## Content



# 7. Appendix

## 7.1 Environmental and Employee Data

The boundary of data collection for this chapter includes the production businesses listed in the Sustainability Report.

### Direct and Energy Indirect GHG Emissions

Unit: $ktCO_2e$

| (market-based) | | Petrochemical | | | | Polyester | | | | Textile | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Direct Emissions | Scope 1 | 364 | 389 | 352 | **334** | 771 | 805 | 687 | **604** | 137 | 146 | 124 | **78** | 1,272 | 1,340 | 1,163 | **1,016** |
| Energy Indrect Emissions | Scope 2 | 195 | 152 | 150 | **127** | 655 | 537 | 474 | **465** | 310 | 326 | 245 | **214** | 1,160 | 1,015 | 869 | **806** |
| Biogenic Emissions | | 27 | 25 | 24 | **18** | 0 | 0 | 2 | **4** | 0 | 0 | 11 | **11** | 27 | 25 | 37 | **33** |
| **Total** | | **559** | **541** | **502** | **461** | **1,426** | **1,342** | **1,161** | **1,069** | **447** | **472** | **371** | **292** | **2,432** | **2,355** | **2,032** | **1,822** |
| **GHG Emissions per Unit of Production** ($tCO_2e$ / metric ton of production) | | **0.24** | **0.23** | **0.24** | **0.25** | **0.19** | **0.17** | **0.16** | **0.15** | **1.05** | **0.96** | **0.82** | **0.74** | **0.32** | **0.29** | **0.27** | **0.26** |

Unit: $ktCO_2e$

| (location-based) | | Petrochemical | | | | Polyester | | | | Textile | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Direct Emissions | Scope 1 | 364 | 389 | 352 | **334** | 771 | 805 | 687 | **604** | 137 | 146 | 124 | **78** | 1,272 | 1,340 | 1,163 | **1,016** |
| Energy Indrect Emissions | Scope 2 | 195 | 152 | 150 | **127** | 655 | 537 | 486 | **488** | 310 | 326 | 245 | **214** | 1,160 | 1,015 | 881 | **829** |
| Biogenic Emissions | | 27 | 25 | 24 | **18** | 0 | 0 | 2 | **4** | 0 | 0 | 11 | **11** | 27 | 25 | 37 | **33** |
| **Total** | | **559** | **541** | **502** | **461** | **1,426** | **1,342** | **1,173** | **1,092** | **447** | **472** | **369** | **292** | **2,432** | **2,355** | **2,044** | **1,845** |

Note:
1. The scope of data collection covers 21 production sites, which account for 100% of the production sites included in this report. The consolidation approach for emissions is operational control.
2. GHGs include $CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$ and $NF_3$.
3. The calculation is based on the ISO 14064-1:2018 GHG inventory standards.
4. Biogenic emissions are not included in the total.
5. In 2020, 100% of the emission data passed the internal audit; 66% passed the third-party verification for the ISO 14064-3 standards or local regulations, including Hsinpu Chemical Fiber Plant, Kuanyin Chemical Fiber Plant, Plant 1 of OPTC, Plant 2 of OPTC, FEIS- petrochemical business and polyester business.
6. In 2021 and 2023, 100% of the emission data passed the internal audit and third-party verification for the ISO 14064-3 standards.
7. In 2022, 100% of the emission data passed the internal audit; 88% passed the third-party verification for the ISO 14064-3 standards, including Hsinpu Chemical Fiber Plant, Kuanyin Chemical Fiber Plant, Hukou Mill, Kuanyin Dyeing and Finishing Plant, plant 1 and 2 of OPTC, FEFC, OGM, FEIS polyester business, WHEF, OTIZ, the polyester plant and the knitting and dyeing plant of FEPV, FIGP, and APG Polytech.
8. The boundary of data collection for GHG emissions per unit of production for the Textile Business does not include FEAZ, FENV and FEAV.

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## Other Indirect GHG Emissions (Scope 3)

Unit: $ktCO_2e$

| | Petrochemical | | | Polyester | | | Textile | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2021 | 2022 | 2023 | 2021 | 2022 | 2023 | 2021 | 2022 | 2023 |
| Purchased Goods and Services | 2,219 | 2,484 | **2,200** | 4,763 | 4,461 | **4,467** | 772 | 695 | **630** | 7,754 | 7,640 | **7,297** |
| Capital Goods | 6 | 20 | **17** | 38 | 67 | **60** | 9 | 4 | **14** | 53 | 91 | **91** |
| Fuel- and Energy-related Activities | 84 | 89 | **82** | 291 | 247 | **215** | 57 | 70 | **41** | 432 | 406 | **338** |
| Upstream Transportation and Distribution | 92 | 66 | **53** | 137 | 146 | **151** | 9 | 8 | **20** | 238 | 220 | **224** |
| Waste Generated in Operations | 5 | 7 | **4** | 4 | 4 | **3** | 4 | 3 | **2** | 13 | 14 | **9** |
| Business Travel | 0.03 | 0.04 | **0.07** | 0.43 | 0.62 | **1.15** | 1.20 | 0.29 | **0.75** | 1.66 | 0.95 | **1.97** |
| Employee Commuting | 0.40 | 0.47 | **0.43** | 19.63 | 19.46 | **19.14** | 4.30 | 10.39 | **6.67** | 24.33 | 30.32 | **26.24** |
| Upstream Leased Assets | 0.76 | 2.15 | **2.20** | 0.37 | 0.52 | **1.52** | 49.06 | 0.46 | **0.43** | 50.19 | 3.13 | **4.15** |
| Downstream Transportation and Distribution | 75 | 74 | **78** | 317 | 288 | **290** | 36 | 19 | **8** | 428 | 381 | **376** |
| Processing of Sold Products | - | - | **-** | - | 2,824 | **2,731** | - | - | **78** | - | 2,824 | **2,809** |
| End-of-Life Treatment of Sold Products | - | - | **-** | - | 294 | **287** | - | 0.34 | **68** | - | 294 | **355** |
| Downstream Leased Assets | 0.01 | 0.10 | **0** | 0.06 | 0.08 | **0.19** | 0 | 0 | **0** | 0.07 | 0.18 | **0.19** |
| Franchises | 0 | 0 | **0** | 0 | 0 | **0** | 0 | 0 | **0** | 0 | 0 | **0** |
| Investments | 0 | 0 | **0** | 0 | 0 | **0** | 0 | 0 | **0** | 0 | 0 | **0** |
| **Total** | **2,482** | **2,743** | **2,437** | **5,570** | **8,352** | **8,226** | **942** | **810** | **869** | **8,994** | **11,905** | **11,532** |

Note:
1. The scope of data collection covers 21 production sites, which account for 100% of the production sites included in this report. The consolidation approach for emissions is operational control.
2. Significant indirect GHG emissions are identified in accordance with ISO 14064-1:2018 and divided into 15 reporting categories based on the GHG Protocol.
3. FENC focuses on the production of polyester and raw materials with an array of terminal applications. The GHG emission generated from the processing, use of sold products must be calculated based on specific scenarios. Due to the lack of objectivity and reference value, the data is excluded.
4. FENC production sites do not engage in franchising or investment activities, thus without GHG emissions under the two categories.
5. In 2021 and 2023, 100% of the emission data passed the internal audit and third-party verification for the ISO 14064-3 standards.
6. In 2022, 100% of the emission data passed the internal audit; 94% passed the third-party verification for the ISO 14064-3 standards, including Hsinpu Chemical Fiber Plant, Kuanyin Chemical Fiber Plant, Hukou Mill, Kuanyin Dyeing and Finishing Plant, plant 1 and 2 of OPTC, FEFC, OGM, FEIS polyester business, WHEF, OTIZ, the polyester plant and the knitting and dyeing plant of FEPV, FIGP, and APG Polytech.

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## Energy Consumption

Unit: TJ

| | Petrochemical | | | | Polyester | | | | Textile | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Purchased Electricity | 1,274 | 1,137 | 1,106 | 960 | 3,231 | 3,483 | 3,079 | 2,944 | 1,642 | 1,989 | 1,522 | 1,360 | 6,147 | 6,609 | 5,707 | 5,264 |
| Purchased Renewable Electricity | 0 | 0 | 0 | 0 | 0 | 27 | 131 | 316 | 0 | 0 | 218 | 273 | 0 | 27 | 349 | 589 |
| Self-Generated Renewable Electricity | 1 | 1 | 4 | 7 | 6 | 6 | 7 | 22 | 32 | 33 | 34 | 37 | 39 | 40 | 45 | 66 |
| Total Electricity Consumption | 1,275 | 1,138 | 1,110 | 967 | 3,237 | 3,516 | 3,217 | 3,282 | 1,674 | 2,022 | 1,774 | 1,670 | 6,186 | 6,676 | 6,101 | 5,919 |
| Natural Gas | 4,238 | 4,077 | 4,232 | 3,738 | 2,259 | 2,533 | 2,458 | 2,991 | 822 | 822 | 738 | 687 | 7,319 | 7,432 | 7,428 | 7,416 |
| Heavy Oil | 0 | 0 | 0 | 0 | 266 | 285 | 247 | 70 | 43 | 3 | 8 | 4 | 309 | 288 | 255 | 74 |
| Diesel | 4 | 8 | 6 | 5 | 23 | 28 | 33 | 28 | 0 | 17 | 8 | 6 | 27 | 53 | 47 | 39 |
| Coal | 0 | 0 | 0 | 0 | 3,719 | 3,897 | 3,443 | 2,419 | 1,167 | 1,215 | 1,039 | 684 | 4,886 | 5,112 | 4,482 | 3,103 |
| Coal-Water Slurry | 0 | 0 | 0 | 0 | 2,244 | 2,297 | 1,951 | 1,300 | 103 | 144 | 111 | 90 | 2,347 | 2,441 | 2,062 | 1,390 |
| Biomass Fuel | 205 | 201 | 192 | 141 | 0 | 0 | 24 | 41 | 0 | 0 | 101 | 102 | 205 | 201 | 317 | 284 |
| Purchased Steam | 2 | 18 | 22 | 12 | 319 | 297 | 264 | 285 | 375 | 246 | 219 | 173 | 696 | 561 | 505 | 470 |
| Total Energy Consumption | 5,724 | 5,442 | 5,562 | 4,863 | 12,066 | 12,853 | 11,637 | 10,416 | 4,184 | 4,469 | 3,998 | 3,416 | 21,975 | 22,764 | 21,197 | 18,695 |
| Percentage of Renewable Electricity | 0.1% | 0.1% | 0.3% | 0.7% | 0.2% | 0.9% | 4.3% | 10.3% | 1.9% | 1.6% | 14.2% | 18.6% | 0.6% | 1.0% | 6.5% | 11.1% |
| Percentage of Renewable Energy | 3.6% | 3.7% | 3.5% | 3.0% | 0.1% | 0.3% | 1.4% | 3.6% | 0.8% | 0.7% | 8.8% | 12.1% | 1.2% | 1.2% | 3.4% | 5.0% |
| Energy Consumption per Unit of Production (GJ / metric ton of production) | 2.42 | 2.29 | 2.67 | 2.64 | 2.60 | 2.53 | 2.47 | 2.21 | 7.69 | 7.13 | 7.18 | 7.06 | 2.91 | 2.81 | 2.88 | 2.65 |

Note:
1. Energy consumption at FENC, which is mainly for production purposes, covers energy used for the generation of electricity, heat and steam; cogeneration; firefighting pumps; vehicles for internal transport.
2. The calorific value is based on the factors of calorific value from all production sites.
3. External energy consumption is not taken into account.
4. Data collection on energy consumption accounts for 100% of the production sites within the scope of this report.
5. Percentage of renewable electricity = (purchased renewable electricity + self-generated renewable electricity) / total electricity consumption
6. Percentage of renewable energy = (purchased renewable electricity + self-generated renewable electricity + biomass fuel) / total energy consumption
7. The boundary of data collection for energy consumption per unit of production for the Textile Business does not include FEAZ, FENV and FEAV.

