306-3	Waste generated	4.3.2 Pollution control	065	
			Appendix I ESG Information	090	
	306-4	Waste diverted from disposal	4.3.2 Pollution control	065	
			Appendix I ESG Information	090	
	306-5	Waste directed to disposal	4.3.2 Pollution control	065	
			Appendix I ESG Information	090	
<b>* Supplier Environmental Assessment</b>					
GRI 3 Supplier Environmental Assessment Management Disclosure 2021	3-3	Management of material topics	2.4 Sustainable Supply Chain	033	
GRI 308 Supplier Environmental Assessment Topic Disclosure 2016	308-1	New suppliers that were screened using environmental criteria	2.4.2 Evaluation and audit	035	
	308-2	Negative environmental impacts in the supply chain and actions	2.4.2 Evaluation and audit	035	
<b>Topic-specific GRI standard: 400 (Social topics)</b>					
<b>* Employment</b>					
GRI 3 Employment Management Disclosure 2021	3-3	Management of material topics	5.2 Create a Friendly Workplace	070	
GRI 401: Employment Topic Disclosure 2016	401-1	New employee hires and employee turnover	5.2.1 Talent attraction and retention	071	
			Appendix I ESG Information	090	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2.1 Talent attraction and retention	071	
	401-3	Parental leave	Appendix I ESG Information	090	
<b>Labor/Management Relations</b>					
GRI 402 Labor/Management Relations Topic Disclosure 2016	402-1	Minimum notice periods regarding operational changes	5.2.2 Human rights protection and labor-management communication	073	



GRI Standard Type / Topic	No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
<b>* Occupational Health and Safety</b>					
GRI 3 Occupational Safety and Health Management Disclosure2021	3-3	Management of material topics	5.3 Workplace Safety and Health	076	
	403-1	Occupational health and safety management system	5.3.1 Occupational risk management	078	
	403-2	Hazard identification, risk assessment, and incident investigation	5.3.1 Occupational risk management	078	
	403-3	Occupational health services	5.3.3 Employee health management	084	
	403-4	Worker participation, consultation, and communication on occupational health and safety	5.3.1 Occupational risk management	078	
			5.3.2 Work disaster prevention	082	
	403-5	Worker training on occupational health and safety	5.3.2 Work disaster prevention	082	
GRI 403 Occupational Health and Safety Topic Disclosure 2018			Appendix I ESG Information	090	
	403-6	Promotion of worker health	5.3.3 Employee health management	084	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.3.3 Employee health management	084	
	403-8	Workers covered by an occupational health and safety management system	5.3.1 Occupational risk management	078	
	403-9	Work-related injuries	5.3.1 Occupational risk management	078	
			Appendix I ESG Information	090	
	403-10	Work-related ill health	5.3.3 Employee health management	084	
<b>* Training and Education</b>					
GRI 3 Training and Education Management Disclosure2021	3-3	Management of material topics	5.2 Create a Friendly Workplace	070	
	404-1	Average hours of training Yearly per employee	5.2.3 Diversified competence development	074	
GRI 404 Training and Education Topic Disclosure 2016					Appendix I ESG Information
	404-2	Programs for upgrading employee skills and transition assistance programs	5.2.3 Diversified competence development	074	
	404-3	Percentage of employees receiving regular performance and career development reviews	5.2.3 Diversified competence development	074	
<b>* Diversity and Equal Opportunity</b>					
GRI 3 Diversity and Equal Opportunity Management Disclosure2021	3-3	Management of material topics	5.2 Create a Friendly Workplace	070	





GRI Standard Type / Topic	No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
GRI 405 Diversity and Equal Opportunity Topic Disclosure 2016	405-1	Diversity of governance bodies and employees	2.1.1 Organizational structure	022	
			5.1 Right Person for the Right Job	068	
			Appendix I ESG Information	090	
405-2	Ratio of basic salary and remuneration of women to men	5.2.1 Talent attraction and retention	071		
		Appendix I ESG Information	090		
<b>Non-discrimination</b>					
GRI 406 Non-discrimination Topic Disclosure 2016	406-1	Incidents of discrimination and corrective actions taken	5.2.2 Human rights protection and labor-management communication	073	
<b>Freedom of Association and Collective Bargaining</b>					
GRI 407 Freedom of Association and Collective Bargaining Topic Disclosure 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.2.2 Human rights protection and labor-management communication	073	
<b>Child Labor</b>					
GRI 408 Child Labor Topic Disclosure 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	5.2.2 Human rights protection and labor-management communication	073	
<b>Forced or Compulsory Labor</b>					
GRI 409 Forced or Compulsory Labor Topic Disclosure 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.2.2 Human rights protection and labor-management communication	073	
<b>Security Practices</b>					
GRI 410 Security Practices Topic Disclosure 2016	410-1	Security personnel trained in human rights policies or procedures	5.2.2 Human rights protection and labor-management communication	073	
<b>Rights of Indigenous Peoples</b>					
GRI 411 Rights of Indigenous Peoples Topic Disclosure 2016	411-1	Incidents of violations involving rights of indigenous peoples	5.2.2 Human rights protection and labor-management communication	073	
<b>* Supplier Social Assessment</b>					
GRI 3 Supplier Social Assessment Management Disclosure 2021	3-3	Management of material topics	2.4 Sustainable Supply Chain	033	



