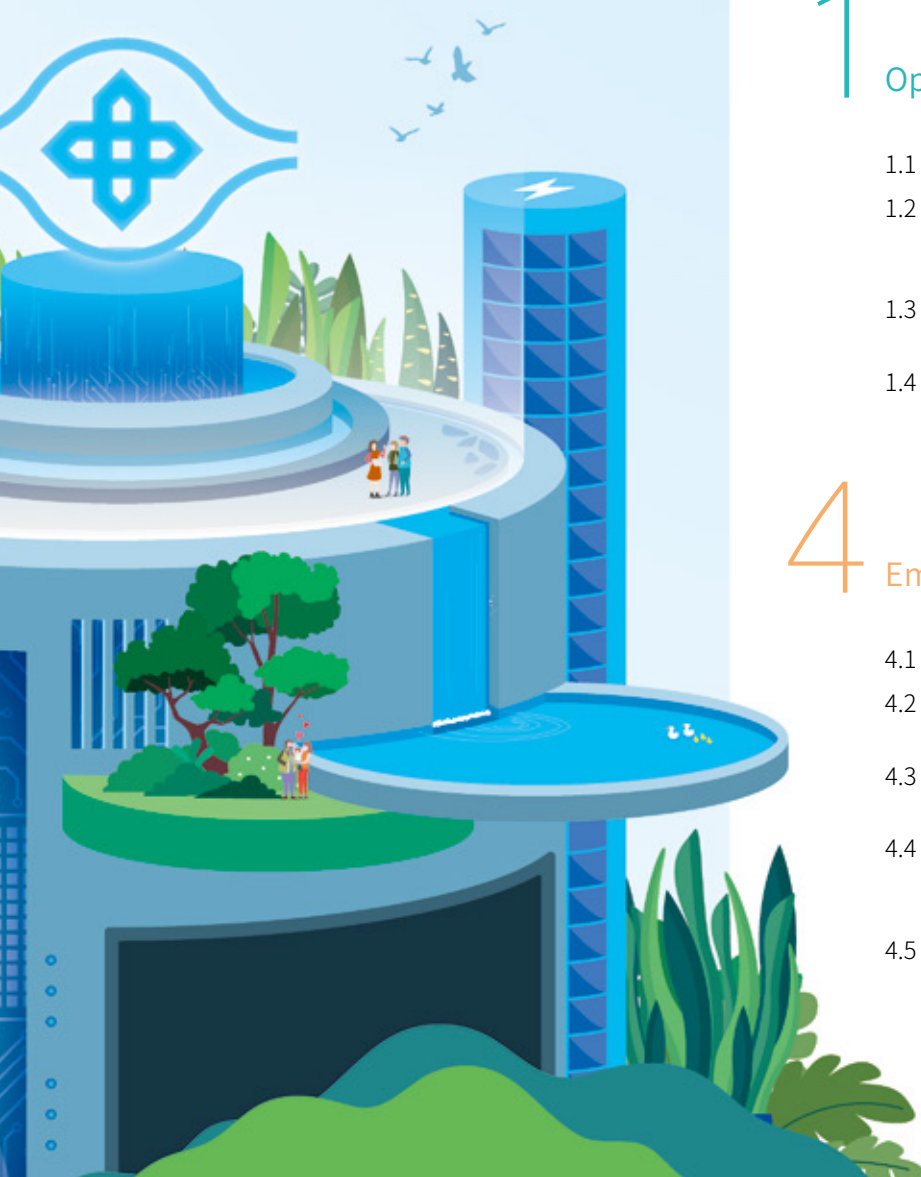


# 2022

Environment  
Social  
Governance  
Report



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# About this Report

## Overview

Nan Ya Printed Circuit Board Corporation (hereinafter referred to as the Company or NYP) publishes an ESG report every year to communicate with stakeholders regarding the Company's sustainable development. This report is the eleventh ESG report that NYP has published. The report is published on June 2023, which includes the company's profile, governance, environmental friendly, employee wellness programs, and social welfare that took place at or involved NYP's Jingshin Plant (Address: No.338, Sec. 1, Nankan Rd., Luchu District, Taoyuan City) and Shulin Plant (No. 57, Weiwang St., Shulin Dist., New Taipei City) from January 1st, 2022 to December 31st, 2022. The previous ESG report was published in June 2022. Not including the Kunshan Plant in China. The previous edition was published in June 2022.

All data and statistics disclosed in this report have come from the statistical analysis and investigation of the Nan Ya Printed Circuit Board Corporation. Financial data were specifically countersigned by an accountant and reported in accordance with relevant laws. Some data have been taken from government websites and stated in a more colloquial way for description purposes. Exceptions are otherwise noted throughout the report.

We will publish the ESG report regularly and the next report will be published in June 2024.

## Report Guideline

Issuing unit	Standards / Regulations
Global Sustainability Standards Board, GSSB	<ul style="list-style-type: none"> <li>GRI Universal Standards 2021</li> <li>GRI Standards 2016, 2018 &amp; 2020</li> </ul>
Financial Stability Board, FSB	Task Force on Climate-related Financial Disclosures, TCFD
International Sustainability Standards Board, ISSB	Sustainability Accounting Standards Board, SASB
Taiwan Stock Exchange, TWSE	<ul style="list-style-type: none"> <li>Procedures for Compiling and Submitting ESG Reports by Listed Companies</li> <li>Operation for Disclosure and Reporting of Environmental, Social, and Corporate Governance (ESG) Information by Enterprises</li> <li>Operation for Applying Amendments to the Disclosure of Environmental, Social, and Corporate Governance (ESG) Information by Enterprises</li> </ul>
Accountability	AA1000
United Nations	UN Sustainable Development Goals, SDGs

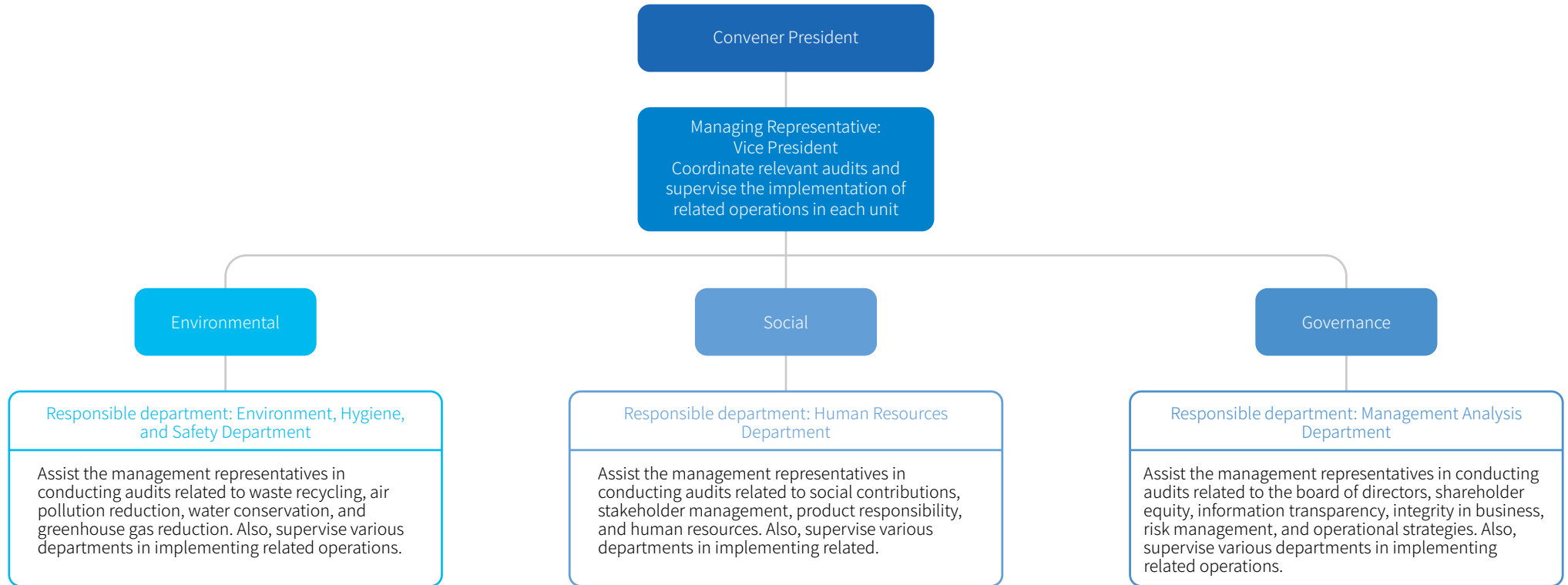
## External Verification

This Report has been verified by an independent third party, AFNOR Asia Ltd. According to the standards AA1000AS(Assurance Standard) V3 refers to the first type of assurance, and in 2018, it underwent an independent verification for the first application type, meeting the disclosure requirements of GRI sustainability guidelines.

Categorys	Standards	External Verification
Sustainability Report	AA1000AS v3 first type	AFNOR Asia Ltd.
Financial Management	Audit verification of financial statements rules and generally accepted auditing standards.	KPMG in Taiwan (KPMG International Limited)
Business and Customer Management	ISO 9001:2015	DQS Taiwan Inc
Environmental Management	ISO 14001:2015 ISO 14064-1:2018	SGS Taiwan Limited
Occupational Health & Injury Prevention and Improvement	ISO 45001:2018	SGS Taiwan Limited



## ESG Organization



## Methods

To integrate and promote ESG, NYP has established a “ESG Team,” (hereinafter referred to as “the team”) in 2012, In response to the global ESG development trend, and to actively implement and regularly promote ESG initiatives with President Ann-De, Tang is the chief convener and Vice President Lien-Jui Lu is the Management Representative. The team is responsible for the strategic planning, monitoring, and evaluation of the Company’s performance in terms of ESG. The organizational chart is as above.

## Contact Information

Please contact us through the following channels if you have any suggestions or questions.

Nan Ya Printed Circuit Board Corporation  
Investor Relations Unit of the President’s Office, Nan Ya Printed Circuit Board Corporation Mr. Kurt Yang  
Tel: +886-3-3223751 ext.1016  
E-Mail: kurtyang@nanyapcb.com.tw  
Website: <http://www.nanyapcb.com.tw>



## Message from the President

NYP PCB commitment to Corporate sustainability includes the areas of corporate governance, environmental protection, and social welfare. We have continuously strived to meet the responsibilities of our long-term commitments to our shareholders, customers, employees, suppliers, nearby communities, government agencies and media organizations. As a subsidiary of the Formosa Plastics Group, NYP PCB has followed the Group's ESG policies and focused on five different strategies, which are corporate governance, environmental protection, procurement policy, labor and ethics, and social welfare.

