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# About This Report

Far Eastern New Century Corporation (FENC) issued its first Sustainability Report in July 2013, and beginning in 2016, the report became an annual publication issued in June. The 8<sup>th</sup> edition, which is newly titled "FENC Sustainability Report," discloses corporate sustainability performance between January 1<sup>st</sup> and December 31<sup>st</sup>, 2020.

**Significance of Report Subjects and Sustainability to FENC**

Inventing New Century, the title of FENC Sustainability Report, underscores "innovation" as the cornerstone which propels corporate sustainability.

The spread of COVID-19 in 2020 severely impacted the world and people's lives. FENC joined hands with stakeholders, applying its core strengths to produce quality materials for products that protect the public from the pandemic, and contributing to social and environmental sustainability.

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**Reporting Guidelines**

1. Corporate sustainability performance:  
The reporting is in compliance with the Comprehensive criteria of Global Reporting Initiative (GRI) standards and has been assessed by third party verification as Type I AA1000 Assurance Standard moderate level (please refer to "7.4 Assurance Statement" ).

The reporting also referenced Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and ISO 26000 Guidance on Social Responsibility.

2. Corporate financial performance:  
Financial audit is conducted by Deloitte & Touche. The unit of calculation is New Taiwan Dollar (NT\$) unless otherwise noted.

**Information for Readers**

The chapters on 2 Enabling Unlimited Innovation, 3 Navigating a Green Future and 4 Creating Inclusive Society correspond to Production Business; 6 Advocating Balanced Coexistence corresponds to Land Development Business; the remaining chapters cover both Businesses.

FENC has prepared this report in a conscientious manner with utmost attention to details.

We continue to improve and refine the scope and process of data collection to elevate data quality. Discrepancies in historical data between the latest report and the previous version exist for the reasons stated below:

Chapter	Detail
Navigating a Green Future	1. Expansion of scope: Two production sites are added in 3.1 and 3.3 with data collected retrospective to 2018; 6 are added in sections covering GHG emissions in 3.2 with data collected retrospective to 2020.
	2. Historical data and referenced coefficient have been updated: <ul style="list-style-type: none"> <li>• The 2019 GHG emission data is updated to reflect changes made after external verification.</li> <li>• Conversion factors are updated to reflect the most current version.</li> <li>• Estimates were updated with actual values.</li> </ul>
	3. Corrections were made to errors in the 2019 Sustainability report.
Creating Inclusive Society	1. Expansion of scope: Ten procurement units are added in 4.4 with data collected retrospective to 2018.
	2. Corrections to the 2019 Sustainability report: Corrections were made to the payroll study and the number of suppliers signing Supplier Social Responsibility Commitment Statement.
Advocating Balanced Coexistence	1. Expansion of scope: Domestic waste from 2 ongoing construction projects is added in 6.1.3; 2 buildings are added in 6.2.2. Data collected for the above is retrospective to 2018.
	2. Corrections to the 2019 Sustainability report: Corrections were made to the energy consumption and GHG emissions of the outdoor area at Tpark.

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Scope

FENC is a conglomerate that spans across production, land development and investment businesses. The scope of 2020 FENC Sustainability Report encompasses 26 FENC sites, which remains the same as the previous year. The report discloses 93% of the revenues on the 2020 consolidated statement. The scope of disclosure for each business is described as follows:

- Production Business:  
With materiality in mind, subsidiaries of the Production Business covered within the report are those reaching NT\$2 billion in annual revenues (Note). In addition, the Company has a longstanding track record in developing circular economy. In 2019, the Company responded to stakeholders' feedbacks by acquiring two rPET production sites, OGM and FIGP.
- Land Development Business:  
FERD, a subsidiary of FENC, develops and manages the Company's real estate for investment purposes. Please refer to [Advocating Balanced Coexistence](#) for details.
- Investment Business:  
The primary targets of investment at FENC are the listed companies under Far Eastern Group (FEG). These companies have published their own CSR reports. Please refer to the corresponding CSR websites for details.

Note: To maintain consistency, once a business entity is included in FENC Sustainability Report, said entity will remain in the report even when its annual revenues fall below NT\$2 billion. Explanations will be provided in the report if the above condition applies.

Scope of 2020 Sustainability Report

<b>Far Eastern New Century Corporation (FENC)</b>	• Headquarters • Far Eastern Group R&D (R&D Center)	• Hsinpu Chemical Fiber Plant • Kuanyin Chemical Fiber Plant	• Kuanyin Dyeing and Finishing Plant • Hukou Mill
<b>Oriental Petrochemical (Taiwan) Co., Ltd. (OPTC)</b>	• Plant 1 • Plant 2		<b>Far Eastern Apparel (Suzhou) Co., Ltd. (FEAZ)</b>
<b>Far Eastern Fibertech Co., Ltd. (FEFC)</b>			<b>Far Eastern Polytex (Vietnam) Ltd. (FEPV)</b> • Polyester Plant • Textile Plant
<b>Oriental Green Materials Limited (OGM)</b>			<b>Far Eastern Apparel (Vietnam) Ltd. (FEAV)</b>
<b>Oriental Petrochemical (Shanghai) Corp. (OPSC)</b>			<b>Far Eastern New Apparel (Vietnam) Ltd. (FENV)</b>
<b>Far Eastern Industries (Shanghai) Ltd. (FEIS)</b>			<b>Far Eastern Ishizuka Green PET Corporation (FIGP)</b>
<b>Wuhan Far Eastern New Material Ltd. (WHEF)</b>			<b>APG Polytech, LLC</b>
<b>Oriental Industries (Suzhou) Ltd. (OTIZ)</b>			<b>Far Eastern Resources Development Co., Ltd. (FERD)</b>
<b>Far Eastern Industries (Wuxi) Ltd. (FEIW)</b>			<b>Far Eastern Memorial Foundation</b>
<b>Far Eastern Dyeing &amp; Finishing (Suzhou) Ltd. (FEDZ)</b>			<b>Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation</b>

Sustainability Websites of Companies Under Far Eastern Group

									
Far Eastern New Century Corporation	Asia Cement Corporation	Far Eastern Department Stores Ltd.	U-Ming Marine Transport Corporation	Oriental Union Chemical Corporation	Pacific SOGO Department Stores Co., Ltd. (Chinese Website)	Everest Textile Co., Ltd.	Far Eastern International Bank	Far EasTone Telecommunications Co., Ltd.	

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