GRI Standard Type / Topic	No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
GRI 414 Supplier Social Assessment Topic Disclosure 2016	414-1	New suppliers that were screened using social criteria	2.4.2 Evaluation and audit	035	
	414-2	Negative social impacts in the supply chain and actions taken	2.4.2 Evaluation and audit	035	
<b>Public Policy</b>					
GRI 415 Public Policy Topic Disclosure 2016	415-1	Political contributions	2.3.2 Internal controls	031	
<b>* Customer Health and Safety</b>					
GRI 3 Customer Health and Safety Management Disclosure 2021	3-3	Management of material topics	3.4 Customer Demand and Quality Management	050	
	416-1	Assessment of the health and safety impacts of product and service categories	3.4.2 Quality control	052	
GRI 416 Customer Health and Safety Topic Disclosure 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.4.2 Quality control	052	
	<b>* Marketing and Labeling</b>				
GRI 3 Marketing and Labeling Management Disclosure 2021	3-3	Management of material topics	3.4 Customer Demand and Quality Management	050	
	417-1	Requirements for product and service information and labeling	3.4.2 Quality control	052	
	417-2	Incidents of non-compliance concerning product and service information and labeling	3.4.2 Quality control	052	
	417-3	Incidents of non-compliance concerning marketing communications	3.4.2 Quality control	052	
GRI 417 Marketing and Labeling Topic Disclosure 2016					
<b>* Customer Privacy</b>					
GRI 3 Customer Privacy Management Disclosure 2021	3-3	Management of material topics	3.3 Information Security and Customer Privacy	047	
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3 Information Security and Customer Privacy	047	
GRI 418 Customer Privacy Topic Disclosure 2016					



GRI Standard Type / Topic	No.	GRI Standard Disclosures	Corresponding Chapter	Page	Omission/ Note
<b>Self-defined topics</b>					
<b>* Innovative R&amp;D and Patents</b>					
GRI 3 Innovative R&D and Patents Management Disclosure	3-3	Management of material topics	3.2 Product R&D and Innovation	042	
<b>* Corporate Governance</b>					
GRI 3 Corporate Governance Management Disclosure	3-3	Management of material topics	2.1 Board Governance	021	
<b>* Climate Change and Operational Risk Management</b>					
GRI 3 Climate Change and Operational Risk Management Disclosure	3-3	Management of material topics	2.2 Climate and Operational Risk Management	026	
<b>* Chemical Safety Management</b>					
GRI 3 Chemical Safety Management	3-3	Management of material topics	5.3 Workplace Safety and Health	076	



## Appendix IV: Comparison Table for SASB Sustainability Accounting Standards - Industrial Machinery & Goods

Accounting Metric	Topic	Code	Accounting Metric	Category	Unit of Measure	Response
	Energy Management	RT-IG-130a.1	Total energy consumed	Quantitative	Gigajoules (GJ)	193,201.13 GJ
			Percentage grid electricity	Quantitative	Percentage (%)	69.77%
			Percentage renewables	Quantitative	Percentage (%)	0%
	Employee Health & Safety	RT-IG-320a.1	Total recordable incident rate (TRIR)	Quantitative	Rate (%)	Direct employees:0.63 / Contract employees:
			Fatality rate	Quantitative	Rate (%)	Direct employees:0 / Contract employees:0
			Near miss frequency rate (NMFR)	Quantitative	Rate (%)	Direct employees :1.26 / Contract employees:0
	Fuel Economy & Emissions in Use-phase	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Fuel consumption per 1,000 ton-miles (Gallons per 1,000 Ton-miles)	N/A (The Company does not sell medium and heavy-duty vehicles)
		RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	Quantitative	Fuel consumption per hour (Gallons per hour)	N/A (The Company does not sell non-road equipment)
		RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	Quantitative	Power generated per gallon (Watts per gallon)	N/A (The Company does not sell stationary generators)
RT-IG-410a.4		Sales-weighted emissions of (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines and (d) other non-road diesel engines 1	Quantitative	Air pollution per kWh (Grams per Kilowatt-hour)	N/A (The Company does not sell related products)	
Materials Sourcing	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	-	Some key materials for FCCL are oligopolistic in nature, so supply chain management and securing material sources are also sources of significant competitive advantage in this industry. As one of the industry leaders, we have competitive advantages in terms of procurement scale and customer bases, and have therefore established long term strategic alliances with key raw material suppliers to enjoy dominating advantage in materials sourcing. Additionally, through supply chain diversification and dynamic inventory adjustment mechanisms, we can flexibly allocate our global production capacities. We also adopt dual certification and sourcing of key raw materials to mitigate risks of supply chain disruptions in a single-region.	
Remanufacturing Design & Services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Quantitative	Amount	The Company does not sell these products	
Activity Index	Code	Metric	Category	Unit of Measure	Response	
	RT-IG-000.A	Number of Units Produced by Product Category	Quantitative	Quantity	Electronic materials: 34,092 thousand m <sup>2</sup> Others: 3,158 thousand m <sup>2</sup> Note: Based on consolidated data in the annual report.	
	RT-IG-000.B	Number of Employees	Quantitative	Quantity	803 employees	