### 1. Corporate Governance

- (1) Adhering to the business philosophy of “Diligence, Perseverance, Frugality and Trustworthiness”, we deepen corporate governance and implement the goal of sustainable management.
- (2) We establish various ethical codes of conduct, establish sound corporate governance and risk management mechanisms, assess the risks of dishonest behaviors, formulate relevant preventive measures, and implement auditing procedures to promote the policy of integrity in business.
- (3) We innovate and develop high-profit products, maintain stable supply relationships with customers and suppliers, and collaborate with customers to jointly enhance competitiveness through research and development, thereby optimizing shareholder value.

### 2. Environmental Protection

- (1) Continuously improve production processes to reduce energy consumption and carbon emissions.
- (2) Introduce lead-free technology and comply with the RoHS Derivative (Restriction of Hazardous Substances Derivative) of EU, pertaining to electrical and electronic products.
- (3) Financial impact and risk opportunity of climate change to organization. Climate change is likely to cause extreme weather, including an increase in average atmosphere temperature and longer drought, creating the risk of electricity and water supply shortage, therefore, the Company continuously promotes energy saving improvement to reduce resource and energy consumption, to improve the industrial competitiveness while enhancing environmental friendliness to achieve multiple benefits.

### 3. Procurement Policies

- (1) Procure green materials and reduce resources consumption in order to increase rate of recycling and reusing of resources.
- (2) Enforce strict inspection on raw material supplies to prevent conflict minerals from entering production processes.

### 4. Labor and Ethics

- (1) Provide employees with a safe and healthy working environment, and have high quality training programs and systems and clear targets that they can follow so they can reach their full potential.
- (2) Abide by all laws and business ethics, and establish a comprehensive corporate system to maintain positive corporate governance.
- (3) Strive to attain perfection and do good deeds. Make continuously improvements, enhance competitiveness and give back to the society.

### 5. Social Welfare

- (1) Address various social issues, and participate in appropriate community and social welfare activities to foster a kind and compassionate society.
- (2) Use our corporate spirit of striving for perfection to create efficiency and success in our social welfare endeavors.



To honor our commitments in sustainable responsibilities, Nan Ya Printed Circuit Board upholds a principle of giving back what we gain from society. The Company strongly believes that such responsibilities are part of our valuable assets, an everlasting brand, and a cultural beacon. The Company pledges to shoulder more social responsibilities, take part in more social welfare activities, help minority and disadvantaged groups, promote environmental protection and strive to achieve zero pollution, zero carbon emission, and zero accident, as well as establish a diverse and convenient communication with stakeholders to create the greatest benefit to the Company's investors, employees, society, and country.

Nan Ya Printed Circuit Board Corporation  
President Tang Ann-De  
June, 2023

## ESG Performance and Highlights

As a member of the Formosa Plastics Group (FPG) adhering to the corporate spirit, The determination to face and resolve issues, fulfill social commitments, and receive recognition from the government and private organizations are all driving forces that motivate NYPCB to practice lean management and prioritize environmental conservation. For information on the company's past awards and certifications, please refer to the "Awards and Certifications" section on our official website.



# 01

## chapter

### NYP Sustainability



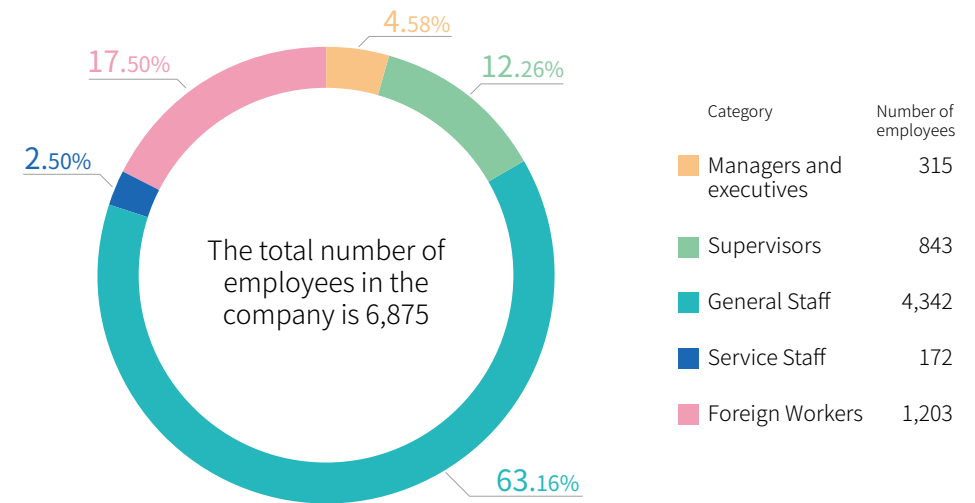
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## 1.1 Operation Overview

### 1.1.1 Company Profile

Nan Ya Printed Circuit Board Corporation began operation in 1985, and was originally the printed circuit board division of Nan Ya Plastics Corporation, a subsidiary of Formosa Plastics Group. Nan Ya Printed Circuit Board Corporation became an independent company in 1997. The Company specializes in researching, developing, manufacturing, and selling of printed circuit boards and IC substrates (Wire Bond Substrates and Flip Chip Substrates).

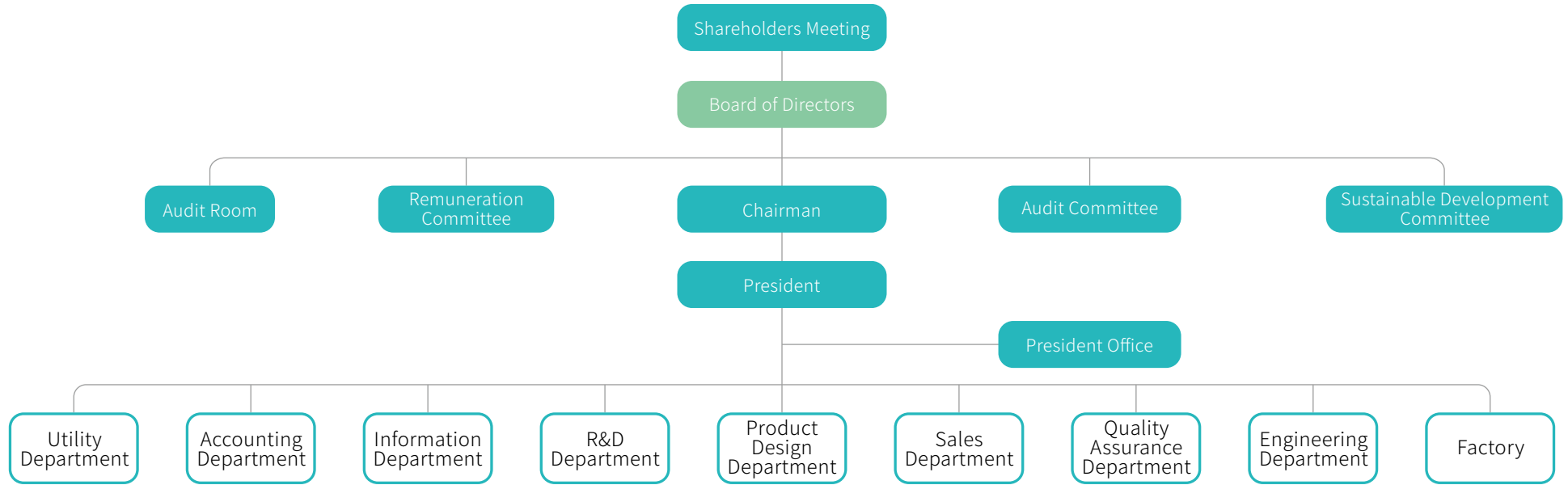
NYP's service locations span across five continents globally, with the corporate headquarters situated in Taipei, Taiwan. The main manufacturing plants are located in various areas of Taiwan, including Taoyuan City (Jingshin Plant), and New Taipei City (Shulin Plant), as well as in China (Kunshan Plant). As of December 31, 2022, the total number of employees in the company is 6,875. Among them, managerial staff, including senior executives and frontline supervisors, account for 16.8% of the total workforce.





NYP is a member of the Formosa Plastics Group. It has stringently upheld its founder's ideas and protected shareholders' interests. The Company believes a stringent and effective governance mechanism ensures that its operations are lawful, financially transparent, and efficient. To achieve this mechanism, NYP's organization has been designed as follows:

Organization Chart





Date of Incorporation	October 28th, 1997
Company address	Headquarters: 3F., No.201-36, Dunhua N. Rd., Songshan Dist., Taipei City
Factory Address	Jingshin Plant: No.338, Sec. 1, Nankan Rd., Luchu District, Taoyuan City Shulin Plant: No. 57, Weiwang St., Shulin Dist., New Taipei City
Paid-in capital	NTD 6.462 billion
Number of common shares in the market	646,165,487 shares

Employees	6,875 Employees
Products	Manufacturing and sales of Conventional PCB, High Density Interconnection (HDI), Rigid-Flex, ABF (Ajinomoto Build-up Film) Substrate, and PP (Prepreg) Substrate
Production bases in Taiwan	Jingshin Plant · Shulin Plant
Overseas production	China Kunshan Plant

The company actively participates in important domestic organizations such as Taiwan Printed Circuit Association (TPCA) and Taiwan Electrical & Electronic Manufacturer's Association (TEEMA), engaging in seminars and conferences both domestically and internationally to enhance mutual exchange and explore collaboration opportunities.