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## Water Withdrawal and Water Consumption

Unit: megaliter

| | Petrochemical | | | | Polyester | | | | Textile | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| **Rivers/Lakes/Streams** | 6,346 | 5,556 | 5,449 | **5,141** | 1,540 | 1,667 | 1,424 | **1,145** | 2,583 | 1,995 | 1,390 | **1,389** | 10,469 | 9,218 | 8,263 | **7,675** |
| **Third-party Water** | 6,543 | 7,574 | 6,900 | **5,599** | 2,329 | 2,356 | 2,094 | **2,051** | 1,172 | 1,995 | 1,701 | **1,479** | 10,044 | 11,925 | 10,695 | **9,129** |
| **Groundwater** | 2 | 54 | 0 | **0** | 1,931 | 1,794 | 1,723 | **1,490** | 68 | 89 | 81 | **64** | 2,001 | 1,937 | 1,804 | **1,554** |
| **Rainwater** | 13 | 12 | 13 | **10** | 144 | 144 | 122 | **92** | 28 | 49 | 19 | **32** | 185 | 205 | 154 | **134** |
| **Total Water Withdrawal** | **12,904** | **13,196** | **12,362** | **10,750** | **5,944** | **5,961** | **5,363** | **4,778** | **3,851** | **4,128** | **3,191** | **2,964** | **22,699** | **23,285** | **20,916** | **18,492** |
| **Total Water Consumption** | **6,859** | **6,986** | **6,111** | **5,378** | **3,068** | **2,921** | **2,657** | **2,565** | **785** | **801** | **666** | **984** | **10,712** | **10,707** | **9,433** | **8,927** |
| **Water Withdrawal per Unit of Production** (kiloliters / metric ton of production) | **5.46** | **5.56** | **5.93** | **5.83** | **1.25** | **1.14** | **1.11** | **0.99** | **8.59** | **8.08** | **6.82** | **7.30** | **2.98** | **2.85** | **2.81** | **2.60** |

Note:
1. Rivers, lakes, streams and rainwater are surface water. Third-party water refers to tap water as well as wastewater from external organizations. Groundwater includes well water.
2. The difference between water withdrawal and effluent discharge is considered water consumption, which is mainly the result of evaporation at the cooling tower. Loss during production is a minor contributor.
3. The concentration of total dissolved solids (TDS) across the water withdrawal categories are under 1,000 mg/L.
4. No quarry water, seawater, or produced water that enters an organization's boundary because of extraction (e.g., crude oil), processing (e.g., sugar cane crushing), or use of any raw material, and has to consequently be managed by the organization is used at any of FENC production sites.
5. In 2023, Plant 2 of OPTC used the water recycled by Plant 1 of OPTC (247 megaliters), which is categorized under wastewater from external organization within the third-party water.
6. Data collection on water resources management accounts for 100% of the production sites within the scope of this report.
7. The boundary of data collection for water withdrawal per unit of production for the Textile Business does not include FEAZ, FENV and FEAV.

## Water Recycled and Reused

Unit: megaliter

| | | Petrochemical | | | | Polyester | | | | Textile | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Circulating Water | Cooling Water | 728,309 | 704,250 | 700,497 | **598,014** | 476,094 | 502,119 | 491,856 | **480,988** | 34,858 | 33,106 | 39,274 | **44,251** | 1,239,261 | 1,239,475 | 1,231,627 | **1,123,253** |
| | Other | 15,577 | 16,067 | 14,668 | **28,352** | 893 | 836 | 859 | **821** | 0 | 0 | 0 | **0** | 16,470 | 16,903 | 15,527 | **29,173** |
| Recycled Water | Recycled Water Excluding Reclaimed Water | 359 | 346 | 285 | **169** | 896 | 741 | 660 | **513** | 997 | 1,055 | 448 | **364** | 2,252 | 2,142 | 1,393 | **1,046** |
| | Reclaimed Water | 2,083 | 1,782 | 1,140 | **1,095** | 154 | 178 | 210 | **197** | 928 | 1,405 | 1,548 | **892** | 3,165 | 3,365 | 2,898 | **2,184** |
| Other | | 392 | 266 | 262 | **142** | 0 | 0 | 0 | **0** | 0 | 0 | 0 | **0** | 392 | 266 | 262 | **142** |
| **Total Water Recycled and Reused** | | **746,720** | **722,711** | **716,852** | **627,771** | **478,037** | **503,874** | **493,585** | **482,519** | **36,783** | **35,566** | **41,270** | **45,507** | **1,261,540** | **1,262,150** | **1,251,707** | **1,155,798** |
| **Water Recycling Rate** | | **98%** | **98%** | **98%** | **98%** | **99%** | **99%** | **99%** | **99%** | **91%** | **90%** | **93%** | **94%** | **98%** | **98%** | **98%** | **98%** |

Note:
1. Recirculating water refers to water that cannot be discharged after being used within a water unit and is recirculated within the same water unit for reuse.
2. Recycled water refers to water units recycled after being used, discharged and recycled.
3. Other recirculating water includes water from the boiler, production process, turbine condensate and low pressure condensate.
4. The "Other" category includes produced water which enters the company premise as a result of the production process.
5. Water recycling rate = total water recycled and reused ÷ (total water withdrawal + total water recycled and reused) × 100%
6. Data collection on water recycling and reuse accounts for 100% of the scope of this report.

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## Water Discharge

Unit: megaliter

| | | Petrochemical | | | | Polyester | | | | Textile | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| TDS | Freshwater (TDS≤1,000 mg/L) | 0 | 0 | 0 | **0** | 944 | 966 | 889 | **928** | 727 | 847 | 827 | **1,598** | 1,671 | 1,813 | 1,716 | **2,526** |
| | Other Water (TDS>1,000 mg/L) | 6,045 | 6,211 | 6,251 | **5,372** | 1,932 | 2,074 | 1,817 | **1,466** | 2,339 | 2,480 | 1,699 | **382** | 10,316 | 10,765 | 9,767 | **7,220** |
| Destination | Surface Water | 0 | 0 | 0 | **0** | 1,857 | 1,999 | 1,703 | **1,341** | 1,826 | 1,849 | 1,271 | **948** | 3,683 | 3,848 | 2,974 | **2,289** |
| | Off-Site Wastewater Treatment Facilities | 6,045 | 6,037 | 6,082 | **5,125** | 1,019 | 1,041 | 1,003 | **1,053** | 1,240 | 1,478 | 1,255 | **1,032** | 8,304 | 8,556 | 8,340 | **7,210** |
| | Other Purpose | 0 | 174 | 169 | **247** | 0 | 0 | 0 | **0** | 0 | 0 | 0 | **0** | 0 | 174 | 169 | **247** |
| **Total Water Discharge** | | **6,045** | **6,211** | **6,251** | **5,372** | **2,876** | **3,040** | **2,706** | **2,394** | **3,066** | **3,327** | **2,526** | **1,980** | **11,987** | **12,578** | **11,483** | **9,746** |
| **Water Discharge per Unit of Production** (kiloliter / metric ton of production) | | **2.56** | **2.62** | **3.00** | **2.91** | **0.60** | **0.58** | **0.56** | **0.50** | **6.93** | **6.53** | **5.40** | **4.89** | **1.57** | **1.53** | **1.54** | **1.37** |

Note:
1. FENC does not discharge effluent directly to the seawater or groundwater / well water. Please refer to the table, Effluent Treatment Methods and Final Discharge Destination.
2. "Other Purpose" refers to: In 2023, Plant 1 of OPTC recycled a portion of the effluent. After being treated at the in-house wastewater treatment facility and meeting water quality standards, the water is supplied to Plant 2 of OPTC.
3. The boundary of data collection for effluent discharge per unit of production for the Textile Business does not include FEAZ, FENV and FEAV.

## Air Pollutant Emissions

Unit: metric ton

| | Petrochemical | | | | Polyester | | | | Textile | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| NOx | 155 | 218 | 172 | **110** | 446 | 470 | 426 | **295** | 134 | 122 | 101 | **139** | 735 | 810 | 699 | **544** |
| SOx | 70 | 80 | 71 | **75** | 174 | 216 | 223 | **284** | 92 | 69 | 75 | **99** | 336 | 365 | 369 | **458** |
| VOC | 141 | 160 | 116 | **105** | 297 | 302 | 292 | **257** | 22 | 24 | 17 | **20** | 460 | 486 | 425 | **382** |
| HAP | 0 | 0 | 0 | **0** | 1 | 1 | 1 | **3** | 0 | 0 | 0 | **0** | 1 | 1 | 1 | **3** |
| Particulate Pollutants | 12 | 17 | 15 | **8** | 34 | 46 | 37 | **37** | 28 | 19 | 37 | **23** | 74 | 82 | 88 | **68** |
| **Total** | **378** | **475** | **374** | **298** | **952** | **1,035** | **979** | **876** | **276** | **234** | **229** | **281** | **1,606** | **1,744** | **1,582** | **1,455** |
| **Air Pollutant Emissions per Unit of Production** (kg / metric ton of production) | **0.16** | **0.20** | **0.18** | **0.16** | **0.21** | **0.20** | **0.21** | **0.19** | **0.51** | **0.38** | **0.42** | **0.59** | **0.21** | **0.22** | **0.22** | **0.21** |

Note:
1. Only emitted gases are listed.
2. Particle pollutants include suspended particle matters (PM), dust and smoke.
3. The collected data covers 3 categories, actual measured value, annualized sampling value and estimates.
4. Data on hazardous air pollutants (HAP) are collected at APG Polytech in the U.S. and FIGP in Japan. The 3 HAPs identified at APG Polytech are ethylene glycol, acetaldehyde and 1,4-Dioxane, which are regulated by U.S. Environmental Protection Agency. Acetaldehyde, which is on the list of HAPs regulated in Japan, is identified at FIGP.
5. Data collection on air pollutant management accounts for 100% of FENC production sites in the scope of this report.

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## Air Pollutant Emissions per Unit of Production

Unit: kg / metric ton of production

| | Petrochemical | Polyester | Textile | Total |
|---|---|---|---|---|
| NOx | 0.06 | 0.06 | 0.29 | **0.08** |
| SOx | 0.04 | 0.06 | 0.21 | **0.06** |
| VOC | 0.06 | 0.05 | 0.04 | **0.05** |
| HAP | 0.00 | 0.00 | 0.00 | **0.00** |
| Particulate Pollutants | 0.00 | 0.01 | 0.05 | **0.01** |
| **Total** | **0.16** | **0.19** | **0.59** | **0.21** |

Note: The Textile Business does not include FEAZ, FEAV and FENV.

## Waste Generated per Unit of Production

Unit: kg / metric ton of production

| | | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| Treatment Method | Recycling and Reuse | 19.84 | 23.46 | 23.78 | **13.01** |
| | Non-Recycling and Non-Reuse | 3.08 | 2.39 | 2.14 | **2.48** |
| Type | General Industrial Waste | 20.62 | 23.68 | 24.27 | **13.72** |
| | Hazardous Industrial Waste | 2.30 | 2.17 | 1.65 | **1.77** |
| **Total Waste** | | **22.92** | **25.85** | **25.92** | **15.49** |

Note: FEAZ, FEAV and FENV are not included.