## Appendix V: Comparison Table of Sustainability Disclosure Indicators - Electronic Parts and Components Industry of the Taiwan Stock Exchange Corporation “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies”

No.	Indicator	Response
1	Total energy consumption, percentage of purchased electricity and renewable energy usage (Quantitative/GJ, %)	193,201.13 GJ Percentage of purchased power: 100% Renewable energy use rate: 0%
2	Total water withdrawal and total water consumption (Quantitative/m <sup>3</sup> )	Total water withdrawal: 89.830 m <sup>3</sup> Total water consumption: 33.200 m <sup>3</sup>
3	Weight of hazardous waste generated and percentage of recovery (Quantitative/MT, %)	Total weight of hazardous waste: 929.93 MT Recovery rate of hazardous waste is 58.77%
4	Explain the type, number and rate of occupational disasters (Quantitative/%, Quantity)	No. of fatality: 0; Fatality rate: 0 No. of recordable occupational injuries: 1; Rate of recordable occupational injury: 0.63%
5	Product lifecycle management disclosure: including the weight of scrapped products and electronic waste and the percentage of recycling Note (Quantitative/MT, %)	Total weight of waste: 1,824.72 MT Recycled rate: 54.35%
6	Description of risk management related to the use of critical materials (Qualitative description)	Some key materials for FCCL are oligopolistic in nature, so supply chain management and securing material sources are also sources of significant competitive advantage in this industry. As one of the industry leaders, we have competitive advantages in terms of procurement scale and customer bases, and have therefore established long term strategic alliances with key raw material suppliers to enjoy dominating advantage in materials sourcing. Additionally, through supply chain diversification and dynamic inventory adjustment mechanisms, we can flexibly allocate our global production capacities. We also adopt dual certification and sourcing of key raw materials to mitigate risks of supply chain disruptions in a single-region.
7	Total monetary loss resulting from legal proceedings related to anti-competitive regulations (Quantitative/NT\$)	There was no such incident and the total monetary loss resulting from legal proceedings related to anti-competitive regulations was NT\$0.
8	Production volume of major product by category (Quantitative/Depend on product category)	Electronic materials: 34,092 thousand m <sup>2</sup> Others: 3,158 thousand m <sup>2</sup> Note: Based on consolidated data in the annual report.

Note: Including sale of scraps or other recycling treatment. Details shall be provided.



## Appendix VI: Climate-related Information of TWSE/TPEX-listed Companies Subjected to the Taiwan Stock Exchange Corporation “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies”

Item	Corresponding Chapter
1. Describe the oversight and governance of the Board and management on climate-related risks and opportunities.	2.2.2 Climate risk adaptation actions
2. Describe how the identified climate risks and opportunities would affect the business, strategy, and finance of the entity (short, medium, and long-term.)	2.2.2 Climate risk adaptation actions
3. Describe the financial impact of extreme weather events and transition activities.	2.2.2 Climate risk adaptation actions
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	2.2.2 Climate risk adaptation actions
5. If scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions and analysis factors used as well as major financial impacts shall be described.	-
6. If there is a transition plan for managing climate-related risks, describe the plan details, and the indicators and targets used to identify and manage physical risks and transition risks.	-
7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	-
8. If climate-related targets have been set, the activities covered, the scope of GHG emissions, the planning horizon, and the progress achieved each year shall be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or the quantity of RECs to be offset shall be specified.	-
9. GHG inventory and assurance status as well as reduction targets, strategy, and concrete action plans.	The Company has obtained the verification statement issued by SGS Taiwan Limited in 2023 for the 2022 parent company only GHG inventory pursuant to ISO 14064-1:2018. Please refer to 4.2 Energy and Carbon Emission Management for details.



## Appendix VII: Comparison Table of SDGs

Goals	Sustainable Development Goals	Corresponding Chapter	Page No.
1	End poverty in all its forms everywhere	5.4 Care for Children and Youth	085
3	Ensure healthy lives and promote well-being for all at all ages	1.4 Sustainable Development Goals and Practice	017
7	Ensure access to affordable, reliable, sustainable and modern energy for all	1.4 Sustainable Development Goals and Practice	017
8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	1.4 Sustainable Development Goals and Practice	017
9	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	1.4 Sustainable Development Goals and Practice	017
12	Ensure sustainable consumption and production patterns	1.4 Sustainable Development Goals and Practice	017
13	Take urgent action to combat climate change and its impacts	1.4 Sustainable Development Goals and Practice	017
16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	1.4 Sustainable Development Goals and Practice	017
17	Strengthen the means of implementation and revitalize the global partnership for sustainable development	1.4 Sustainable Development Goals and Practice	017