List of Member Associations and Organizations

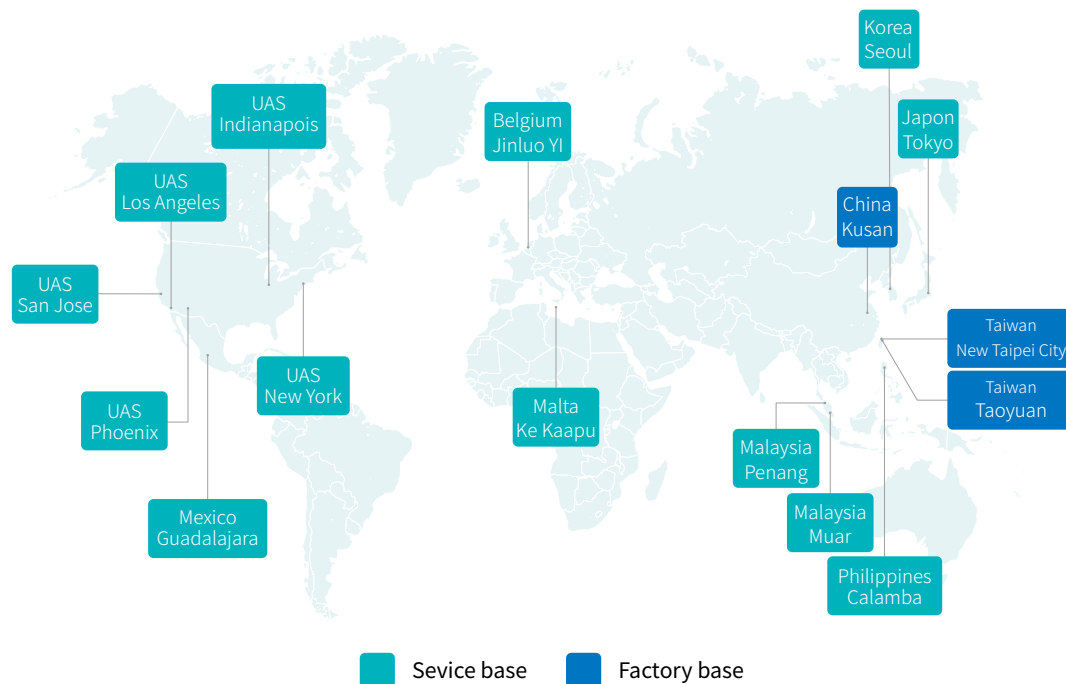
Name of Association or Organization	Position	Executive from the Company
 TPCA Taiwan Printed Circuit Association	Member representative	President Ann-De Tang
	Member representative	Vice President Kuo-Chun Chiang
 TEEMA Taiwan Electrical and Electronic Manufacturers' Association		President Ann-De Tang
		Vice President Lien-Jui Lu
		Vice President Kuo-Chun Chiang
	Member representative	Associate Manager Young-Kee Lin
		Associate Manager Kuo-Long Chen
		Associate Manager Mao-Sung Huang
		Associate Manager Sung-Long Chien

1.1.2 Market Position and Development Vision

As the size of electronic products shrinks and their functions increase, printed circuit boards are moving toward multi-functional, high-density and small-size chip trend, as well as the requirement of thinner products to meet the demand for portability. However, due to the relatively low market entry requirements and the high number of manufacturers, the competition is very fierce, especially for computers and communication boards with four to ten layers. As for the IC packaging substrate market, this kind of product is in a higher technology field with fewer competing firms despite competitors continue to enter the IC package substrate market. Therefore, pricing is not overly competitive in this market compared to that of the printed circuit board market.

The Company's main customers are currently world-class computer, communication, network, consumer electronics and auto parts manufacturers in the United States, Japan, and Europe, so its products are sold to the assembly plants worldwide.

Global Service Centers



## Prospects, Opportunities and Challenges to the Industry

There are two major trends in the industry. Due to the rising 5G telecommunication, artificial intelligence, and wearable devices, there is a high demand in the 5G base station and network application substrate, server application circuit board, high-performance computing chip substrate, and system-in-package substrate, etc. Secondly, the demand in data center related products continue to increase and the sales of automotive electronics are recovering, driving the demand in high-end IC substrates and circuit boards. The Company can also outline the operating plan by increasing the sales ratio of high-tech products and improving the overall profitability of short-term and long-term business development plans:

- In the short-term business plan, due to the increasing demand in artificial intelligence and high efficiency computing products, NYP shall put more emphasis on enhancing the production capacity of large-size IC substrate products as well as developing potential customers. In line with market acceptance, we will continue to improve product mix to increase production value and profitability.
- The long-term business development plan is based on the future development trend of the market, mainly still focusing on the Internet of Things, system-in-package and 2.5D packaging application products, and will make quality and technology leadership as the main axis of long-term business development.

### Prospects of the Industry

#### Future Supply and Demand and Growth of the Market

1. The compound growth rate of the circuit board industry from 2021 to 2026 is estimated to be 4.6%
2. Oversupply of the conventional PCB
3. Demand for high-end IC substrates continues to grow

#### Competitive Advantages

1. All electronics require circuit boards
2. Emerging application products provide growth momentum
3. The advanced packaging of semiconductors consume more IC substrate capacity

### Development Vision of NYP

#### Competitive Edges and Opportunities

1. Long-term and stable cooperative relationship with leading international semiconductor manufacturers
2. Low price competition for high-end IC substrates
3. Leading production technology of high-end IC substrates
4. Continue to introduce artificial intelligence and implement big data into production management to improve production yield and efficiency
5. High-end IC substrates continue to develop towards larger sizes and high-layer counts, which is conducive to increasing the department price of the products.

#### Disadvantages and Countermeasures

1. The production capacity of IC substrate related makers continue to increase significantly
2. The price competition between general circuit board makers is extreme
3. Continue expansion or debottlenecking to increase capacity
4. Increase the proportion of sales of high-value products such as HDI

### 1.1.3 Financial Performance



Material Issues

Operating and Financial Performance



Policy Commitments

Strive for sustainable operations, develop high-value products, and maintain robust and excellent financial performance.



International Sustainable Framework

GRI: 201-1  
SDGs: 8.1

#### Management Action

1. Maintain a stable financial structure by reducing the debt-to-equity ratio and maintaining a certain level of current ratio.
2. Initiative Industry 4.0 and implement AI (Artificial Intelligence) in production to reduce operational and manufacturing costs, and enhance the company's competitiveness.
3. Commit to innovative research, forward-looking development, high-value products and process technologies, and expand into different regional markets to enhance the company's profitability and diversify market concentration.



Management Activities and Results Tracking

#### Performance Tracking

1. The financial statements are reviewed or audited by certified public accountants on a quarterly and annually basis.
2. Regularly reviewing execution performance, including monthly, quarterly, and annually business performance reviews, to assess and improve the operational status of each department. The management team constantly monitors the operational situation to enhance performance.



Stakeholder Negotiation

Investor Relations: Employees, Investors/Corporations, and Media

#### Complaint Channels

1. Regularly hold corporate briefings and participate in investment forums to communicate with investors and help them realize the company's operational status.
2. Disclose the details of the IR contact person on the company's official website to maintain a smooth open channel of communication.

Stable profitability is fundamental to a company's operations. NYP is a professional circuit board manufacturing company and focuses on operational developments. The incomes and profits are mainly from operational activities. The Company continues to gain more clients and enhances manufacturing processes to strengthen financial performances. For detailed financial information, please visit our official website under "[Financial Information](#)".

#### Financial Performance of NYP in 2022

Annual revenue	NT\$ 64,646,836 thousand
Operating cost	NT\$ 38,779,224 thousand
Operating expenses	NT\$ 2,292,689 thousand
Retained surplus	NT\$ 29,896,951 thousand
Dividend	NT\$ 18
Business income tax	NT\$ 5,945,918 thousand
Donations and community investments	NT\$ 1,018 thousand
liability as percentage of total asset	34.28%

Note: Please refer to the Company's Annual Report for the production value in 2022.



## 1.2 Product Innovation and Research & Development (R&D)



Material Issues

Product Innovation and Research & Development (R&D)



Policy Commitments

R&D generally refers to the kind of continuous and systematic activity which has clear objectives for a company to acquire science and technology, creatively apply new knowledge of science and technology, or substantially improve technologies, products, and services.



International Sustainable Framework

GRI: Self-initiated Topic  
SDGs: 8.2-9.5



Management Activities and Results Tracking

### Management Actions

Invest in product innovation and R&D by adhering to the operational principle of "improvement, innovation, and sustainable operation" to ensure competitive and high quality products are provided to customers.

1. Existing manufacturing technic optimization
2. Innovative technology development
3. Periodic project meetings
4. Regular customer visits

### Overall Performance

1. To optimize 7 processes and import 5 types AI manufacturing technology.
2. Developed 5 technologies and 2 types of machines, and all of which have entered the mass production stage.

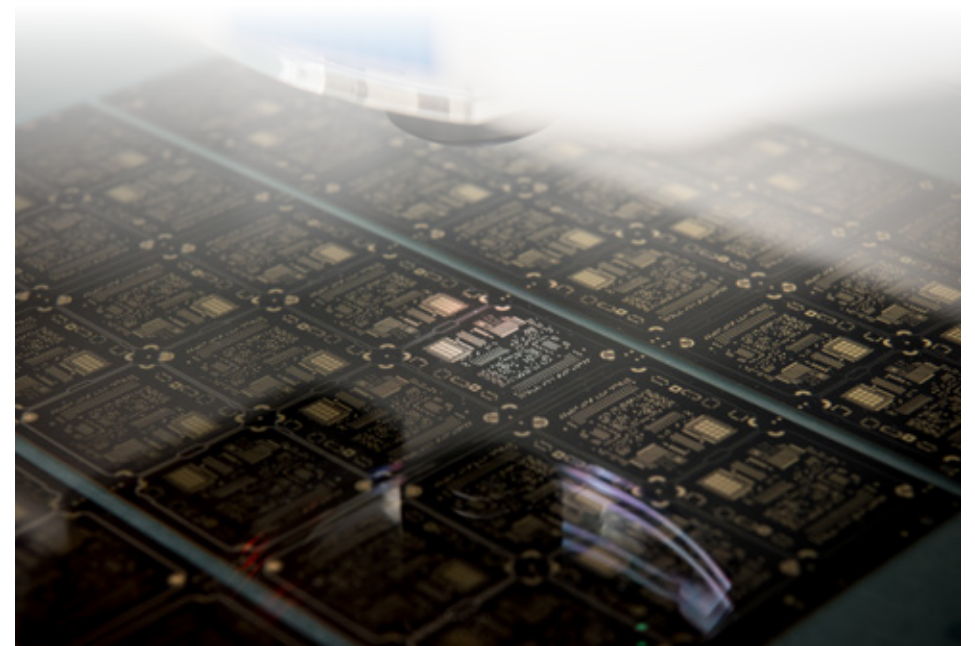


Stakeholder Negotiation

Stakeholder: Investor/ Corporations

### Complaint Channels:

NYP PCB dedicated responsible departments to collect the client's satisfactions from T-Q-R-D-C analysis report and regularly review improvement issues with our customers. Through above cycle activities and convenient appeal channel from website to maintain our client's profits.