## Waste Volume

Unit: metric ton

| | | Petrochemical | | | | Polyester | | | | Textile | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Treatment Method | Recycling and Reuse | 5,928 | 4,234 | 1,418 | **3,061** | 132,327 | 170,227 | 157,202 | **75,275** | 11,272 | 14,857 | 15,872 | **13,298** | 149,527 | 189,318 | 174,492 | **91,634** |
| | Non-Recycling and Non-Reuse | 3,348 | 3,660 | 2,761 | **3,070** | 12,384 | 9,455 | 9,629 | **11,354** | 7,506 | 6,156 | 3,328 | **3,034** | 23,238 | 19,271 | 15,718 | **17,458** |
| Type | General Industrial Waste | 4,556 | 4,844 | 3,289 | **3,368** | 137,141 | 167,553 | 156,879 | **78,092** | 13,747 | 18,712 | 17,903 | **15,148** | 155,444 | 191,109 | 178,071 | **96,608** |
| | Hazardous Industrial Waste | 4,720 | 3,050 | 890 | **2,763** | 7,570 | 12,129 | 9,952 | **8,537** | 5,031 | 2,301 | 1,297 | **1,184** | 17,321 | 17,480 | 12,139 | **12,484** |
| **Total Waste** | | **9,276** | **7,894** | **4,179** | **6,131** | **144,711** | **179,682** | **166,831** | **86,629** | **18,778** | **21,013** | **19,200** | **16,332** | **172,765** | **208,589** | **190,210** | **109,092** |
| **Waste Generated per Unit of Production** (kg / metric ton of production) | | **3.92** | **3.33** | **2.00** | **3.32** | **31.19** | **35.35** | **35.44** | **18.35** | **35.06** | **34.08** | **35.26** | **34.42** | **22.92** | **25.84** | **25.92** | **15.49** |

Note:
1. Waste materials are classified based on local governmental regulations. For instance, sludge generated from wastewater treatment is deemed hazardous industrial waste based on the definitions of Chinese and Vietnamese governments while it is deemed as general industiral waste in Taiwan.
2. Non-recycling and non-reused waste disposal are handled off-site by qualified waste treatment companies.
3. The data collection on waste management accounts for 100% of FENC production sites in the scope of this report.
4. The boundary of data collection for waste generated per unit of production for the Textile Business does not include FEAZ, FENV and FEAV.

# Content



## Number and Rate of New Employee Hires

| | | Taiwan | | | | | | | | Mainland China | | | | | | | | Vietnam | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | |
| | | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % |
| Under 30 | Male | 78 | 20% | 47 | 12% | 121 | 32% | 84 | 25% | 475 | 76% | 899 | 160% | 390 | 85% | 354 | 87% | 1,013 | 52% | 1,167 | 56% | 1,685 | 71% | 395 | 23% |
| | Female | 38 | 28% | 14 | 9% | 65 | 38% | 33 | 21% | 168 | 38% | 347 | 92% | 125 | 49% | 122 | 60% | 1,823 | 48% | 2,491 | 64% | 2,961 | 68% | 497 | 15% |
| | Subtotal | 116 | 22% | 61 | 11% | 186 | 34% | 117 | 24% | 643 | 61% | 1,246 | 133% | 515 | 72% | 476 | 78% | 2,836 | 49% | 3,658 | 61% | 4,646 | 69% | 892 | 18% |
| 31-50 | Male | 78 | 5% | 69 | 4% | 118 | 7% | 73 | 4% | 310 | 17% | 715 | 38% | 351 | 19% | 383 | 21% | 284 | 26% | 337 | 27% | 560 | 37% | 336 | 23% |
| | Female | 25 | 4% | 16 | 3% | 33 | 5% | 24 | 4% | 197 | 11% | 465 | 26% | 221 | 13% | 246 | 15% | 842 | 33% | 1,094 | 38% | 1,472 | 46% | 393 | 13% |
| | Subtotal | 103 | 4% | 85 | 4% | 151 | 6% | 97 | 4% | 507 | 14% | 1,180 | 32% | 572 | 16% | 629 | 18% | 1,126 | 31% | 1,431 | 34% | 2,032 | 43% | 729 | 16% |
| Over 51 | Male | 7 | 1% | 2 | 1% | 4 | 0% | 6 | 1% | 9 | 5% | 10 | 4% | 5 | 2% | 24 | 7% | 7 | 13% | 6 | 9% | 11 | 17% | 8 | 11% |
| | Female | 0 | 0% | 3 | 1% | 1 | 0% | 2 | 1% | 0 | 0% | 0 | 0% | 1 | 11% | 5 | 24% | 3 | 13% | 12 | 33% | 9 | 19% | 3 | 5% |
| | Subtotal | 7 | 1% | 5 | 1% | 5 | 0% | 8 | 1% | 9 | 5% | 10 | 4% | 6 | 2% | 29 | 8% | 10 | 13% | 18 | 18% | 20 | 18% | 11 | 8% |
| Total | | 226 | 5% | 151 | 4% | 342 | 8% | 222 | 6% | 1,159 | 24% | 2,436 | 50% | 1,093 | 24% | 1,134 | 25% | 3,972 | 42% | 5,107 | 50% | 6,698 | 58% | 1,632 | 17% |

| | | Japan | | | | | | | | U.S. | | | | | | | | Total | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | |
| | | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % |
| Under 30 | Male | 20 | 59% | 7 | 19% | 6 | 20% | 28 | 58% | 3 | 17% | 14 | 48% | 6 | 21% | 1 | 4% | 1,589 | 53% | 2,134 | 69% | 2,208 | 68% | 862 | 34% |
| | Female | 2 | 33% | 3 | 38% | 2 | 15% | 4 | 27% | 1 | 100% | 1 | 50% | 2 | 50% | 1 | 20% | 2,032 | 46% | 2,856 | 64% | 3,155 | 65% | 657 | 18% |
| | Subtotal | 22 | 55% | 10 | 23% | 8 | 19% | 32 | 51% | 4 | 21% | 15 | 48% | 8 | 24% | 2 | 7% | 3,621 | 49% | 4,990 | 66% | 5,363 | 66% | 1,519 | 25% |
| 31-50 | Male | 18 | 24% | 13 | 15% | 9 | 6% | 35 | 21% | 2 | 4% | 10 | 17% | 9 | 15% | 1 | 2% | 692 | 15% | 1,144 | 23% | 1,047 | 20% | 828 | 16% |
| | Female | 1 | 7% | 2 | 14% | 1 | 5% | 10 | 34% | 0 | 0% | 2 | 22% | 1 | 10% | 1 | 9% | 1,065 | 22% | 1,579 | 29% | 1,728 | 31% | 674 | 12% |
| | Subtotal | 19 | 21% | 15 | 15% | 10 | 6% | 45 | 23% | 2 | 3% | 12 | 18% | 10 | 14% | 2 | 3% | 1,757 | 18% | 2,723 | 26% | 2,775 | 26% | 1,502 | 14% |
| Over 51 | Male | 0 | 0% | 0 | 0% | 1 | 8% | 1 | 20% | 1 | 2% | 1 | 2% | 1 | 2% | 1 | 2% | 24 | 2% | 19 | 1% | 22 | 2% | 40 | 3% |
| | Female | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 1 | 5% | 0 | 0% | 0 | 0% | 3 | 1% | 16 | 4% | 11 | 3% | 10 | 2% |
| | Subtotal | 0 | 0% | 0 | 0% | 1 | 6% | 1 | 14% | 1 | 1% | 2 | 2% | 1 | 1% | 1 | 1% | 27 | 2% | 35 | 2% | 33 | 2% | 50 | 3% |
| Total | | 41 | 29% | 25 | 16% | 19 | 9% | 78 | 30% | 7 | 4% | 29 | 16% | 19 | 5% | 5 | 3% | 5,405 | 29% | 7,748 | 40% | 8,171 | 39% | 3,071 | 32% |

Note:
1. The number of new employee hires indicates the number of new permanent employees in an area.
2. The rate is derived by dividing the number of the new employees of an age group by the total number of permanent employees of the same age group, gender and region.

# Content



## Number and Rate of Employee Turnover

| | | Taiwan | | | | | | | | Mainland China | | | | | | | | Vietnam | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | |
| | | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % |
| Under 30 | Male | 66 | 17% | 65 | 17% | 69 | 18% | **66** | **20%** | 572 | 92% | 919 | 164% | 453 | 99% | **351** | **86%** | 1,832 | 94% | 897 | 43% | 1,657 | 70% | **833** | **49%** |
| | Female | 32 | 24% | 18 | 11% | 33 | 19% | **26** | **17%** | 345 | 78% | 347 | 92% | 162 | 64% | **134** | **65%** | 2,956 | 77% | 2,180 | 56% | 2,647 | 60% | **1,255** | **38%** |
| | **Subtotal** | **98** | **19%** | **83** | **15%** | **102** | **19%** | **92** | **19%** | **917** | **86%** | **1,266** | **135%** | **615** | **86%** | **485** | **79%** | **4,788** | **83%** | **3,077** | **51%** | **4,304** | **64%** | **2,088** | **42%** |
| 31-50 | Male | 105 | 6% | 110 | 6% | 141 | 8% | **121** | **7%** | 523 | 29% | 726 | 39% | 486 | 26% | **436** | **23%** | 593 | 54% | 391 | 31% | 620 | 41% | **506** | **35%** |
| | Female | 57 | 9% | 22 | 4% | 44 | 7% | **26** | **4%** | 568 | 32% | 520 | 29% | 453 | 26% | **366** | **22%** | 1,439 | 57% | 1,106 | 38% | 1,530 | 48% | **917** | **30%** |
| | **Subtotal** | **162** | **7%** | **132** | **6%** | **185** | **8%** | **147** | **6%** | **1,091** | **31%** | **1,246** | **34%** | **939** | **26%** | **802** | **23%** | **2,032** | **56%** | **1,497** | **36%** | **2,150** | **46%** | **1,423** | **31%** |
| Over 51 | Male | 119 | 12% | 97 | 10% | 88 | 9% | **119** | **13%** | 23 | 12% | 21 | 9% | 22 | 8% | **27** | **8%** | 17 | 31% | 3 | 5% | 19 | 29% | **25** | **35%** |
| | Female | 45 | 14% | 17 | 5% | 19 | 6% | **25** | **7%** | 18 | 257% | 10 | 143% | 7 | 78% | **8** | **38%** | 20 | 83% | 18 | 50% | 14 | 30% | **14** | **23%** |
| | **Subtotal** | **164** | **12%** | **114** | **9%** | **107** | **8%** | **144** | **12%** | **41** | **21%** | **31** | **12%** | **29** | **10%** | **35** | **9%** | **37** | **47%** | **21** | **21%** | **33** | **29%** | **39** | **30%** |
| **Total** | | **424** | **10%** | **329** | **8%** | **394** | **9%** | **383** | **10%** | **2,049** | **43%** | **2,543** | **52%** | **1,583** | **35%** | **1,322** | **29%** | **6,857** | **72%** | **4,595** | **45%** | **6,487** | **56%** | **3,550** | **37%** |

| | | Japan | | | | | | | | U.S. | | | | | | | | Total | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | |
| | | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % | Number | % |
| Under 30 | Male | 2 | 6% | 2 | 6% | 2 | 7% | **4** | **8%** | 1 | 6% | 0 | 0% | 3 | 10% | **3** | **13%** | 2,473 | 82% | 1,883 | 61% | 2,184 | 67% | **1,257** | **50%** |
| | Female | 2 | 33% | 1 | 13% | 0 | 0% | **1** | **7%** | 0 | 0% | 0 | 0% | 0 | 0% | **0** | **0%** | 3,335 | 76% | 2,546 | 57% | 2,842 | 59% | **1,416** | **39%** |
| | **Subtotal** | **4** | **10%** | **3** | **7%** | **2** | **5%** | **5** | **8%** | **1** | **5%** | **0** | **0%** | **3** | **9%** | **3** | **10%** | **5,808** | **78%** | **4,429** | **59%** | **5,026** | **62%** | **2,673** | **43%** |
| 31-50 | Male | 3 | 4% | 5 | 6% | 1 | 1% | **11** | **7%** | 1 | 2% | 5 | 9% | 1 | 2% | **4** | **7%** | 1,225 | 26% | 1,237 | 25% | 1,249 | 24% | **1,078** | **21%** |
| | Female | 0 | 0% | 1 | 7% | 0 | 0% | **1** | **3%** | 0 | 0% | 2 | 22% | 0 | 0% | **0** | **0%** | 2,064 | 42% | 1,651 | 31% | 2,027 | 36% | **1,310** | **24%** |
| | **Subtotal** | **3** | **3%** | **6** | **6%** | **1** | **1%** | **12** | **6%** | **1** | **2%** | **7** | **10%** | **1** | **1%** | **4** | **6%** | **3,289** | **34%** | **2,888** | **28%** | **3,276** | **30%** | **2,388** | **23%** |
| Over 51 | Male | 0 | 0% | 0 | 0% | 1 | 8% | **1** | **20%** | 4 | 6% | 7 | 11% | 5 | 8% | **4** | **6%** | 163 | 13% | 128 | 9% | 135 | 10% | **176** | **13%** |
| | Female | 0 | 0% | 0 | 0% | 6 | 200% | **0** | **0%** | 0 | 0% | 1 | 5% | 1 | 5% | **1** | **5%** | 83 | 22% | 46 | 11% | 47 | 11% | **48** | **11%** |
| | **Subtotal** | **0** | **0%** | **0** | **0%** | **7** | **44%** | **1** | **14%** | **4** | **5%** | **8** | **10%** | **6** | **7%** | **5** | **6%** | **246** | **15%** | **174** | **10%** | **182** | **10%** | **224** | **12%** |
| **Total** | | **7** | **5%** | **9** | **6%** | **10** | **5%** | **18** | **7%** | **6** | **4%** | **15** | **8%** | **10** | **5%** | **12** | **7%** | **9,343** | **50%** | **7,491** | **38%** | **8,484** | **41%** | **5,285** | **28%** |

Note:
1. The number of employees leaving is the number of permanent employees who have left the company in the region.
2. The rate is derived by dividing the number of the employee turnover of an age group by the total number of permanent employees of the same age group, gender and region.

