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About This Report

This report is the Corporate Social Responsibility Report published by Far Eastern New Century Corporation, hereinafter referred to as "FENC" or "the Company", which describes FENC's CSR implementation and performance from January 1 to December 31 in 2017. In the future, the CSR report will continue to be released as an annual publication.

The Topic's Significance to FENC

The core values that guide FENC's management and operations are sincerity, diligence, thrift, prudence and innovation. Among these five values, innovation is the cornerstone of our corporate sustainability. Therefore, we have used "Inventing New Century" as the title for our CSR report for years. This year, "Striving for Sustainability" is added as the subtitle to emphasize our resolve to fulfill social responsibilities for the long term by pushing the envelope and pursuing constant innovation.





Reporting Guidelines

This report was prepared in accordance with AA1000 standards and the comprehensive option of the Global Reporting Initiative (GRI) Standards and was assured by a third party at a Type 1, Moderate Level of scrutiny. (Please refer to Chapter 7.1 Assurance Statement.) Data of our financial performance herein have been audited and validated by Deloitte & Touche. In compliance with the GRI requirements, we have identified the material aspects that reflect the Company's significant economic, environmental and social impacts and disclosed our management policies and implementation results. Unless otherwise specified, all amounts in this report are denominated in New Taiwan Dollars.



Publication Information

First issue date: July 2013
Last issue date: June 2017
Current issue date: June 2018
Next issue date: June 2019

Suggestions to Our Readers

In this report,  Creating Diversified Values,  Nourishing Sustainable Environment and  Creating Employee Passion are chapters related to our Production Business.  Starting Futuristic Parks describes the development of our Land Development Business. Other chapters cover both businesses.

The Company prepared this report in a detailed and thoughtful manner. In order to improve data quality, we have improved our scope and process of data collection. There are some discrepancies in historical data between this year's and last year's reports for the reasons below.

-  In the Chapter of Nourishing Sustainable Environment:
1. Updating historical data and reference coefficient:
 - The data of GHG emissions in 2016 have been updated as data after external verification.
 - The conversion coefficient has been updated to the latest version.
 - The method to calculate the production output of Kuanyin Dyeing and Finishing Plant and Far Eastern Dyeing & Finishing (Suzhou) Ltd. has been updated.
 - The estimate value has been changed to actual value.
 2. Expanding the scope of statistics: Far Eastern Fibertech Co. added air pollution category into statistics and extrapolated historical data.
 3. Correcting the error from the previous version
-  In the chapter of Creating Employee Passion, the wrong number of average training hours has been corrected.

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FENC CSR Website

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Scope and Boundaries

FENC is an industrial holding company spanning various sectors. In addition to our Production Business (Petrochemical, Polyester and Textile Business), the Company has engaged in land and property development and invested in a wide array of businesses. Accounted for over 90% of our consolidated revenue in 2017, our businesses' scope of disclosure is described below.

- Production Business: Given the materiality principle, we have only covered the subsidiaries of the Production Business with an annual turnover of above \$2 billion. (See note)
- Land Development: As FENC's subsidiary company, Far Eastern Resources Development Co., Ltd. develops and manages the Company's real estate for investment purposes.
- Investment: The companies that FENC has invested in are primarily listed companies of Far Eastern Group (FEG) that publish their respective reports. For more information, please refer to their CSR websites.

Note:
1. To ensure consistency in our reporting, a subsidiary once included will always remain in our CSR report, even if its annual turnover drops below NT\$2 billion.
2. Explanations will be provided if there is any deviation from the aforementioned scope and boundaries.

Operational Sites Covered in 2017 FENC's CSR Report

Far Eastern New Century Corporation

- Headquarters
- Far Eastern Group R&D Center
- Hsinpu Chemical Fiber Plant
- Kuanyin Chemical Fiber Plant
- Kuanyin Dyeing and Finishing Plant
- Neili Texturizing Plant
- Hukou Mill

Oriental Petrochemical (Taiwan) Co., Ltd.	Far Eastern Industries (Wuxi) Ltd.
Far Eastern Fibertech Co., Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.
Oriental Petrochemical (Shanghai) Corp.	Far Eastern Apparel (Suzhou) Co., Ltd.
Far Eastern Industries (Shanghai) Ltd.	Far Eastern Apparel (Vietnam) Ltd.
Wuhan Far Eastern New Material Ltd.	Far Eastern Resources Development Co., Ltd.
Oriental Industries (Suzhou) Ltd.	Far Eastern Memorial Foundation
Far Eastern Industries (Suzhou) Ltd.	Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation

CSR Websites of the Companies Under Far Eastern Group



Note:
1. The companies are listed in a chronological order of their establishment.
2. The link to each company's CSR website may change. Please use the link provided by the company's official website.