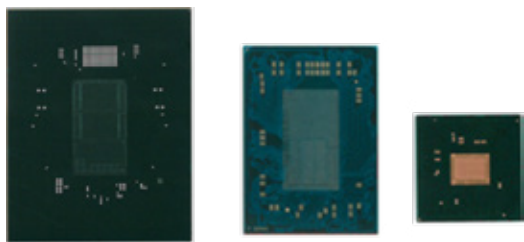


### 1.2.1 Main product development

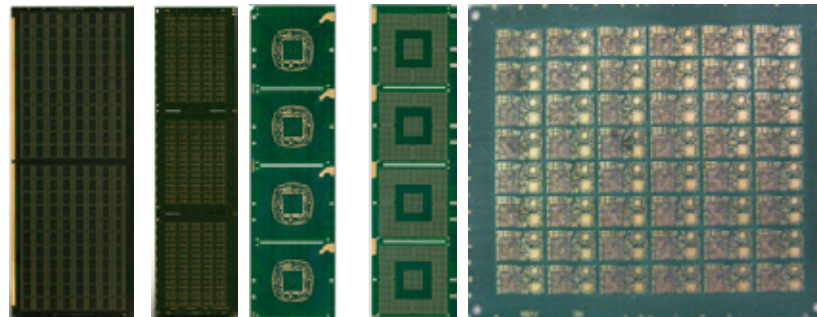
NYP continues the research and development in the three main products (ABF Substrate, PP Substrate, and conventional PCB). The Company has successfully mass-produced the high-end HDI, high-layer board and high-end substrate, and successfully entered the supply chain of world-level customers.

Product Name	Item	Application Notes	Application level
Conventional PCB	High-level interconnection (HDI) PCB:	It is a key component used as a carrier in various electronic devices, and serves as the interconnection between different components to communicate message.	Applications include: Notebook computers, workstations, servers, high-end memory modules, game consoles, TV set box, cars, LED displays, mobile phone peripherals, and wireless charging.
	High layer count PCB:		
IC Substrate	PP Substrate:	It is applied to the carrier of the IC chip product, so that the output/input signal of the chip communicates with the inner/outer leads on the PCB, and it can also assist in the heat dissipation of the chip.	<ul style="list-style-type: none"> <li>• Netcom products: network switches, routers, wireless chipsets, radio frequency, optical fiber communication chips, etc.</li> <li>• Server products: cloud servers, data center AI chips, etc.</li> <li>• Consumer electronics: digital TV chips, game consoles, set-top boxes, etc.</li> <li>• Computer products: central processing unit, graphics chip, DRAM chips, etc.</li> <li>• Others: car infotainment system, etc.</li> </ul>
	ABF Substrate		

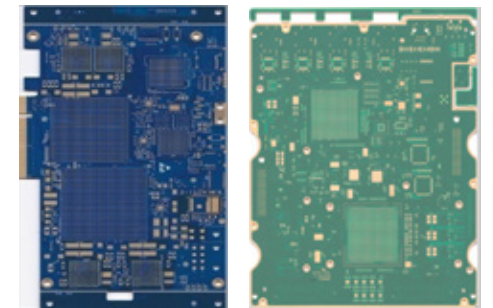
#### Classification of IC Substrates



ABF Substrate



PP Substrate

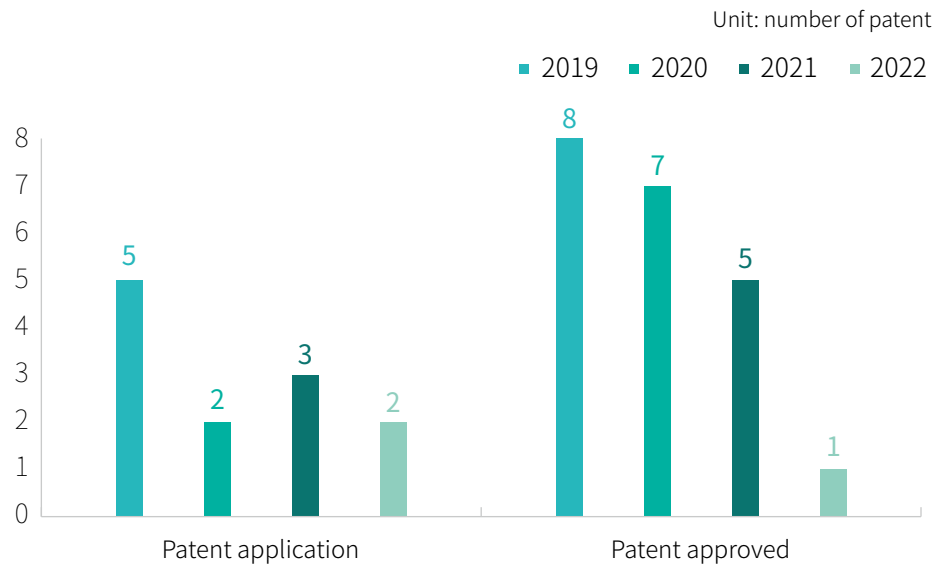


Conventional PCB

## 1.2.2 Innovative R&D patents and intellectual property protection

NYP has formulated the "Research and Development Management Measures" and set up related computer operations, and stipulated rewards for key product research and development and patent approval in the "Research and Development Achievement Award for R&D Personnel". The Company also has a number of protection measures in terms of patents and confidential information, uses a digital management system to reduce the risk of harm, and reports the operation of intellectual property rights to the board of directors at least once a year. Please refer to the "[Intellectual Property Management](#)" on the Company's official website for details.

The accumulated patents over the past 4 years



Note : Data statistics for the year 2022 include Shulin plant

## 1.2.3 Green product design

### Management of Product Life Cycle

In the production process, NYP not only considers process efficiency and quality, but also cares about environmental issues related to the products, integrating environmental principles from source design to waste recycling. In terms of hazardous substance management, product energy saving efficiency, and product raw material recycling, NYP follows international management standards and relevant environmental protection label verification specifications to promote the overall revenue share of green products.

Unit: Revenue percentage (%)

Aspects	Indicators	Product Types	2019	2020	2021	2022
Hazardous Substance Management	Product ratio of IEC 62474(Note 1)	ABFS	40%	44%	50%	60%
		PPS	29%	31%	30%	26%
		PCB	31%	26%	20%	14%
Product Energy Efficiency	Proportion of products that meet EPEAT or equivalent requirements (Note 2)	-	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	The proportion of products that meet the requirements for Energy Star or equivalent (Note 3)	-	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Product recycling	The weight of recycled end-of-life products and electronic waste, and the percentage of reuse (Note 4)	-	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note 1: Revenue of products containing IEC 62474 declarable substances/total product revenue

Note 2: Revenue/Total Product Revenue for products certified under EPEAT or equivalent

Note 3: Revenue/Total Product Revenue for products that have achieved Energy Star or equivalent verification requirements

Note 4: Reuse ratio = weight of recycled products and electronic waste / weight of end-of-life recycled products and electronic waste.

Note 5: Data statistics for the year 2022 include Shulin plant

### Hazardous Substance Management

From raw material procurement to product sales, NYPCB attaches great importance to customer health and safety. In line with market transcend he needs of downstream customers, NYPCB is moving towards the development trend of producing non-toxic green products, and complies with the EU RoHS ban on hazardous substances in electrical and electronic products. The Company has simultaneously requested the suppliers to sign the declaration of their products and provide the third-party test report, so that the new generation of circuit boards can be used in green home appliances and other fields, and continue to reduce the burden on the environment.

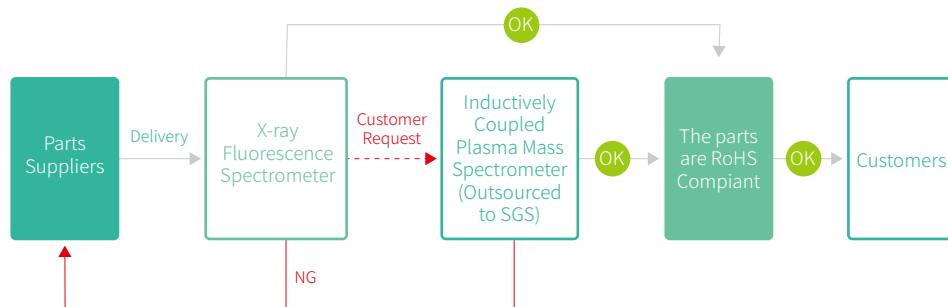
#### 1. Green Partner Certification

Since 2001, our company has been engaged in the management of hazardous substances in products and the implementation of Green Partner program, completing the Green Partner standard process in 2004. We continuously strive to meet green standards and requirements, ensuring that our product control complies with hazardous substance regulations and customer specifications. We aim to reduce operational risks through source management, process control, and customer-side management.

#### 2. Hazardous Substance Management Policy and Results

NYPCB has produced documents and designed management principles for its green partners and effectively monitor the source of its raw materials and other relevant materials to make sure they are in compliance with RoHS, REACH, international laws, customer requirements and the standards of green products. The company's Environment, Hygiene, and Safety Department and Quality Assurance Department act as the green product promotion organization, and implement the management goal of Hazardous Substances Free (HSF).

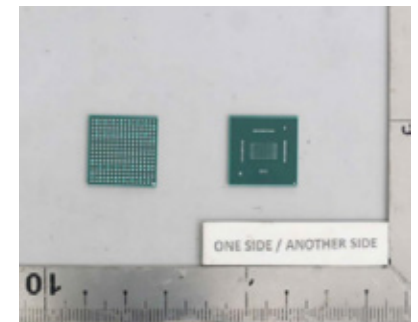
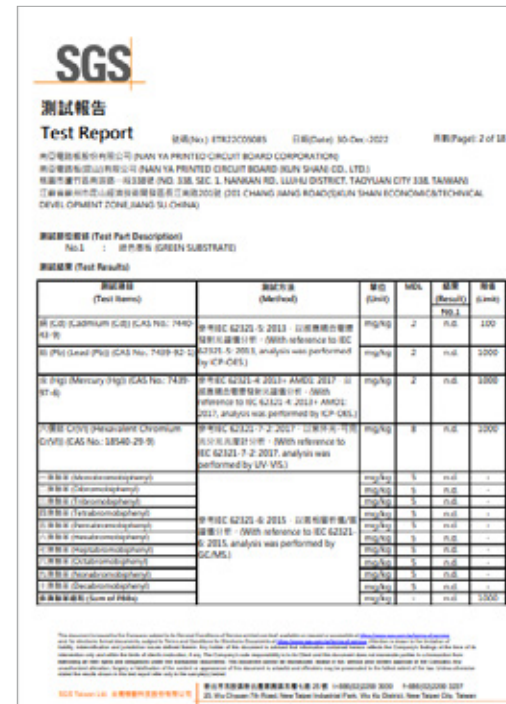
#### Hazardous Substance Management Process:



- RoHS Specification and Product Packaging



- SGS Product Inspection Certificate (including REACH inspection items)