# Content



## Voluntary and Involuntary Resignations Turnover Rate

| | Taiwan | | | | | | | | Mainland China | | | | | | | | Vietnam | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | |
| | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % |
| Voluntary | 196 | 5% | 259 | 6% | 321 | 7% | **254** | **7%** | 1,862 | 39% | 2,399 | 49% | 1,449 | 32% | **1,197** | **26%** | 5,952 | 62% | 4,263 | 42% | 4,956 | 43% | **3,274** | **34%** |
| Involuntary | 228 | 5% | 70 | 2% | 73 | 2% | **129** | **3%** | 187 | 4% | 144 | 3% | 134 | 3% | **125** | **3%** | 905 | 10% | 332 | 3% | 1,531 | 13% | **276** | **3%** |
| **Total** | **424** | **10%** | **329** | **8%** | **394** | **9%** | **383** | **10%** | **2,049** | **43%** | **2,543** | **52%** | **1,583** | **35%** | **1,322** | **29%** | **6,857** | **72%** | **4,595** | **45%** | **6,487** | **56%** | **3,550** | **37%** |

| | Japan | | | | | | | | U.S. | | | | | | | | Total | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | | 2020 | | 2021 | | 2022 | | 2023 | |
| | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % | Number of Employees | % |
| Voluntary | 7 | 5% | 9 | 6% | 10 | 5% | **18** | **7%** | 0 | 0% | 0 | 0% | 8 | 4% | **0** | **0%** | 8,017 | 43% | 6,930 | 35% | 6,744 | 33% | **4,743** | **25%** |
| Involuntary | 0 | 0% | 0 | 0% | 0 | 0% | **0** | **0%** | 6 | 4% | 15 | 8% | 2 | 1% | **12** | **7%** | 1,326 | 7% | 561 | 3% | 1,740 | 8% | **542** | **3%** |
| **Total** | **7** | **5%** | **9** | **6%** | **10** | **5%** | **18** | **7%** | **6** | **4%** | **15** | **8%** | **10** | **5%** | **12** | **7%** | **9,343** | **50%** | **7,491** | **38%** | **8,484** | **41%** | **5,285** | **28%** |

Note:
1. The number of employees leaving is the number of permanent employees who have left the company in the region.
2. The term, voluntary resignation, refers to the termination of employment relationships initiated by employees, such as the request to resign or retire.
3. The term, involuntary resignation, refers to the termination of employment relationships initiated by the employer or in accordance with the law, such as retirement upon the statutory retirement age, retirement with distinctions, dismissal and contract termination.
4. The percentage is calculated by dividing the numbers of voluntary resignation and involuntary resignation by the number of employees in the region.

# Content



## Salary Ratio by Gender

| | | Taiwan | | | | Mainland China | | | | Vietnam | | | | Japan | | | | U.S. | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Section Chief and Above | (Female to Male) | 0.94:1 | 1.05:1 | 0.96:1 | **0.96:1** | 0.83:1 | 0.83:1 | 0.82:1 | **0.75:1** | 1.11:1 | 1.17:1 | 1.11:1 | **1.01:1** | 0.90:1 | 0.93:1 | 1.01:1 | **1.18:1** | 1.02:1 | 0.97:1 | 0.99:1 | **1.00:1** |
| Office Clerk | (Female to Male) | 1.01:1 | 1.01:1 | 1.01:1 | **1.02:1** | 0.84:1 | 0.84:1 | 0.78:1 | **0.79:1** | 1.04:1 | 1.04:1 | 1.02:1 | **1.01:1** | 0.68:1 | 0.96:1 | 0.86:1 | **1.01:1** | 1.00:1 | 0.94:1 | 0.97:1 | **0.94:1** |
| Factory Worker | (Female to Male) | 1.21:1 | 1.22:1 | 1.22:1 | **1.18:1** | 0.94:1 | 0.91:1 | 0.91:1 | **0.91:1** | 0.96:1 | 0.95:1 | 0.94:1 | **0.93:1** | 0.84:1 | 0.93:1 | 0.91:1 | **0.92:1** | 0.97:1 | 1.00:1 | 1.00:1 | **0.99:1** |

Note:
1. The ratio is derived by average regular female salary to average regular male salary for the same rank of job.
2. The term, average regular salary, is defined as the remuneration paid to employees in December of the current year, including base salaries as well as monthly allowances and bonuses.

## Salary Comparison to Market Level

| | Taiwan | | | | Mainland China | | | | Vietnam | | | | Japan | | | | U.S. | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Average Annual Regular Salary over Market Level | 43% | 45% | 45% | **46%** | 3% | -2% | -10% | **-16%** | 23% | 44% | 44% | **40%** | 1% | 14% | 35% | **31%** | 24% | 26% | 57% | **59%** |

## Salary Comparison to Minimum Wage by Gender

| | | Taiwan | | | | Mainland China | | | | Vietnam | | | | Japan | | | | U.S. | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Entry-Level Salary over Minimum Wage | Male | 25% | 25% | 21% | **16%** | 132% | 140% | 140% | **140%** | 12% | 12% | 12% | **12%** | 148% | 168% | 205% | **186%** | 143% | 146% | 134% | **120%** |
| | Female | 25% | 25% | 21% | **16%** | 102% | 113% | 117% | **118%** | 12% | 12% | 12% | **12%** | 131% | 128% | 168% | **167%** | 143% | 146% | 134% | **120%** |

Note:
1. The data source for the market rate of salaries in Taiwan is the average salary in the manufacturing industry and the minimum wages published by the Directorate-General of Budget, Accounting and Statistics of Executive Yuan. The data source in mainland China is the average wages published by the National Bureau of Statistics of China and the minimum wages published by Shanghai and Suzhou People's Municipal Governments. The data source in Vietnam is the average wages published by the General Statistics Office of Vietnam and the minimum wages among tier-one cities in Vietnam.
2. The data source in Japan is the Ibaraki Labour Bureau. The data source in the U.S. is the United States Census Bureau. All data are derived out of statistics from the current year.

## Ratio of Salary Between the Highest Salary and Median Salary and Ratio of Salary Increase Between the Highest Salary and Median Salary

| | Taiwan | | | | Mainland China | | | | Vietnam | | | | Japan | | | | U.S. | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Salary Between the Highest Salary and Median Salary The Highest Individual Salary : Median Salary of Other Employees | 6.60:1 | 7:48:1 | 7.38:1 | **7.18:1** | 4.44:1 | 5.15:1 | 5.09:1 | **5.01:1** | 8.19:1 | 8.35:1 | 7.00:1 | **9.47:1** | 5.60:1 | 2.38:1 | 1.54:1 | **1.53:1** | 2.20:1 | 2.16:1 | 2.40:1 | **3.50:1** |
| Salary Increase Between the Highest Salary and Median Salary The Highest Individual Salary : Median Salary of Other Employees | 0.15:1 | 0.41:1 | 1.15:1 | **1.27:1** | 0.95:1 | 1.83:1 | 2.09:1 | **1.00:1** | 1.00:1 | 1.71:1 | 2.92:1 | **5.83:1** | 1.00:1 | 1.05:1 | 2.81:1 | **3.37:1** | 1.00:1 | 1.00:1 | 1.00:1 | **1.00:1** |

Note:
1. The data disclosed from production sites in Taiwan, mainland China, Vietnam, Japan and the U.S. reflect the average value from each site.
2. The annual salary ratio is the ratio between the highest individual annual salary and the median annual salary of other employees.
3. The annual salary increase ratio is the ratio of salary increase between the highest individual salary and median salary of other employees. The highest individual salary is excluded from the "other employees" category.

# Content



## Human Resource Statistics

| | | Taiwan | | | | Mainland China | | | | Vietnam | | | | Japan | | | | U.S. | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Permanent Employees | Male (%) | 73% | 73% | 73% | **72%** | 54% | 55% | 57% | **58%** | 33% | 33% | 34% | **33%** | 84% | 84% | 84% | **83%** | 82% | 82% | 82% | **81%** | 48% | 48% | 48% | **49%** |
| | Female (%) | 27% | 27% | 27% | **28%** | 46% | 45% | 43% | **42%** | 67% | 67% | 66% | **67%** | 16% | 16% | 16% | **17%** | 18% | 18% | 18% | **19%** | 52% | 52% | 52% | **51%** |
| | Number | 4,162 | 4,176 | 4,177 | **4,012** | 4,808 | 4,870 | 4,564 | **4,513** | 9,482 | 10,241 | 11,578 | **9,629** | 142 | 155 | 219 | **264** | 163 | 180 | 187 | **180** | 18,757 | 19,467 | 20,725 | **18,598** |
| Temporary Employees | Male (%) | 88% | 90% | 90% | **90%** | 59% | 62% | 53% | **46%** | 28% | 36% | 54% | **39%** | 87% | 76% | - | **57%** | 100% | 100% | - | **-** | 72% | 70% | 80% | **76%** |
| | Female (%) | 12% | 10% | 10% | **10%** | 41% | 38% | 47% | **54%** | 72% | 64% | 46% | **61%** | 13% | 24% | - | **43%** | 0% | 0% | - | **-** | 28% | 30% | 20% | **24%** |
| | Number | 950 | 888 | 884 | **829** | 600 | 593 | 284 | **180** | 162 | 566 | 56 | **148** | 15 | 17 | 0 | **46** | 2 | 4 | 0 | **0** | 1,729 | 1,913 | 1,224 | **1,203** |
| **Total** | **Male (%)** | **76%** | **76%** | **76%** | **75%** | **54%** | **56%** | **56%** | **58%** | **33%** | **33%** | **34%** | **33%** | **84%** | **83%** | **84%** | **79%** | **82%** | **83%** | **82%** | **81%** | **50%** | **50%** | **50%** | **51%** |
| | **Female (%)** | **24%** | **24%** | **24%** | **25%** | **46%** | **44%** | **44%** | **42%** | **67%** | **67%** | **66%** | **67%** | **16%** | **17%** | **16%** | **21%** | **18%** | **17%** | **18%** | **19%** | **50%** | **50%** | **50%** | **49%** |
| | **Number** | **5,112** | **5,064** | **5,061** | **4,841** | **5,408** | **5,463** | **4,848** | **4,693** | **9,644** | **10,807** | **11,634** | **9,777** | **157** | **172** | **219** | **310** | **165** | **184** | **187** | **180** | **20,486** | **21,535** | **21,949** | **19,801** |

Note:
1. The term, "permanent employee" in this report is identical to the terms, "permanent employee" and "full-time employee" referenced in the GRI standards.
2. The term, "temporary employee" in this report refers to migrant workers in Taiwan; contract or outsourced workers in mainland China; employees under the probation period in Vietnam; outsourced workers in Japan; temporary workers in the U.S.; temporary employees as referenced in the GRI standards.
3. The headcount is based on the payroll settlement date in December of the current year at all FENC sites. The age cohort does not include temporary employees.
4. There are no part-time employees or non-guaranteed hours employees at any FENC production sites. individual salary is excluded from the "other employees" category.

## Calculation Formulas and Definitions of Indicators Related to Occupational Injury Statistics

| Indicator | Formulas and Definitions | Explanation |
|---|---|---|
| **Occupational Injuries** | Including premature fatalities, permanent total and partial disabilities, temporary total disabilities and that result in no more than one lost day.Minor injuries and traffic accidents that occur during employees' commute to and from work are excluded. | The classification corresponds to Process Safety Incidents Count (PSIC) in the SASB standards for the chemical industry. |
| **Severe Occupational Injuries** | Defined as an inability or difficulty to restore to pre-injury health condition within 6 months. | It corresponds to Process Safety Incident Severity Rate (PSISR) as per the SASB standards for the chemical industry. |
| **Injury Rate (IR)** | Total number of occupational injuries × 200,000 | IR indicates the percentage of every 100 workers with 40 work hours a week, 50 weeks a year.<br>It corresponds to Total Recordable Incident Rate (TRIR) and Process Safety Total Incident Rate (PSTIR) in the SASB standards for the chemical industry. |
| **Lost Time Injury Frequency Rate (LTIFR)** | Total number of occupational injuries ÷ total work hours × 1000,000 | LTIFR indicates the number of lost time injuries occurring in a workplace per 1 million hours worked. |
| **Absentee Rate % (AR%)** | Days of absence ÷ total work days × 100% | - |
| **Lost Day Rate (LDR)** | Lost days ÷ total work hours × 200,000. Lost days do not include the day of injury and the day of work resumption. | LDR indicates the percentage of every 100 workers with 40 work hours a week, 50 weeks a year.<br>It corresponds to Lost Workday Rate (LWR) in Dow Jones Sustainability Index (DJSI). |
| **Rate of Work-Related Fatalities** | Number of work-related fatalities ÷ total work hours × 200,000 | Rate of Work-Related Fatalities indicates the percentage of every 100 workers with 40 work hours a week, 50 weeks a year.<br>It corresponds to fatality rate in the SASB standards for the chemical industry. |

# Content



## Statistics on Occupational Injury

| | | Petrochemical | | | | Polyester | | | | Textile | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Occupational Injury Cases | Male | 4 | 2 | 0 | **1** | 35 | 37 | 22 | **11** | 37 | 29 | 38 | **20** | 76 | 68 | 60 | **32** |
| | Female | 0 | 0 | 0 | **0** | 7 | 10 | 2 | **2** | 35 | 20 | 15 | **10** | 42 | 30 | 17 | **12** |
| | **Total** | **4** | **2** | **0** | **1** | **42** | **47** | **24** | **13** | **72** | **49** | **53** | **30** | **118** | **98** | **77** | **44** |
| Injury Rate (IR) | Male | 0.71 | 0.34 | 0.00 | **0.22** | 0.61 | 0.60 | 0.36 | **0.19** | 0.23 | 0.20 | 0.21 | **0.14** | 0.34 | 0.32 | 0.24 | **0.15** |
| | Female | 0.00 | 0.00 | 0.00 | **0.00** | 0.12 | 0.16 | 0.03 | **0.03** | 0.21 | 0.14 | 0.08 | **0.07** | 0.19 | 0.14 | 0.07 | **0.06** |
| | **Total** | **0.71** | **0.34** | **0.00** | **0.22** | **0.74** | **0.76** | **0.39** | **0.22** | **0.44** | **0.33** | **0.29** | **0.21** | **0.52** | **0.45** | **0.31** | **0.21** |
| Lost Time Injury Frequency Rate (LTIFR) | Male | 3.56 | 1.69 | 0.00 | **1.12** | 3.07 | 3.01 | 1.78 | **0.94** | 1.13 | 0.98 | 1.03 | **0.68** | 1.68 | 1.58 | 1.19 | **0.76** |
| | Female | 0.00 | 0.00 | 0.00 | **0.00** | 0.61 | 0.81 | 0.16 | **0.17** | 1.07 | 0.68 | 0.41 | **0.34** | 0.93 | 0.70 | 0.34 | **0.29** |
| | **Total** | **3.56** | **1.69** | **0.00** | **1.12** | **3.68** | **3.82** | **1.94** | **1.11** | **2.20** | **1.66** | **1.44** | **1.02** | **2.61** | **2.27** | **1.53** | **1.05** |
| Absentee Rate% (AR%) | Male | 0.33 | 0.37 | 0.90 | **0.14** | 0.11 | 0.16 | 0.20 | **0.32** | 0.23 | 0.37 | 0.12 | **0.38** | 0.20 | 0.31 | 0.15 | **0.36** |
| | Female | 0.04 | 0.05 | 0.04 | **0.03** | 0.03 | 0.11 | 0.08 | **0.17** | 0.44 | 0.28 | 0.33 | **0.37** | 0.32 | 0.23 | 0.26 | **0.31** |
| | **Total** | **0.37** | **0.42** | **0.94** | **0.17** | **0.14** | **0.27** | **0.28** | **0.49** | **0.67** | **0.65** | **0.44** | **0.75** | **0.53** | **0.54** | **0.41** | **0.67** |
| Lost Day Rate (LDR) | Male | 0.00 | 0.00 | 0.00 | **2.24** | 16.05 | 5.02 | 4.87 | **7.54** | 4.36 | 2.88 | 2.77 | **0.89** | 7.20 | 3.42 | 3.23 | **2.73** |
| | Female | 0.00 | 0.00 | 0.00 | **0.00** | 2.02 | 0.83 | 0.92 | **1.44** | 4.67 | 1.72 | 1.49 | **1.82** | 3.89 | 1.42 | 1.32 | **1.68** |
| | **Total** | **0.00** | **0.00** | **0.00** | **2.24** | **18.07** | **5.85** | **5.79** | **8.98** | **9.03** | **4.60** | **4.26** | **2.72** | **11.09** | **4.83** | **4.55** | **4.41** |
| Number of Work-Related Fatalities | Male | 0 | 0 | 0 | **0** | 1 | 0 | 0 | **0** | 0 | 0 | 0 | **0** | 1 | 0 | 0 | **0** |
| | Female | 0 | 0 | 0 | **0** | 0 | 0 | 0 | **0** | 0 | 0 | 0 | **0** | 0 | 0 | 0 | **0** |
| | **Total** | **0** | **0** | **0** | **0** | **1** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **1** | **0** | **0** | **0** |
| Rate of Work-Related Fatalities | Male | 0.00 | 0.00 | 0.00 | **0.00** | 0.02 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.00 | **0.00** | 0.004 | 0.00 | 0.00 | **0.00** |
| | Female | 0.00 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.00 | **0.00** |
| | **Total** | **0.00** | **0.00** | **0.00** | **0.00** | **0.02** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.004** | **0.00** | **0.00** | **0.00** |

Notes:
1. Statistics cover 100% production sites in this report. Statistics above include permanent employees and temporary employees. The term, "permanent employee" in this report is identical to the terms, "permanent employee" and "full-time employee" referenced in the GRI standards. The term, "temporary employee" in this report refers to migrant workers in Taiwan; contract or outsourced workers in mainland China; employees under the probation period in Vietnam; outsourced workers in Japan; temporary workers in the U.S.; temporary employees as referenced in the GRI standards.
2. Total work hours of employees are 41,902,895 hours in 2023.
3. Between 2020 and 2022, there were no severe occupational injuries (defined as an inability or difficulty to restore to pre-injury health condition within 6 months). However, there were 2 severe occupational injuries related to being caught-in/between and dust combustion in 2023. These incidents correspond to a 0.01% Process Safety Incident Severity Rate (PSISR) as per the SASB standards for the chemical industry.
4. There were no occupational illnesses between 2020 and 2023.

# Content



## Contractor's Occupational Injury at Production Sites

| | | Petrochemical | | | | Polyester | | | | Textile | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 | 2020 | 2021 | 2022 | 2023 |
| Occupational Injury Cases | Male | 0 | 2 | 2 | **4** | 1 | 3 | 6 | **5** | 0 | 0 | 0 | **0** | 1 | 5 | 8 | **9** |
| | Female | 0 | 0 | 0 | **0** | 0 | 0 | 1 | **0** | 0 | 0 | 0 | **0** | 0 | 0 | 1 | **0** |
| | **Total** | **0** | **2** | **2** | **4** | **1** | **3** | **7** | **5** | **0** | **0** | **0** | **0** | **1** | **5** | **9** | **9** |
| Number of Work-Related Fatalities | Male | 0.00 | 0.32 | 0.41 | **1.04** | 0.06 | 0.30 | 0.58 | **0.41** | 0.00 | 0.00 | 0.00 | **0.00** | 0.04 | 0.26 | 0.45 | **0.49** |
| | Female | 0.00 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.10 | **0.00** | 0.00 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.06 | **0.00** |
| | **Total** | **0.00** | **0.32** | **0.41** | **1.04** | **0.06** | **0.30** | **0.67** | **0.41** | **0.00** | **0.00** | **0.00** | **0.00** | **0.04** | **0.26** | **0.50** | **0.49** |
| Injury Rate (IR) | Male | 0.00 | 1.60 | 2.04 | **5.19** | 0.28 | 1.49 | 2.88 | **2.03** | 0.00 | 0.00 | 0.00 | **0.00** | 0.20 | 1.30 | 2.23 | **2.46** |
| | Female | 0.00 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.48 | **0.00** | 0.00 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.28 | **0.00** |
| | **Total** | **0.00** | **1.60** | **2.04** | **5.19** | **0.28** | **1.49** | **3.36** | **2.03** | **0.00** | **0.00** | **0.00** | **0.00** | **0.20** | **1.30** | **2.50** | **2.46** |
| Lost Time Injury Frequency Rate (LTIFR) | Male | 0 | 0 | 0 | **0** | 3 | 0 | 0 | **0** | 0 | 0 | 0 | **0** | 3 | 0 | 0 | **0** |
| | Female | 0 | 0 | 0 | **0** | 0 | 0 | 0 | **0** | 0 | 0 | 0 | **0** | 0 | 0 | 0 | **0** |
| | **Total** | **0** | **0** | **0** | **0** | **3** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **3** | **0** | **0** | **0** |
| Rate of Work-Related Fatalities | Male | 0.00 | 0.00 | 0.00 | **0.00** | 0.17 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.00 | **0.00** | 0.12 | 0.00 | 0.00 | **0.00** |
| | Female | 0.00 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.00 | **0.00** | 0.00 | 0.00 | 0.00 | **0.00** |
| | **Total** | **0.00** | **0.00** | **0.00** | **0.00** | **0.17** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.12** | **0.00** | **0.00** | **0.00** |

Notes:
1. Statistics cover 100% production sites in this report.
2. Total work hours of contractors are 3,658,778 hours in 2023, including contractors of engineering and labor services.
3. Between 2020 and 2022, there were no severe occupational injuries (defined as an inability or difficulty to restore to pre-injury health condition within 6 months). However, there was 1 severe occupational injury related to being caught-in/between in 2023. This incident corresponds to a 0.05% Process Safety Incident Severity Rate (PSISR) as per the SASB standards for the chemical industry.
4. There were no occupational illnesses between 2020 and 2023.