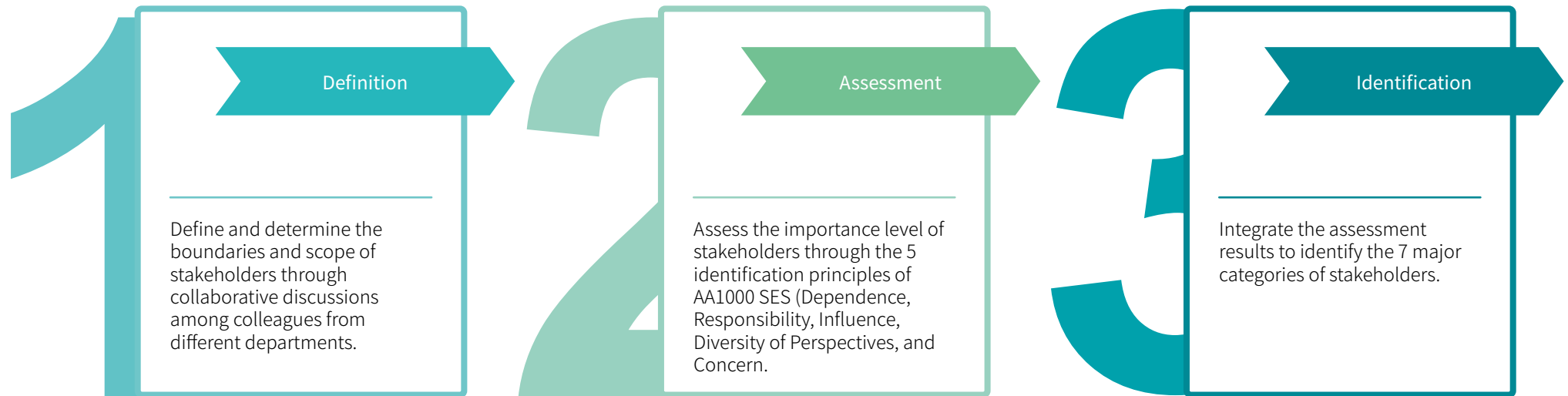




## 1.3 Stakeholder Engagement


### 1.3.1 Stakeholder Identification


NYP's ESG organization based on global trend, industrial feature, experiences generated from daily interactions with stakeholders, and degree of impacts stakeholders pose on corporate operation. In 2022, the Company applied the AA1000 Stakeholder Engagement Standard (SES) based on the five principles of inclusivity, materiality, responsiveness, completeness, and impact, and reidentified seven categories of stakeholders, including employees, investors/corporations, customers, suppliers, media, government agencies, and neighboring communities.








### 1.3.2 Stakeholder Communication Channels and Issues of Concern

The Company has established a dedicated stakeholder section on the Company's website to enhance communication with our stakeholders. The platform enables us to fully comprehend our stakeholders' thoughts and requirements, and allows us to gather their concerns and feedback. Any received proposals or feedback are reviewed by the functional teams within the President's Office to determine if the issue significantly impacts our stakeholders. Upon evaluation, the case will be categorized based on its level of impact and then forwarded to the board meeting for further actions. The specific practices and responses to stakeholder concerns can be found in the subsequent sections.

Stakeholder	Channel	Communication Frequency	Issue of Concern
 Employees	1. Internal announcements	Irregularly, at least once per year	<ul style="list-style-type: none"> <li>• Chemical Safety</li> <li>• Employee Benefits and Salaries</li> <li>• Ethical Business Practices</li> <li>• Occupational Safety and Health</li> <li>• Waste Management</li> <li>• Operational Financial Performance</li> <li>• Operational Risk Management</li> </ul>
	2. Representatives from the Human Resource Department	Once per month	
	3. Regular meetings such as union core members seminars, education seminars, safety conferences, and various training seminars		
	4. Irregular meetings	Irregularly, at least once per year	
	5. The Administration Department has established communication channels such as suggestion boxes		
	6. Internal publications, online platforms and questionnaires (e.g. questionnaires on training satisfaction, cafeteria quality satisfaction)		

Stakeholder	Channel	Communication Frequency	Issue of Concern	
 Investors (Corporations)	NYP has implemented a spokesperson and deputy spokesperson system, and established a specialized department dedicated to addressing investors' affairs. Additionally, the company maintains communication with both individual and corporate shareholders through the following established channels:		<ul style="list-style-type: none"> <li>• Energy Management</li> <li>• Plant Public Safety</li> <li>• Operational Financial Performance</li> <li>• Occupational Safety and Health</li> <li>• Greenhouse Gas Management</li> <li>• Product Innovation and Research &amp; Development</li> <li>• Operational Risk Management</li> </ul>	
	1. Shareholders			-
	(1) Annual shareholders' meetings	Once per year		
	(2) Published annual financial reports as requested and provided them to shareholders during the annual shareholders' meetings	Once per year		
	(3) Shareholders can make inquiries through phone calls and emails	Irregularly		
	2. Corporate shareholders			-
(1) Analyst meetings in Taiwan and overseas	Irregularly			
(2) Investor forums held by securities companies (not held regularly)				

Stakeholder	Channel	Communication Frequency	Issue of Concern
 Customers	1. Customers audits	Irregularly, at least once per year	<ul style="list-style-type: none"> <li>• Chemical Safety</li> <li>• Customer Relationship Management</li> <li>• Ethical Business Practices</li> <li>• Plant Public Safety</li> <li>• Energy Management</li> <li>• Sustainable Supply Chain Management</li> <li>• Operational Risk Management</li> <li>• Product Safety Responsibility</li> <li>• Waste Management</li> </ul>
	2. Meeting with customers and dealers		
	3. Regular technological support		
	4. Customer satisfaction survey		
	5. Educational training for customers		
 Suppliers	1. Established an information platform for suppliers	Irregularly, at least once per year	<ul style="list-style-type: none"> <li>• Chemical Safety</li> <li>• Occupational Safety and Health</li> <li>• Ethical Business Practices</li> <li>• Plant Public Safety</li> <li>• Waste Management</li> <li>• Regulatory Compliance</li> <li>• Operational Risk Management</li> <li>• Product Safety Responsibility</li> </ul>
	2. Held meetings and reviewed reports in person regularly		
	3. Conducted supplier surveys through questionnaires, and provided audits and consulting services		
	4. Reviewed material supply stability and quality		
	5. Launched a fundraising campaign to support domestic disaster relief efforts following major natural disasters		
 Media	1. Shareholders visit after the annual shareholders meeting	Once per year	<ul style="list-style-type: none"> <li>• Greenhouse Gas Management</li> <li>• Plant Public Safety</li> <li>• Operational Financial Performance</li> <li>• Product Safety Responsibility</li> <li>• Energy Management</li> <li>• Regulatory Compliance</li> </ul>
	2. News and interview	Irregularly, at least once per year	

Stakeholder	Channel	Communication Frequency	Issue of Concern
 Government Agencies	1. Official documents	Irregularly, at least once per year	<ul style="list-style-type: none"> <li>• Water Resource Management</li> <li>• Plant Public Safety</li> <li>• Regulatory Compliance</li> <li>• Occupational Safety and Health</li> <li>• Greenhouse Gas Management</li> <li>• Corporate Governance</li> </ul>
	2. Meetings introducing and explaining new laws	Irregularly	
	3. The Company's financial statements	Once per quarter	
	4. Provided reports and information as requested by the government, authorities, and regulations.	Irregularly, at least once per year	
 Nearby Communities	1. Communicated and informed communities through the company's website	Irregularly, at least once per year	<ul style="list-style-type: none"> <li>• Waste Management</li> <li>• Occupational Safety and Health</li> <li>• Air Pollutant Management</li> </ul>



## 1.4 Materiality Analysis

### 1.4.1 Materiality Analysis Process

#### Step 1 Stakeholder Identification

7 categories of stakeholders

Through discussions with the report editing team and various department heads, and with reference to the 5 core principles of the AA1000 Stakeholder Engagement Standard (SES), we have identified 7 major stakeholder categories.

#### Step 4 Analysis and Ranking of Major Themes

255 questionnaires were surveyed

Through electronic questionnaires, we conducted an analysis based on the "stakeholders level of concern" and the "company's impact on sustainability issues" to assess the intensity as high, medium, or low. A total of 255 questionnaires were collected, including 253 from stakeholders and 2 from management.

#### Step 2 Collection of Business Impact Items

75 impact items

Referring to SASB, Task Force on Climate-related Financial Disclosures(TCFD), Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, ISO 26000, international benchmarking industry issues, Sustainable Development Goals(SDGs), as well as domestic and global industrial concerns, global trends, and media reports, we identified and categorized 75 impact areas that affect the company.

#### Step 5 Assessment and Discussion of Issue Impacts

13 Material Topics

Utilizing the GRI analysis criteria, we have identified the following 13 significant topics.

#### Step 3 Integration of Business Impact Items into Sustainability Issues

27 sustainability issues

Based on the integration recommendations from the consulting team, the impact areas were grouped into sustainable topics. Following discussions between the core members of the ESG team and the consultants, a total of 27 sustainable topics were identified and evaluated.