# Content



## 7.2 GRI Standard Index

| | |
|---|---|
| **Statement of use** | FENC has reported in accordance with the GRI Standards for the period January 1 to December 31, 2023. |
| **GRI 1 used** | GRI 1: Foundation 2021 |
| **Applicable GRI Sector Standard** | N/A |

| GRI Standard | Disclosure | Chapters | Pages |
|---|---|---|---|
| GRI 2: General Disclosures 2021 | | | |
| The organization and its reporting practices | | | |
| 2-1 | Organizational details | About This Report, 1.1, 6.1.1, 6.1.2 | 3, 37, 145, 145 |
| 2-2 | Entities included in the organization's sustainability reporting | About This Report, 1.1.2 | 3, 38 |
| 2-3 | Reporting period, frequency and contact point | About This Report | 3 |
| 2-4 | Restatements of information | About This Report | 3 |
| 2-5 | External assurance | About This Report, 7.5 | 3, 173 |
| Activities and workers | | | |
| 2-6 | Activities, value chain and other business relationships | 1.1, 1.2.1, 4.4, 6.1.1 | 37, 41, 126, 145 |
| 2-7 | Employees | 4.1.2, 6.1.1 | 100, 145 |
| 2-8 | Workers who are not employees | 4.1.2, 6.1.3 | 100, 147 |
| Governance | | | |
| 2-9 | Governance structure and composition | Corporate Governance Report" in the 2023 FENC Annual Report. | 41, 50 |
| 2-10 | Nomination and selection of the highest governance body | 1.2.2 | 41 |
| 2-11 | Chair of the highest governance body | Please refer to "III. Corporate Governance Report" in the 2023 FENC Annual Report. | |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | Identification of Stakeholders and Material Topics, Boosting Stakeholder Dialogue, 1.5 | 8, 11, 50 |
| 2-13 | Delegation of responsibility for managing impacts | 1.2.2, 1.5 | 41, 50 |
| 2-14 | Role of the highest governance body in sustainability reporting | Identification of Stakeholders and Material Topics, Boosting Stakeholder Dialogue, 1.5 | 8, 11, 50 |
| 2-15 | Conflicts of interest | 1.2.2 | 41 |
| 2-16 | Communication of critical concerns | 1.5 | 50 |
| 2-17 | Collective knowledge of the highest governance body | 1.2.1, 1.2.2 | 41, 41 |
| 2-18 | Evaluation of the performance of the highest governance body | 1.2.2 | 41 |
| 2-19 | Remuneration policies | 1.2.2, 4.1.3 | 41, 103 |
| 2-20 | Process to determine remuneration | 1.2.2, 4.1.3 | 41, 103 |
| 2-21 | Annual total compensation ratio | 4.1.3 | 103 |
| Strategy, policies and practices | | | |
| 2-22 | Statement on sustainable development strategy | Message from the Chairman | 5 |
| 2-23 | Policy commitments | Boosting Stakeholder Dialogue, 1.1, 1.2, 1.3, 1.5, 2.4, 4.1.1, 4.1.4, 4.4.1 | 11, 37, 40, 43, 50, 62, 97, 106, 126 |
| 2-24 | Embedding policy commitments | Boosting Stakeholder Dialogue, 1.1, 1.2, 1.3.2, 4.1.1, 4.1.4, 4.4.1 | 11, 37, 40, 43, 97, 106, 126 |
| 2-25 | Processes to remediate negative impacts | Boosting Stakeholder Dialogue, 1.2.1, 2.4, 4.1.1, 4.1.4, 4.4.1 | 11, 41, 62, 97, 106, 126 |
| 2-26 | Mechanisms for seeking advice and raising concerns | Boosting Stakeholder Dialogue, 1.2, 1.3, 1.5, 4.4.1 | 11, 40, 43, 50, 126 |
| 2-27 | Compliance with laws and regulations | 1.3 | 43 |
| 2-28 | Membership associations | There are 97 associations meeting the recommendations of the index. | |
| Stakeholder engagement | | | |
| 2-29 | Approach to stakeholder engagement | Identification of Stakeholders and Material Topics, Boosting Stakeholder Dialogue | 8, 11 |
| 2-30 | Collective bargaining agreements | 4.1.4 | 106 |

### Material Topics

| GRI Standard | Disclosure | Chapters | Pages |
|---|---|---|---|
| GRI 3: Material Topics 2021 | | | |
| 3-1 | Process to determine material topics | Identification of Stakeholders and Material Topics | 8 |
| 3-2 | List of material topics | Identification of Stakeholders and Material Topics | 8 |
| Green Products | | | |
| GRI 3: Material Topics 2021 | | | |
| 3-3 | Management of material topics | 2 Material Topics | 57 |
| Custom Items | | | |
| Custom | Revenue from green products | 2.2 | 59 |

# Content



| GRI Standard | Disclosure | Chapters | Pages |
|---|---|---|---|
| Custom | Green product labels and certifications | 2.2 | 59 |
| Custom | Green initiatives | 2.2 | 59 |
| **Climate Strategies and Low Carbon Transition** | | | |
| **GRI 3: Material Topics 2021** | | | |
| 3-3 | Management of material topics | 3 Material Topics | 67 |
| **GRI 201: Economic Performance 2016** | | | |
| 201-2 | Financial implications and other risks and opportunities due to climate change | Special Report 2, 3.1.1 | 26, 69 |
| **GRI 305: Emissions 2016** | | | |
| 305-1 | Direct (Scope 1) GHG emissions | 3.1.2, 7.1 | 74, 153 |
| 305-2 | Energy indirect (Scope 2) GHG emissions | 3.1.2, 7.1 | 74, 153 |
| 305-3 | Other indirect (Scope 3) GHG emissions | 3.1.2, 7.1 | 74, 153 |
| 305-4 | GHG emissions intensity | 3.1.2, 7.1 | 74, 153 |
| 305-5 | Reduction of GHG emissions | Special Report 2, 3.1.2 | 26, 74 |
| **Environmental Management** | | | |
| **GRI 3: Material Topics 2021** | | | |
| 3-3 | Management of material topics | 3 Material Topics | 67 |
| **GRI 305: Emissions 2016** | | | |
| 305-6 | Emissions of ozone-depleting substances (ODS) | Related substances are not used. | |
| 305-7 | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | 3.3.1 | 87 |
| **GRI 306: Waste 2020** | | | |
| 306-1 | Waste generation and significant waste-related impacts | 3.3.2 | 88 |
| 306-2 | Management of significant waste-related impacts | 3.3.2 | 88 |
| 306-3 | Waste generated | 3.3.2 | 88 |
| 306-4 | Waste diverted from disposal | 3.3.2 | 88 |
| 306-5 | Waste directed to disposal | 3.3.2 | 88 |

| GRI Standard | Disclosure | Chapters | Pages |
|---|---|---|---|
| **Operational Performance and Strategies** | | | |
| **GRI 3: Material Topics 2021** | | | |
| 3-3 | Management of material topics | 1 Material Topics | 36 |
| **GRI 301: Materials 2016** | | | |
| 201-1 | Direct economic value generated and distributed | 1.1.1 | 37 |
| 201-4 | Financial assistance received from government | (NT$ Thousand) Taiwan / mainland China<br>Subsidies for technical development: 13,621 / 2,283<br>Subsidies for energy conservation: 3,500 / 707<br>Physical/mental handicapped living allowance: 0 / 0<br>Other item: 58 / 11,992<br>**Total: 17,179 / 14,982**<br>Total subsidies are NT$ 32,161 thousand. Production sites in Vietnam, Japan, and the U.S. are not subsidized by the government. | |
| **GRI 207: Tax 2019** | | | |
| 207-1 | Approach to tax | 1.1.1, 1.3.3 | 37, 44 |
| 207-2 | Tax governance, control, and risk management | 1.1.1, 1.3.1,, 1.3.2 | 37, 43, 43 |
| 207-3 | Stakeholder engagement and management of concerns related to tax | 1.1.1 | 37 |
| 207-4 | Country-by-country reporting | 1.1.1, 4.1.2 | 37, 100 |
| **Corporate Sustainability** | | | |
| **GRI 3: Material Topics 2021** | | | |
| 3-3 | Management of material topics | 1 Material Topics | 36 |
| **Custom Items** | | | |
| Custom | Sustainable development principles | 1.5 | 50 |
| Custom | Structure of sustainability governance | 1.5 | 50 |
| Custom | Disclosure of sustainability data | 1.5 | 50 |

# Content



| GRI Standard | Disclosure | Chapters | Pages |
|---|---|---|---|
| Production and Product Innovation | | | |
| GRI 3: MATERIAL TOPICS 2021 | | | |
| 3-3 | Management of material topics | 2 Material Topics | 57 |
| Custom Items | | | |
| Custom | Funds for R&D and innovation | 2.1 | 58 |
| Custom | The number of patents approved | 2.1 | 58 |
| Energy and Resource Management | | | |
| GRI 3: MATERIAL TOPICS 2021 | | | |
| 3-3 | Management of material topics | 3 Material Topics | 67 |
| GRI 301: Materials 2016 | | | |
| 301-1 | Materials used by weight or volume | 3.2.2 | 81 |
| 301-2 | Recycled input materials used | 2.2, 3.2.2 | 59, 81 |
| 301-3 | Reclaimed products and their packaging materials | 3.2.2, 3.3.2 | 81, 88 |
| GRI 302: Energy 2016 | | | |
| 302-1 | Energy consumption within the organization | 3.2.1 | 79 |
| 302-3 | Energy intensity | 3.2.1 | 79 |
| 302-4 | Reduction of energy consumption | 3.2.1 | 79 |
| 302-5 | Reductions in energy requirements of products and services | 3.2.1 | 79 |
| GRI 303: Water and Effluents 2018 | | | |
| 303-1 | Interactions with water as a shared resource | 3.2.3 | 82 |
| 303-2 | Management of water discharge-related impacts | 3.2.3 | 82 |
| 303-3 | Water withdrawal | 3.2.3 | 82 |
| 303-4 | Water discharge | 3.2.3 | 82 |
| 303-5 | Water consumption | 3.2.3 | 82 |
| Product Accountability and Life Cycle Assessment | | | |
| GRI 3: Material Topics 2021 | | | |
| 3-3 | Management of material topics | 2 Material Topics | 57 |

| GRI Standard | Disclosure | Chapters | Pages |
|---|---|---|---|
| SASB: Safety & Environmental Stewardship of Chemicals | | | |
| RT-CH-410b.1. | (1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances<br>(2) Percentage of such products that have undergone a hazard assessment | 2.3 | 61 |
| RT-CH-410b.2. | (1) Discussion of strategy to manage chemicals of concern<br>(2) Discussion of strategy to develop alternatives with reduced human and/or environmental impact | 2.2, 2.3 | 59, 61 |
| Custom Items | | | |
| Custom | Life cycle assessment | 2.3 | 61 |
| Custom | Product quality and safety certification | 2.3 | 61 |
| Risk Management | | | |
| GRI 3: Material Topics 2021 | | | |
| 3-3 | Management of material topics | 1 Material Topics | 36 |
| Custom Items | | | |
| Custom | Risk control policy | 1.3.1 | 43 |
| Custom | Identification and management of major risks | 1.3.2 | 43 |
| Custom | Risk control mechanism | 1.3.3 | 44 |
| Corporate Governance | | | |
| GRI 3: Material Topics 2021 | | | |
| 3-3 | Management of material topics | 1 Material Topics | 36 |
| GRI 206: Anti-competitive Behavior 2016 | | | |
| 205-1 | Operations assessed for risks related to corruption | 1.2.1, 4.4.1 | 41, 126 |
| 205-2 | Communication and training about anti-corruption policies and procedures | 1.2.1, 4.2, 4.4.1 | 41, 108, 126 |
| 205-3 | incidents of corruption and actions taken | No relevant issue (Boosting Stakeholder Dialogue, 1.2.1) | 11, 41 |
| GRI 206: Anti-competitive Behavior 2016 | | | |
| 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | No relevant issue (1.3) | 43 |