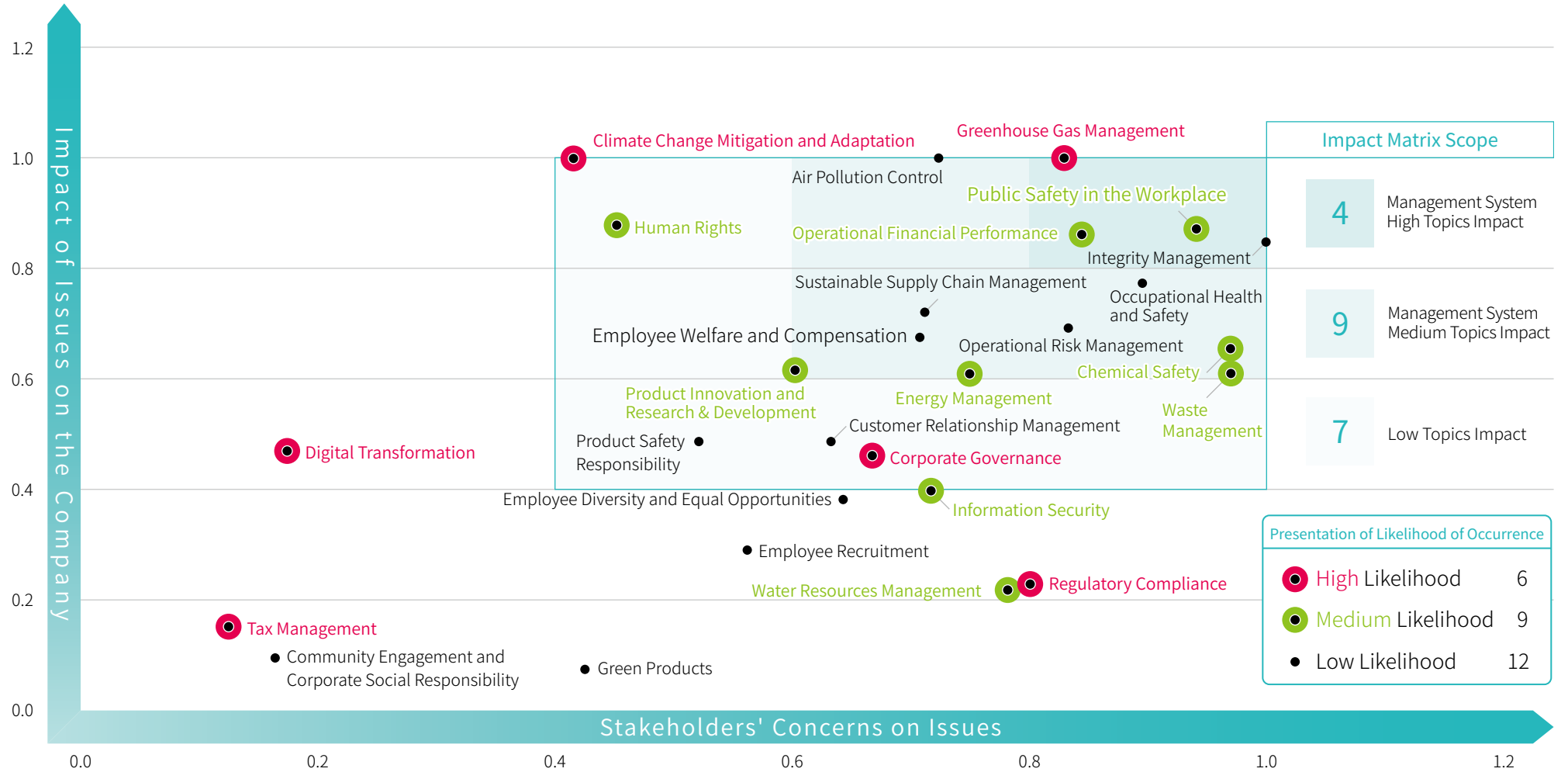
#### Step 6 Reporting on Major Themes Disclosure

continuous communication, and responses.

After a thorough analysis conducted by our company, we have identified 13 significant topics to be highlighted in this report. These topics have been aligned with the GRI reporting guidelines and disclosure indicators, and we have developed a management policy for addressing these issues. All relevant information has been comprehensively disclosed in this report to meet the expectations of our stakeholders. Moving forward, we will continuously review the importance of each sustainability issue, respond to stakeholder expectations, and ensure the transparency, reasonability, and balance of our reporting. We are committed to delivering a transparent and accountable report that aligns with the interests of our stakeholders.










### 1.4.2 Matrix of Topics Impact Assessment


























Note 1: The sustainability issues marked with red circles indicate high likelihood of occurrence, while the ones marked with green circles indicate moderate likelihood of occurrence.  
 Note 2: The likelihood levels are defined as follows: "High" indicates a probability of occurrence greater than 80% for the organization/business, "Moderate" indicates a probability of occurrence greater than 50%, and "Low" indicates a probability of occurrence less than 50%.

• Matrix of Topics Changes

2022 Questionnaire Topics	Importance Level			Explanation of Changes
	2022	2021		
 Energy Management	Material Issues (Medium)	-	Up	Energy management is one of the emerging trends in the hardware industry and a newly added major theme in the development strategy of Formosa Plastics Group this year.
 Information Security	Not Material Issues (low)	Material Issues		NYP's information security management system, including the assessment of internal and external privacy protection management systems and procedures, it is categorized as a low-priority issue for this year's analysis.
 Regulatory Compliance	Not Material Issues (outside matrix)	Material Issues		NYP incurred significant penalties and non-monetary sanctions due to violations of environmental, social, and economic laws and/or regulations. As the financial impact is deemed to be low, this issue falls outside the materiality matrix for this year's analysis. However, the company will continue to monitor and track relevant developments in this area.
 Water Resource Management	Not Material Issues (outside matrix)	Material Issues	Down	The previous "Water Resource Utilization and Wastewater Discharge Management" has been renamed to focus on water resource risk identification and management based on GRI (2018) "Water Resource Management" guidelines. For this year's analysis, it falls outside the matrix of materiality. However, the company will continue to monitor and track relevant developments in this area.
 Customer Relationship Management	Not Material Issues (low)	Material Issues		NYP establishes long-term cooperative relationships with its customers, responding to their needs and enhancing satisfaction. However, due to its low financial impact, it is categorized as a low-priority issue for this year's analysis.
 Employee Diversity and Equal Opportunities	Not Material Issues (outside matrix)	Material Issues		The organizational employees of NYP belong to a diverse structure, providing equal job opportunities for individuals of different genders. However, due to its low financial impact. For this year's analysis, it falls outside the matrix of materiality.
 Recruitment and Development	Not Material Issues (outside matrix)	Material Issues		The previous 'Career Development and Education Training' has been renamed to include employee recruitment as part of NYP's talent development initiatives. However, due to its low financial impact For this year's analysis, it falls outside the matrix of materiality. The company will continue to monitor the developments related to this matter.

### 1.4.3 Relationship Between Material Topics and NYP's Value Chain

No.	Material Topics	Importance to NYP	financial impact (Note1)	Position of Impact in the Value Chain (Note2)			Comparison with GRI Standards	UN SDGs	Chapter
				Upstream	organization	Downstream			
1	Integrity Management	Declaration of the code of conduct and relevant policies aims to enhance business ethics credibility; instances of corruption, bribery, and improper policy lobbying can adversely impact the company's reputation, employee morale, and business relationships.	low	-	cause	-	205 Anti-corruption		2.1.3 Integrity in Business Operations and Regulatory Compliance
2	Financial Performance	Revenue growth and strong financial performance.	low	-	cause	-	201 Business Performance		1.1 Business Overview
3	Operational Risk Management	Early development of risk management strategies to become a trusted long-term investment target for investors.	low	-	cause	-	Self-initiated Topic	-	2.2 Operational Risk Management
4	Product Innovation and Research	Developing products that meet the latest demands, protecting intellectual property, and enhancing market competitiveness.	low	-	cause	directly linked to	Self-initiated Topic	 	1.2 Product Innovation and Research & Development
5	Sustainable Supply Chain Management	The instability of raw material supply and major environmental and human rights incidents in the supply chain can expose businesses to reputation and market risks.	high	directly linked to	cause	contribute to	308 Supplier Environmental Assessment 414 Supplier Social Assessment	  	2.5 Supplier and Contractor Management
6	Greenhouse Gas Management	As domestic greenhouse gas management regulations become increasingly stringent, companies will face carbon levies and other controls, leading to increased operational costs.	high	-	cause	-	305 emissions		3.2 Climate Change Actions
7	Waste Management	The consumption of raw materials and generation of waste in hardware manufacturing have negative impacts on the environment.	high	-	cause	-	306 Waste	  	3.5 Waste Management

No.	Material Topics	Importance to NYPCB	financial impact (Note1)	Position of Impact in the Value Chain (Note2)			Comparison with GRI Standards	UN SDGs	Chapter
				Upstream	organization	Downstream			
8	Energy Management	Using clean energy to reduce the product's carbon footprint.	high	-	cause	-	302 Energy	 	3.2 Climate Change Actions
9	Air Pollution Management	Improper management of air pollution led to government fines.	high	-	cause	-	305 Emissions	 	3.4 Air Pollution Management
10	Chemical Safety	The use of harmful substances in the production process poses risks to employee health and may result in market loss or increased costs for the company.	Medium	-	cause	-	Self-initiated Topic	  	3.5 Waste Management
11	Factory public safety	Integrating Artificial Intelligence to promote smart environmental protection, smart disaster prevention, and smart workplace safety.	high	-	cause	directly linked to	Self-initiated Topic		4.5 Occupational Health and Safety
12	Occupational Health and Safety	The hardware manufacturing process leads to occupational accidents and occupational diseases, impacting employee health.	high	-	cause	directly linked to	403 Occupational Health and Safety	 	4.5 Occupational Health and Safety
13	Employee Welfare and Compensation	Raise employee salaries to improve their well-being and quality of life.	high	-	cause	-	401 Labor Practices 405 Employee Diversity and Equal Opportunities	 	4.2 Wages and Benefits

Note 1: "Financial impact severity levels: 'High' refers to a financial impact exceeding 20 million NTD, 'Medium-High' refers to a financial impact ranging from 20 million to 5 million NTD, 'Medium' refers to a financial impact ranging from 5 million to 1 million NTD, 'Medium-Low' refers to a financial impact ranging from 1 million to 500,000 NTD, 'Low' refers to a financial impact below 500,000 NTD.

Note 2: 'Cause' indicates that an organization directly generates the impact through its own activities; 'Contribute to' means that an organization's activities lead to, promote, or induce another entity to create the impact; 'Directly linked to' refers to situations where an organization did not cause or contribute to a negative impact but its operations, products, or services may still be associated with negative impacts due to business relationships."

# 02

## chapter

### Corporate Governance



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## 2.1 Governance Structure

### 2.1.1 Professional board operation

Entrusted by the shareholders, the Board of Directors is the highest governance unit responsible for ensuring legal compliance and transparency in the business's operational information, designating business managers to integrate operational affairs, drafting profit distribution plans, and supervising and guiding daily business operations. In accordance with the Company Act, Articles of Association, and Rules & Procedures of Board of Directors Meetings, the Company's "Code of Ethics for Directors and Managers" and "Code of Conduct for Business Integrity", the relevant personnel are required to perform their duties in an ethical manner, prevent the occurrence of acts detrimental to the interests of the Company and its shareholders, and exercise due diligence as a good manager. For the operation of the Company's Board of Directors, please refer to the official website under the "[Corporate Governance Structure and Operation, and Important Rules and Regulations of the Company](#)".

To establish a robust corporate governance system and define the scope of corporate social responsibility, the Company has referred to relevant regulations set forth by the Taiwan Stock Exchange Corporation (TWSE) and the Taipei Exchange (TPEX). We have formulated the "Sustainable Development Code," aimed at encouraging the company to actively practice sustainable development while conducting its business operations. We continually assess its effectiveness, striving for ongoing improvements, and promoting sustainable development as a fundamental competitive advantage. Regarding environmental protection, social welfare, and corporate governance issues arising from our operational activities, the Board of Directors authorizes the senior management to address them and report on the progress of their resolution to the Board. Additionally, they are responsible for compiling information for the sustainability report.

#### The role of the NYP's Board of Directors

Purpose of the Board	The Board of Directors, entrusted by shareholders, is the highest governing body of the company. Its main responsibilities include ensuring transparent information, compliance with laws, and setting management guidelines. They supervise business integrity and promote ESG initiatives to control risks and maximize corporate value.
Sustainable Development Vision	To implement corporate governance, enhance sustainable information disclosure, align with international trends, fulfill social responsibilities, and achieve our vision of sustainable development.
ESG Strategy and Policy	Understand the concerns of stakeholders, monitor international ESG trends, lead the company in formulating ESG policies, and oversee the implementation of various strategies and the effective functioning of their mechanisms.

- Board Composition

NYPCB's board member selection process shall follow the "Company Act", the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and the NYPCB's "Board Member Selection Procedures" and other regulations. Current term board members are appointed by shareholders at the shareholders meeting on June 2020, and consists of nine members (one board chairman, five directors and three independent directors) whose appointment periods are from June 2020 to June 2023. The present Board Chairman is Chia-Chao Wu, and General Manager is Ann-De Tang. Our directors are all highly-specialized personnel with rich experiences in the industry. They provide the most professional guidance on the Company's strategic planning for future developments, with an average age of about 72 years old. To fortify the independence and diversity of its corporate governance, the Company currently has three independent directors; however, there are no female directors at the moment. For the diversity of the Board of Directors of the Company, please refer to the official website under "[Board of Directors](#)".

Position	Name	Education	Concurrent positions in NYPCB or other companies
Chairman	Representative of Nan Ya Plastics Corporation Chia-Chau Wu	Bachelor Degree in Business Administration, National Chengchi University	<ul style="list-style-type: none"> <li>Chairman of Nan Ya Plastics Corp., and Nan Ya Technology Corp.</li> </ul>
Director	Representative of Nan Ya Plastics Corporation Wen-Yuan Wang	Master Degree in Industrial Engineering, University of Houston Bachelor Degree in Chemical Engineering, University of Houston	<ul style="list-style-type: none"> <li>Current Appointment: Chairman of Taiwan Textile Federation, R.O.C., Chairman of Formosa Taffeta Corp., Managing Director of Formosa Plastics Corp., Nan Ya Plastics Corp., Formosa Chemicals &amp; Fibre Corp., and Formosa Petrochemical Corp.</li> <li>Experiences: Chairman of Chinese National Federation of Industries, Chairman of Formosa Chemicals &amp; Fibre Corp.</li> </ul>
Director	Representative of Nan Ya Plastics Corporation Ming-Jen Tzou	Chemical Engineering Department of Taipei Tech	<ul style="list-style-type: none"> <li>Director of Nan Ya Technology Corp., Director and President of Nan Ya Plastics Corp.</li> </ul>
Director	Representative of Nan Ya Plastics Corporation Chia-Fung Chang	Bachelor Degree in Automatic Control Engineering, Feng Chia University	<ul style="list-style-type: none"> <li>Director of UnicoCell BioMed Corp.</li> </ul>
Director	Ann-De Tang	Bachelor Degree in Electrical Engineering, National Taiwan Institute of Technology	<ul style="list-style-type: none"> <li>President of Nan Ya PCB Corp.</li> </ul>
Director	Lien-Jui Lu	Bachelor Degree in Chemical Engineering, National Taiwan Institute of Technology	<ul style="list-style-type: none"> <li>Vice President of Nan Ya PCB Corp.</li> </ul>
Independent Director	Cheng-I Wang	Master Degree in Public Finance, National Cheng Chi University	<ul style="list-style-type: none"> <li>Experience: Political Deputy Minister, Ministry of Finance.</li> </ul>
Independent Director	Ta-Sheng Lin	Master Degree in Chemistry, Texas Southern University	<ul style="list-style-type: none"> <li>Chairman of China Electric Investment Corp., Director of China Electric MFG Corp.</li> </ul>
Independent Director	Jen-Hsuen Jen	Master Degree in Chemical Engineering, Massachusetts Institute of Technology	<ul style="list-style-type: none"> <li>Chairman of Fuchu Corp., Independent Director of Wistron Corp. Director of UltraChip Inc.</li> </ul>



- Operations of the Board of Directors

### Overview of the Board of Directors' Operations in 2022

Number of Meetings	Average attendance rate of directors
7	100%( including actual attendance 98.4% and entrusted attendance)

### Important Resolutions

Category	Resolutions
Normal/Special Resolution	<p><b>【Business Ethics】</b></p> <ul style="list-style-type: none"> <li>• Approved the 2021 financial accounts and formulated the 2022 operating plan.</li> <li>• Approved the 2021 earnings distribution.</li> <li>• Approved the financial statements for 2022 Q1, 2022 Q2 and 2022 Q3.</li> <li>• Approved to establishment of the Sustainability Committee.</li> <li>• Approved the organizational regulations for the Sustainable Development Committee.</li> <li>• Approved the Internal Material Information Processing Procedures.</li> <li>• Approved revisions to the Articles of Incorporation, Acquisition or Disposal of Assets Procedures, Corporate Social Responsibility Code, Corporate Governance Code, Board Meeting Rules, and Insider Trading Prevention Management Regulations.</li> </ul>
	<p><b>【Steady Development】</b></p> <ul style="list-style-type: none"> <li>• Approved the "Lease Agreement" with Nan Ya Plastics Corporation.</li> <li>• Approved transactions with related parties.</li> <li>• Arranged credit limits with financial institutions to meet operational needs.</li> </ul>
	<p><b>【Employee Care】</b></p> <ul style="list-style-type: none"> <li>• Approved the 2021 employee compensation plan.</li> <li>• Set performance bonus standards for managers for the first and second halves of 2022, following those for all employees.</li> <li>• Implemented manager salary adjustments for 2022 within the same range as employee salary adjustments.</li> </ul>
	<ul style="list-style-type: none"> <li>• Approved revisions to the Internal Control System and Internal Audit Implementation Rules.</li> <li>• Approved the 2023 audit plan.</li> <li>• Approved the 2021 Internal Control System Statement.</li> <li>• Approved holding the 2022 Shareholders' Meeting via video conference.</li> <li>• Approved principles for the remuneration of directors serving as members of the Sustainable Development Committee.</li> <li>• Approved the 2023 Q1 fund lending plan.</li> <li>• Approved the investment in Taiwan Plastics Corporation stocks.</li> <li>• Approved special bonuses for managers.</li> <li>• Approved the criteria and payment date for the 2021 cash dividend distribution.</li> </ul>

• Board Performance Evaluation

In addition to conducting regular self-inspections of the Board of Directors' operations and strengthening the functions of the Board, NYPCB's internal auditors also prepare audit reports on the operations of the Board to comply with regulatory requirements.

The measurement items for the Company's Board Performance Evaluation include the following five aspects: participation in the Company's operations, improvement of the quality of Board decisions, composition and structure of the Board, director selection and continuous education, and internal controls. The participation in the Company's operations includes the management of the Sustainable Development Committee, which provides regular reports on its execution. This allows the Board to monitor the economic, environmental, and social impacts and incorporate management effectiveness into the evaluation to achieve sustainable governance. The evaluation period for the Company's Board Performance Evaluation is from October 1st of each year to September 30th of the following year, and the evaluation results should be reported to the Board before the first quarter of the following year. The evaluation results for the year 2022 were reported to the Board in advance during the fourth quarter of that year. For more information, please refer to the "Performance Evaluation of the Board of Directors" [section on the official website](#).



• Board Remuneration

The remuneration of directors and managers of NYPCB is reported to the Remuneration Committee, and it shall be processed in accordance with the Articles of Association and Article 29 of the Company Act after discussion by the board of directors. In addition to the fixed monthly salary, the president, vice president and associate managers shall receive year-end bonuses, holiday bonuses and special incentives depending on the company's business performance. Among them, special incentives are adjusted and issued with reference to the target achievement rate, operating results, industrial safety incidents, water and energy saving, etc. Fixed monthly salary is also adjusted by the Remuneration Committee in reference to the Company's overall employee salary adjustment standards. For the payment of remuneration to directors and managers in 2022, please refer to the annual report "[Remuneration paid to directors \(including independent directors\), president and vice president in recent years](#)".

2022 Company's highest salary multiple and growth rate compared to the median annual salary of employees.

Annual Total Remuneration Ratio (Note1)	Annual Total Remuneration Increase Percentage (Note 2)
9.251 times	-3123.1%(Note3)

Note 1: Annual Total Remuneration Ratio = Total annual remuneration of the highest paid individual / Median total annual remuneration of other employees

Note 2: Annual Total Remuneration Ratio Increase Percentage = Increase percentage of the total annual remuneration of the highest paid individual / Increase percentage of the median total annual remuneration of all employees (excluding the highest paid individual)






Note 3: Due to the number of employees who worked for more than 6 months but less than 1 year in 2022 exceeding 800 (annualized), resulting in a decrease in the overall median salary, the salary growth rate is negative.

## 2.1.2 Functional Committee

### Main functions of the Committee

Name of the Committee	Audit Committee	Remuneration Committee	Sustainability Committee
Established in	June 2017	December 2011	May 2022
Member Composition	Composed of 3 independent directors	Composed of 3 independent directors	Consists of the Chairman, 3 independent directors, and 1 director.
Main function	<ul style="list-style-type: none"> <li>Oversee the appropriateness of financial statement presentations.</li> <li>Evaluate the selection (dismissal) and independence of external auditors.</li> <li>Monitor the effective implementation of internal controls.</li> <li>Ensure compliance with relevant laws and regulations, and manage existing or potential risks.</li> </ul>	Evaluate the company's director and manager compensation policies and systems, and provide recommendations to the Board of Directors for decision-making.	<ul style="list-style-type: none"> <li>Review the company's sustainable development policies, strategies, and management guidelines.</li> <li>Monitor the company's initiatives and implementation of sustainable development programs.</li> <li>Review significant sustainable development information disclosed in the sustainability report and report to the Board of Directors.</li> <li>Oversee the company's greenhouse gas inventory and verification planning.</li> <li>Monitor significant issues concerning shareholders, employees, customers, communities, and government bodies.</li> <li>Handle other matters instructed by the Board of Directors.</li> </ul>
Meetings in 2022	In 2022, a total of 5 meetings were held with a 100% attendance rate.	In 2022, a total of 3 meetings were held with a 100% attendance rate.	In 2022, a total of 2 meetings were held with a 100% attendance rate.
Major Resolutions in 2022	<ul style="list-style-type: none"> <li>Approved the 2021 financial statements.</li> <li>Approved the financial statements for the first, second, and third quarters of 2022.</li> <li>Approved the 2021 "Internal Control System Statement."</li> <li>Approved revisions to the "Acquisition or Disposal of Assets Procedures."</li> <li>Approved the "Lease Agreement" with Nan Ya Plastics Corporation.</li> <li>Approved transactions with related parties.</li> <li>Approved the Q1 2022 fund lending plan.</li> <li>Approved the investment in Taiwan Plastics Corporation stocks.</li> </ul>	<ul style="list-style-type: none"> <li>Approved special bonuses for managers.</li> <li>Proposed performance bonus standards for managers for the first and second halves of 2022, following those for all employees.</li> <li>Proposed manager salary adjustments for 2022 within the same range as employee salary adjustments.</li> <li>Approved principles for the remuneration of directors serving as members of the Sustainable Development Committee.</li> </ul>	<ul style="list-style-type: none"> <li>Approved the 2021 sustainability report.</li> <li>Reported the results of the 2021 greenhouse gas verification.</li> </ul>