# Content



| GRI Standard | Disclosure | Chapters | Pages |
|---|---|---|---|
| Occupational Safety and Health | | | |
| GRI 3: MATERIAL TOPICS 2021 | | | |
| 3-3 | Management of material topics | 4 Material Topics | 96 |
| GRI 403: Occupational Health and Safety 2018 | | | |
| 403-1 | Occupational health and safety management system | 4.3.1 | 115 |
| 403-2 | Hazard identification, risk assessment, and incident investigation | 4.3.1, 4.3.2 | 115, 121 |
| 403-3 | Occupational health services | 4.3.3 | 124 |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | Boosting Stakeholder Dialogue, 4.3.1 | 11, 115 |
| 403-5 | Worker training on occupational health and safety | 4.3.1 | 115 |
| 403-6 | Promotion of worker health | 4.3.3 | 124 |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 4.3 | 115 |
| 403-8 | Workers covered by an occupational health and safety management system | 4.3.1 | 115 |
| 403-9 | Work-related injuries | 4.3.1, 4.3.2 | 115, 121 |
| 403-10 | Work-related ill health | 4.3.2, 4.3.3 | 121, 124 |
| Sustainable Corporate Image | | | |
| GRI 3: MATERIAL TOPICS 2021 | | | |
| 3-3 | Management of material topics | Enhancing Corporate Sustainable Image | 18 |
| Custom Items | | | |
| Custom | Participating in sustainable awards | Enhancing Corporate Sustainable Image | 18 |
| Custom | Participating in sustainable conferences and activities | Enhancing Corporate Sustainable Image | 18 |
| Sustainable Supply Chain Management | | | |
| GRI 3: MATERIAL TOPICS 2021 | | | |
| 3-3 | Management of material topics | 4 Material Topics | 96 |
| GRI 204: Procurement Practices 2016 | | | |
| 204-1 | Proportion of spending on local suppliers | 4.4.1 | 126 |
| GRI 308: Supplier Environmental Assessment 2016 | | | |
| 308-1 | New suppliers that were screened using environmental criteria | 4.4.1 | 126 |
| 308-2 | Negative environmental impacts in the supply chain and actions taken | 4.4.1 | 126 |
| GRI 414: Supplier Social Assessment 2016 | | | |
| 414-1 | New suppliers that were screened using social criteria | 4.4.1 | 126 |
| 414-2 | Negative social impacts in the supply chain and actions taken | 4.4.1 | 126 |
| Sustainable Community | | | |
| GRI 3: MATERIAL TOPICS 2021 | | | |
| 3-3 | Management of material topics | 6 Material Topics | 144 |
| GRI 302: Energy 2016 | | | |
| 302-1 | Energy consumption within the organization | 6.2.2 | 150 |
| 302-4 | Reduction of energy consumption | 6 Target and Progress | 144 |
| 302-5 | Reductions in energy requirements of products and services | 6.2.2 | 150 |
| GRI 303: Water and Effluents 2018 | | | |
| 303-1 | Interactions with water as a shared resource | 6.2.2 | 150 |
| 303-2 | Management of water discharge-related impacts | 6.2.2 | 150 |
| 303-3 | Water withdrawal | 6.2.2 | 150 |
| GRI 304: Biodiversity 2016 | | | |
| 304-2 | Significant impacts of activities, products and services on biodiversity | 6.2.2 | 150 |
| 304-3 | Habitats protected or restored | This indicator is not applicable. (6.2.2) | 150 |
| 304-4 | IUCN Red List species and national conservation list species with habitats in areas affected by operations | This indicator is not applicable. (6.2.2) | 150 |
| GRI 305: Emissions 2016 | | | |
| 305-1 | Direct (Scope 1) GHG emissions | 6.2.2 | 150 |
| 305-2 | Energy indirect (Scope 2) GHG emissions | 6.2.2 | 150 |

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## 7.3 Response to Sustainable Guidance and Principles

### Sustainability Accounting Standards Board (SASB) - Chemical Industry

| Code | Accounting Metric | Description | Chapters |
|---|---|---|---|
| **Greenhouse Gas Emissions** | | | |
| RT-CH-110a.1. | Gross global Scope 1 emissions | 1,016 $ktCO_2e$ | 3.1.2, 7.1 |
| | Percentage covered under emissions-limiting regulations | 77% | |
| RT-CH-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 | Please refer to Special Report 2, 3.1.1. | |
| **Air Quality** | | | |
| RT-CH-120a.1. | Air emissions of the following pollutants: (1) NOx (excluding $N_2O$) | 544 metric tons | 3.3.1 |
| | (2) SOx | 458 metric tons | |
| | (3) volatile organic compounds (VOCs) | 382 metric tons | |
| | (4)hazardous air pollutants (HAPs) | 3 metric tons | |
| **Energy Management** | | | |
| RT-CH-130a.1. | (1) Total energy consumed | 18,695 TJ | Special Report 2, 3.1.3, 3.2.1, 7.1 |
| | (2) percentage grid electricity | 31% | |
| | (3) percentage renewable | 5% | |
| | (4) total self-generated energy | 12,378 TJ | |
| **Water Management** | | | |
| RT-CH-140a.1. | (1) Total water withdrawn, percentage in regions with High or Extremely High Baseline Water Stress | 18,492 megaliters, 24% | 3.2.3 |
| | (2) Total water consumed, percentage in regions with High or Extremely High Baseline Water Stress | 8,927 megaliters, 27% | |
| RT-CH-140a.2. | Number of incidents of non-compliance associated with water quality permits, standards, and regulations | 1 | 1.3.3 |
| RT-CH-140a.3. | Description of water management risks and discussion of strategies and practices to mitigate those risks | Please refer to 3.2.3. | |
| **Hazardous Waste Management** | | | |
| RT-CH-150a.1. | Amount of hazardous waste generated | 12,484 metric tons | 3.3.2 |
| | percentage recycled | 87% | |
| **Community Relations** | | | |
| RT-CH-210a.1. | Discussion of engagement processes to manage risks and opportunities associated with community interests | Please refer to Identification of Stakeholders and Material Topics, Boosting Stakeholder Dialogue, Special Report 3, 2.4, 5, 6.1.3, 6.2.1. | |
| **Workforce Health & Safety** | | | |
| RT-CH-320a.1. | Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees | 0.21, 0 | 4.3.2 |
| RT-CH-320a.2. | Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks | Please refer to 4.3.3. | |
| **Product Design for Use-phase Efficiency** | | | |
| RT-CH-410a.1. | Revenue from products designed for use-phase resource efficiency | The revenue from green products is 45.976 billion | 2.2 |
| **Safety & Environmental Stewardship of Chemicals** | | | |
| RT-CH-410b.1. | (1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances | 17% | 2.3 |
| | (2) percentage of such products that have undergone a hazard assessment | 100% | |
| RT-CH-410b.2. | Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact | Please refer to Special Report 1, 2.2, 2.3, 4.3.1. | |
| **Genetically Modified Organisms** | | | |
| RT-CH-410c.1. | Percentage of products by revenue that contain genetically modified organisms (GMOs) | No relevant products. | 2.3 |
| **Management of the Legal & Regulatory Environment** | | | |
| RT-CH-530a.1. | Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry | Please refer to Special Report 2, 1.3, 3.1.2. | |
| **Operational Safety, Emergency Preparedness & Response** | | | |
| RT-CH-540a.1. | Process Safety Incidents Count (PSIC) | 44 | 4.3.2 |
| | Process Safety Total Incident Rate (PSTIR) | 0.21 | |
| | Process Safety Incident Severity Rate (PSISR) | 0.01% | |
| RT-CH-540a.2. | Number of transport incidents | 0 | 4.4.2 |

Note: The Chinese version of this report is prepared with the traditional Chinese version of Draft IFRS S2 Climate-related Disclosures Appendix B Industry-based disclosure requirements Volume B47—Chemicals as a reference and in part translated by FENC.

# Content



## Task Force on Climate-related Financial Disclosures (TCFD)

| Dimension | | Recommended Disclosure | Chapters |
|---|---|---|---|
| Governance | Disclosure of the organization's governance around climate-related risks and opportunities | Describe the board's oversight of climate-related risks and opportunities. | 3.1.1 |
| | | Describe management's role in assessing and managing climate-related risks and opportunities. | |
| Strategy | Disclosure of the actual and potential impacts of climate related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material | Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. | Special Report 2, 3.1.1, 3.1.2 |
| | | Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. | |
| | | Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | |
| Risk Management | Disclosure of how the organization identifies, assesses, and manages climate-related risks | Describe the organization's processes for identifying and assessing climate-related risks. | Special Report 2, 3.1.1 |
| | | Describe the organization's processes for managing climate-related risks. | |
| | | Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. | |
| Metrics and Targets | Disclosure the metrics and targets used to assess and manage relevant climate related risks and opportunities where such information is material | Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. | Special Report 2, 3.1, 3.2 |
| | | Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks | |
| | | Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. | |

## Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

| Description | Chapters |
|---|---|
| Chapter 1 General Principles | Message from the Chairman, Sustainability Strategy Blueprint, Targets and Progress of all chapters, Identification of Stakeholders and Material Topics, 1.1, 1.2, 1.3, 1.4, 1.5 |
| Chapter 2 Exercising Corporate Governance | Identification of Stakeholders and Material Topics, Boosting Stakeholder Dialogue, Targets and Progress, 1.2, 1.3, 1.5, 4.1.3, 4.1.4, 4.1.5 |
| Chapter 3 Fostering a Sustainable Environment | Special Report1, Special Report 2, Special Report3, 1.5, 2 & 3 Targets and Progress, 2.2, 2.3, 6.2.2 |
| Chapter 4 Preserving Public Welfare | 1.2, 1.3, 2.4, 4, 5, 6.2.1 |
| Chapter 5 Enhancing Disclosure of Sustainable Development Information | Sustainability Strategy Blueprint, Targets and Progress of all chapters, Identification of Stakeholders and Material Topics, Boosting Stakeholder Dialogue, 1.2, 1.3, 1.5, 4.4.1 |
| Chapter 6 Supplementary Provisions | Identification of Stakeholders and Material Topics, Boosting Stakeholder Dialogue, 1.5, 7 |

## 7.4 Greenhouse Gas Inventory and Assurance Status

### Greenhouse Gas Inventory Information

Scope of information disclosure according to the Sustainable Development Roadmap for TWSE- and TPEx-Listed Companies:
1. The parent company entity will begin the inventory process in 2023.
2. Subsidiaries in the consolidated financial report will begin the inventory process in 2025.

The Company adheres to the ISO 14064-1 standard for greenhouse gas inventory established by the International Organization for Standardization (ISO) to set up its greenhouse gas inventory mechanism. The greenhouse gas inventory data for the past two years have been summarized based on the operational control method, including the emissions from the Company and certain subsidiaries in the consolidated financial report. Details are as follows:

| | | 2022 | | 2023 | |
|---|---|---|---|---|---|
| | | Emissions ($tCO_2e$) | Intensity ($tCO_2e$/ NT$ million) | Emissions ($tCO_2e$) | Intensity ($tCO_2e$/ NT$ million) |
| Parent Company | Scope 1 | 469,972 | - | 362,679 | - |
| | Scope 2 | 246,884 | | 226,550 | |
| | **Subtotal** | **716,856** | **13.99** | **589,229** | **13.75** |
| Consolidated Subsidiaries (Note) | Scope 1 | 568,811 | - | 662,523 | - |
| | Scope 2 | 806,071 | | 930,184 | |
| | **Subtotal** | **1,374,882** | **5.30** | **1,592,707** | **5.76** |
| **Total** | | **2,091,738** | **6.73** | **2,181,936** | **6.83** |

Note: The number of consolidated subsidiaries was 63 in 2022 and 70 in 2023.

### Greenhouse Gas Assurance Information

Scope of assurance execution according to the Sustainable Development Roadmap for TWSE- and TPEx-Listed Companies:
1. The parent company entity will begin executing assurance from 2024.
2. Subsidiaries in the consolidated financial report will begin executing assurance from 2027.

# Content



The assurance execution status for the greenhouse gas inventory of the Company and certain subsidiaries in the consolidated financial report over the past two years is detailed as follows:

| The Status of Assurance | | Emissions for 2022 ($tCO_2e$) | Emissions for 2023 ($tCO_2e$) |
|---|---|---|---|
| Parent Company | Scope 1 | 469,972 | **362,679** |
| | Scope 2 | 246,884 | **226,550** |
| | **Total** | **716,856** | **589,229** |
| | Percentage of data covered as disclosed above | 100% | **100%** |
| | Assurance Institution | DNV, SGS, TUV | **DNV, SGS, TUV** (Assurance statement issued by DNV) |
| | Assurance explanation | ISO 14064-3: 2019 Reasonable Assurance | **ISO 14064-3: 2019 Reasonable Assurance** |
| | Assurance opinion | Unqualified Opinion/Conclusion | **Unqualified Conclusion** |
| Consolidated Subsidiaries (Note) | Scope 1 | 568,811 | **662,523** |
| | Scope 2 | 806,071 | **930,184** |
| | **Total** | **1,374,882** | **1,592,707** |
| | Percentage of data covered as disclosed above | 100% | **100%** |
| | Assurance Institution | BSI, BV, SGS, TUV, ITRI | **BSI, BV, SGS, TUV** |
| | Assurance explanation | ISO 14064-3: 2019 Reasonable Assurance | **ISO 14064-3: 2019 Reasonable Assurance** |
| | Assurance opinion | Unqualified Opinion/Conclusion | **Unqualified Conclusion** |

Note: The number of consolidated subsidiaries was 63 in 2022 and 70 in 2023.

## Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

With the approval of the Board of Directors, the Company's production business established short-, medium-, and long-term Scopes 1 and 2 greenhouse gas reduction targets in 2022. Using 2020 as the baseline, the short-term target aimed for a 20% reduction by 2025, and the medium-term target aimed for a 40% reduction by 2030, ultimately achieving net-zero emissions by 2050.

In 2023, the Company surpassed expectations by achieving its short-term target ahead of schedule, with a 25% reduction in Scopes 1 and 2 GHG emissions across its 21 production sites, significantly exceeding its projected progress.

Each production site has established an energy conservation and emission reduction team, overseen by the Energy Task Force, the Company's dedicated organization responsible for environmental and energy management within the production business. These teams undertake the carbon reduction pathway by implementing five strategies, including improving energy efficiency, developing renewable energy, adopting low-emission fuel alternatives, utilizing CCUS, and fostering raw material transition. For more details, please refer to Special Report 2 Reaching Zero Carbon Through Low-Carbon Transition.

## Parent Company Integrated Greenhouse Gas Opinion

DNV

# Impartial Engagement Opinion

Engagement Opinion No.: C692429-2023-AG-TWN-DNV
Issued Place: Taipei
Issued Date: 15 May, 2024

DNV is engaged to verify initiate statements of Greenhouse Gases of

## Far Eastern New Century Corporation

**Scope of Verification**
DNV Business Assurance (DNV) has been commissioned by Far Eastern New Century ('the Organization') to perform a verification of the greenhouse gas statements of Greenhouse Gas statements (2023) (hereafter the "Inventory Report") in Taiwan, R.O.C. with respect to the sites listed in Annex A.

The Reporting Boundary for the verification including direct GHG emissions and removals, indirect GHG emissions from imported energy, indirect GHG emissions from transportation, indirect GHG emissions from products used by the Organization and indirect GHG emissions associated with the use of products from the Organization.

**Verification Criteria and GHG Programme**
The verifications were performed on the basis of ISO 14064-1:2018 as well as criteria given to provide for consistent GHG emission identification, calculation, monitoring and reporting.
The verification was conducted in accordance with ISO14064-3:2019.

**Verification Procedures**
The emission information included in Far Eastern New Century Corporation's greenhouse gas statements are partly based on the Ministry of Environment. And verification opinions were issued by Registered Verification Bodies, approved by Ministry of Environment. Relevant verification opinions information is listed in Appendix B:

Our verification strategy used a combined data and controls testing approach. Evidence-gathering procedures included but were not limited to:
— a visit to GHG statements;
— inspecting the Verification Opinion issued by verification body;
— interview responsible personnels to confirm data gathering procedures.
— a visit to Ministry of Environment GHG reporting system to verify the competence of Verification Body.
— re-calculating the emissions of statements and their verification opinions.

Chien Yi Jerry Huang
GHG Verifier

Place and date:
Taipei, 13 May, 2024

For the issuing office:
DNV Business Assurance Co., Ltd.
29Fl., No. 293, Sec. 2, Wenhua Rd., Banqiao District, New Taipei City 220, Taiwan

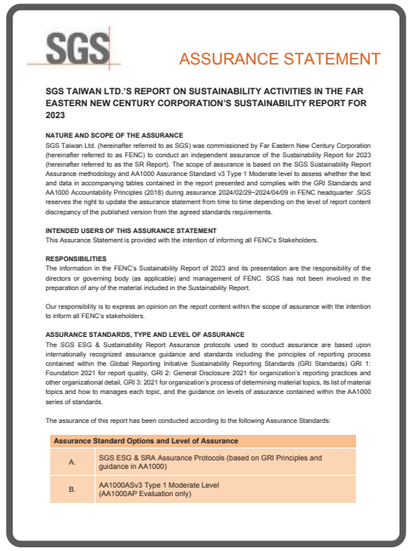
Management Representative

Lack of fulfilment of conditions as set out in the Certification Agreement may render this Certificate invalid.
This Verification Opinion is based on the information made available to us and the engagement conditions detailed above. Hence, DNV cannot guarantee the accuracy or correctness of the information. DNV cannot be held liable by any party relying or acting upon this Verification Opinion.
DNV Business Assurance Co., Ltd. 29Fl., No.293, Sec.2, Wenhua Road 220 Ban Chiau Dist., New Taipei City Taiwan
TEL : +886-2-82537800, website: https://www.dnv.com/tw/

# Content



## 7.5 Assurance Statement



SGS ASSURANCE STATEMENT

**SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE FAR EASTERN NEW CENTURY CORPORATION'S SUSTAINABILITY REPORT FOR 2023**

**NATURE AND SCOPE OF THE ASSURANCE**
SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Far Eastern New Century Corporation (hereinafter referred to as FENC) to conduct an independent assurance of the Sustainability Report for 2023 (hereinafter referred to as the SR Report). The scope of assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 1 Moderate level to assess whether the text and data in accompanying tables contained in the report presented and complies with the GRI Standards and AA1000 Accountability Principles (2018) during assurance 2024/02/29~2024/04/09 in FENC headquarter. SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

**INTENDED USERS OF THIS ASSURANCE STATEMENT**
This Assurance Statement is provided with the intention of informing all FENC's Stakeholders.

**RESPONSIBILITIES**
The information in the FENC's Sustainability Report of 2023 and its presentation are the responsibility of the directors or governing body (as applicable) and management of FENC. SGS has not been involved in the preparation of any of the material included in the Sustainability Report.

Our responsibility is to express an opinion on the report content within the scope of assurance with the intention to inform all FENC's stakeholders.

**ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE**
The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2: General Disclosure 2021 for organization's reporting practices and other organizational detail, GRI 3: 2021 for organization's process of determining material topics, its list of material topics and how to manages each topic, and the guidance on levels of assurance contained within the AA1000 series of standards.

The assurance of this report has been conducted according to the following Assurance Standards:

| Assurance Standard Options and Level of Assurance | |
|---|---|
| A. | SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000) |
| B. | AA1000ASv3 Type 1 Moderate Level (AA1000AP Evaluation only) |

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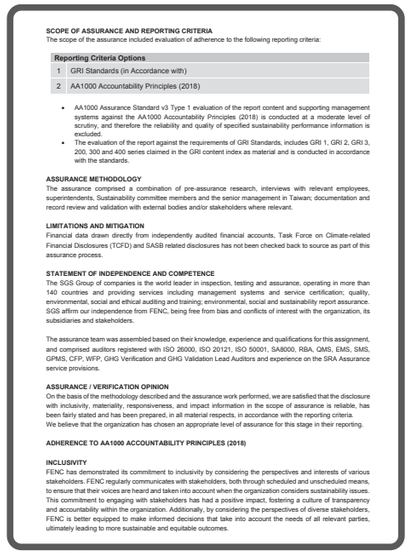

**SCOPE OF ASSURANCE AND REPORTING CRITERIA**
The scope of the assurance included evaluation of adherence to the following reporting criteria:

| Reporting Criteria Options | |
|---|---|
| 1 | GRI Standards (in Accordance with) |
| 2 | AA1000 Accountability Principles (2018) |

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) is conducted at a moderate level of scrutiny, and therefore the reliability and quality of specified sustainability performance information is excluded.
- The evaluation of the report against the requirements of GRI Standards, includes GRI 1, GRI 2, GRI 3, 200, 300 and 400 series claimed in the GRI content index as material and is conducted in accordance with the standards.

**ASSURANCE METHODOLOGY**
The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, Sustainability committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

**LIMITATIONS AND MITIGATION**
Financial data drawn directly from independently audited financial accounts, Task Force on Climate-related Financial Disclosures (TCFD) and SASB related disclosures has not been checked back to source as part of this assurance process.

**STATEMENT OF INDEPENDENCE AND COMPETENCE**
The SGS Group of companies is the world leader in inspection, testing and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from FENC, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

**ASSURANCE / VERIFICATION OPINION**
On the basis of the methodology described and the assurance work performed, we are satisfied that the disclosure with inclusivity, materiality, responsiveness, and impact information in the scope of assurance is reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.
We believe that the organization has chosen an appropriate level of assurance for this stage in their reporting.

**ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)**

**INCLUSIVITY**
FENC has demonstrated its commitment to inclusivity by considering the perspectives and interests of various stakeholders. FENC regularly communicates with stakeholders, both through scheduled and unscheduled means, to ensure that their voices are heard and taken into account when the organization considers sustainability issues. This commitment to engaging with stakeholders has had a positive impact, fostering a culture of transparency and accountability within the organization. Additionally, by considering the perspectives of diverse stakeholders, FENC is better equipped to make informed decisions that take into account the needs of all relevant parties, ultimately leading to more sustainable and equitable outcomes.

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**MATERIALITY**
FENC has established efficient mechanisms to identify material issues that have impacts on the business. Through a structured review process, FENC has identified the various stakeholders involved and determined the issues that are material to each stakeholder group. The organisation's sustainability report provides a comprehensive coverage of these material issues, prioritizing them according to their importance to the relevant stakeholders. This approach ensures that FENC's sustainability efforts are well-aligned with stakeholder needs and concerns, which in turn enhances the organisation's transparency and accountability.

**RESPONSIVENESS**
FENC has adequately demonstrated responsiveness towards the material topics and their impacts that were identified through the review process. The organization has implemented a range of initiatives and actions to address these issues, detailed in the sustainability report. Measurable targets were set to monitor its sustainability performance. FENC's actions reflect its responsible and proactive approach towards mitigating its impact on the environmental and social perspective, while also creating long-term value for its stakeholders.

**IMPACT**
FENC has demonstrated a process for identifying and fairly representing impacts that encompass a range of environmental, social, and governance topics from a wide range of sources, including activities, policies, programs, decisions, products, and services, as well as any related performance. Measurement and evaluation of its impacts related to material topics were in place during target setting, with a combination of qualitative and quantitative measurements.

**GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**
The report, FENC's Sustainability Report of 2023, is adequately in accordance with the GRI Universal Standards 2021and complies with the requirements set out in section 3 of GRI 1 Foundation 2021, where the significant impacts on the economy, environment, and people, including impacts on their human rights are assessed and disclosed following the guidance defined in GRI 3: Material Topic 2021, and the relevant 200/300/400 series Topic Standard related to Material Topic have been disclosed. The report has properly disclosed information related to FENC's contributions to sustainability development. For future reporting, it is recommended to have more descriptions on how the organization has applied due diligence as a method for the identification and the evaluation of its impacts on the economy, environment, and people, including impacts on their human rights as well as the role of the highest governance body in overseeing these processes.

**Signed:**
**For and on behalf of SGS Taiwan Ltd.**

AA1000 Licensed Report 000-8/V3-IAZ96

**Stephen Pao**
**Business Assurance Director**
**Taipei, Taiwan**
**28 April, 2024**
**WWW.SGS.COM**

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Assurance Statement

## 7.6 List of Publishers and Committee Members

**Published by**

Far Eastern New Century Corporation

**Publisher**

Douglas Tong Hsu

**Directors**

Johnny Hsi, Peter Hsu, Humphrey Cheng, K.S. Wu, Donald Fan, Judy Lee, B.C. Chang, M.J. Wu, Eric Chueh

**Sustainability Implementation Committee Convener**

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