## 2.1.3 Business Integrity and Compliance

	Material Topics	Ethical Business Operation
	Policy and Commitment	<ul style="list-style-type: none"> <li>• Implement ethical business practices and comply with regulations.</li> <li>• Adhere to corporate ethics and pursue sustainable operations.</li> <li>• In addition to complying with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies", the company establishes the "Code of Ethics for Integrity in Business" and the "Code of Ethics for Directors and Managers" to prevent unethical behavior that may harm the company and shareholders' interests.</li> </ul>
	International Sustainable Framework Connection	GRI 205 Anti-corruption SDGs Target: 16.5
	Management Actions and Performance Tracking	<p><b>Management Actions:</b> The company formulates relevant ethical business policies, and the General Manager's office promotes related operations. Management operations for various business activities are computerized to reduce human intervention and judgment errors. The Internal audit department conducts audits annually as per the plan and provides internal and external complaint channels to ensure ethical business conduct and prevent fraudulent behavior. Regular education and training are provided, emphasizing compliance with ethical business regulations, corporate ethics, and corporate governance, to discourage any misuse of company assets, non-public information, or abuse of authority for personal gain by directors and employees. Employees are also discouraged from accepting entertainment and gifts from external parties.</p> <ul style="list-style-type: none"> <li>• Guidelines and Regulations: Immediate access to "Code of Ethics for Integrity in Business," "Sustainable Development Code," "Corporate Governance Code," and "Personnel Management Rules" through internal systems.</li> <li>• Complaint Mechanism: The "Whistleblower Policy" is established, providing channels for reporting illegal activities both internally and externally.</li> <li>• Internal Control: All management operations are computerized, and operating departments conduct regular self-checks, while an independent audit department performs periodic reviews.</li> </ul> <p><b>Performance Tracking:</b></p> <ul style="list-style-type: none"> <li>• No corruption incidents in 2022.</li> <li>• In the 9th Corporate Governance Evaluation for listed companies, the company ranked between 6% and 20%.</li> <li>• It completed 41 audits based on the "2022 Audit Plan," and all identified anomalies were 100% rectified.</li> <li>• In 2022, 9,306 participants attended internal and external education and training sessions related to ethical business issues, totaling 3,563 hours.</li> <li>• In August 2022, a physical education training course on "Prevention of Insider Trading" was held, followed by an online training course in September, with a total of 1,687 participants and 844 hours of training. The average score for the online test was 94.</li> </ul>
	Stakeholder Engagement	<p><b>Stakeholders:</b> Employees, customers, suppliers, neighboring communities</p> <p><b>Complaint Channels:</b></p> <ul style="list-style-type: none"> <li>• Employees: Regular communication meetings, suggestion communication channels provided by management courses, suggestion boxes, and educational training programs.</li> <li>• Customers: Complaint mailbox on the website, customer meetings, customer satisfaction surveys.</li> <li>• Suppliers: Supplier information platform, annual supplier questionnaire survey.</li> <li>• Neighboring communities: Corporate website announcements.</li> </ul>

- Business ethics

NYP has stipulated the “Code of Ethics for Directors and Managers” and requires that its management abide by the code in operations and avoid unethical behaviors that may damage both the Company and the interests of its shareholders. The Company has adopted an online platform for procurement, which increases efficiency as well as ensures a fair and reasonable procurement process that could avoid malpractice. The platform provides a win-win situation for both NYP and its suppliers.

NYP has a comprehensive audit system to ensure the company's financial transparency and compliance with laws and regulations. Relevant audit reports are required to be submitted to the Board of Directors. One of the functions of the general management office jointly established by the companies in the Formosa Plastics Corporation is to be able to perform independent audits. This setting can not only improve the professionalism and efficiency of the audit operation, but also give full play to its independent status and achieve the effect of supervision.

For the Company's Business Ethics and professional ethics behavior, please refer to the official website under "[Business Ethics and Professional Ethical Behavior](#)".

### Integrity Operation Status in 2022

Item	Evaluation Items	Operating situation
1	Does the company analyze and evaluate business activities with a higher risk of unethical behavior within its operating scope and formulate preventive measures?	<ul style="list-style-type: none"> <li>• The company has established strict codes of conduct and ethical standards in regulations such as the "Personnel Management Rules" and "Work Rules." Relevant provisions regarding rewards and penalties are clearly defined. All directors, managers, employees, or individuals with substantial control capabilities within the company are strictly prohibited from directly or indirectly providing, promising, requesting, or accepting any improper benefits or engaging in dishonest, illegal, or breach of trust behaviors. This is to prevent fraudulent activities, embezzlement of public funds, acceptance of bribes, disclosure of confidential information, or false reporting, and other unethical behaviors.</li> </ul>
2	Does the company analyze and evaluate business activities with a higher risk of unethical behavior within its operating scope and formulate preventive measures?	<ul style="list-style-type: none"> <li>• The company regularly analyzes and reviews business activities with a higher risk of dishonest behavior. Relevant management regulations for employees have been clearly specified in the "Personnel Management Rules" and "Work Rules." Employees holding positions such as business operations, procurement, contracting, supervision, budgeting, and other positions related to vendor relationships are prohibited from accepting invitations for banquets or other social events from vendors. They are also prohibited from accepting gifts, money, or other benefits from vendors. Violators will be subject to dismissal, and their supervisors will also face disciplinary action.</li> <li>• Relevant positions have been fully promoted to undergo regular rotation to prevent the occurrence of various irregularities.</li> </ul>
3	Does the company establish internal regulations to prevent unethical behavior, specify operation procedures, penalties for violations, and complaint systems, and effectively implement them?	<ul style="list-style-type: none"> <li>• The company clearly outlines ethical standards and policies in its regulations, including the "Personnel Management Rules", "Code of Ethics for Integrity in Business", "Insider Trading Prevention Management Regulations", "Whistleblower Policy," and "Employee Complaint Procedures."</li> <li>• The "Code of Conduct" for directors has also been established.</li> </ul>
4	Does the company assess the integrity record of counterparties and include integrity clauses in contracts with them?	<ul style="list-style-type: none"> <li>• The company includes integrity clauses in contracts signed with external parties for business activities.</li> <li>• It conducts integrity checks on customers, suppliers, and other stakeholders to prevent unethical behavior that may harm the company's interests.</li> </ul>

### Integrity Operation Status in 2022

Item	Evaluation Items	Operating situation
5	Does the company establish a responsible department to promote corporate ethical business operation and report the implementation status of ethical business policies and measures to the board at least once a year?	<ul style="list-style-type: none"> <li>The Corporate General Affairs Office and the company-wide General Management Office are responsible for promoting corporate ethical business operations, including policy dissemination and organizing educational training related to ethical business practices. They also handle reported cases based on the "Whistleblower Policy."</li> <li>The integrity management promoting department reports to the board of directors at least once a year. The latest report was submitted on November 3, 2022. The report primarily covers the policies, practices, and implementation status of integrity management, as well as the commitment of the board of directors and senior management to actively implement the business policies.</li> <li>Internal audit reports are submitted to independent directors monthly and reported to the board regularly.</li> </ul>
6	Does the company establish policies to prevent conflicts of interest, provide appropriate reporting channels, and implement them?	<ul style="list-style-type: none"> <li>The company has clearly stipulated in the "Board Meeting Rules" that directors with conflicts of interest related to the agenda items at the board meeting, either personally or on behalf of their represented legal entities, must disclose the important details of their interests. In cases where there may be a risk to the company's interests, they are not allowed to participate in discussions or voting, and they should abstain from voting when discussing and voting. Furthermore, they are not permitted to act as proxies for other directors to exercise their voting rights.</li> <li>The company has outlined in the "Personnel Management Regulations" and other policies a strict code of conduct for employees regarding conflicts of interest. Employees are required to proactively report any ethical concerns, including conflicts of interest, and the company has established clauses related to non-competition to prevent conflicts of interest.</li> <li>The company has established the "Employee Complaint Handling Guidelines" and the "Whistleblower Policy" to provide specific channels for reporting any illegal or improper conduct.</li> </ul>
7	Does the company establish effective accounting and internal control systems to ensure ethical business practices and have the internal audit department draft related audit plans based on risk assessments and conduct checks or commission audits from accountants?	<ul style="list-style-type: none"> <li>The company has established effective and comprehensive accounting and internal control systems, fully implementing computerized operations that interconnect personnel, finances, operations, production, materials, and engineering. The system includes layered reconciliation and anomaly management.</li> <li>A professional and independent internal audit operation framework is established, including three levels: the first level is under the Board of Directors' Audit Department, which is responsible for executing the annual audit plan to assess compliance with regulatory systems and reduce unethical behavior risks. The second level is conducted by the Corporate General Affairs Office, conducting regular and project-based independent audits. The third level involves all employees' responsibilities for internal audits, with each department conducting regular self-checks (monthly, quarterly, semi-annually, or annually) to enforce internal control throughout the company.</li> </ul>
8	Does the company comply with intellectual property-related regulations, establish internal operational procedures, and contract provisions for intellectual property protection?	<ul style="list-style-type: none"> <li>For patent management, the company established the "Patent and Trademark Management Computer Operations" to effectively manage the progress of related cases, including application, examination, and execution, and timely payment of patent fees to protect patent rights.</li> <li>In 2022, our company held a total of 205 valid patents.</li> </ul>



### Integrity Operation Status in 2022

Item	Evaluation Items	Operating situation
9	Does the company adhere to the principles of integrity in its business operations, in accordance with the Fair Trade Act and other relevant regulations on anti-monopoly?	The company requires its employees to fully comply with the provisions of the Fair Trade Act and encourages the pursuit of profits through legal and legitimate means, ensuring that all actions are in accordance with relevant laws.
10	Do company personnel comply with the Securities and Exchange Act, refraining from engaging in insider trading using non-public information they have access to, and not disclosing it to others to prevent them from engaging in insider trading?	<ul style="list-style-type: none"> <li>On November 3, 2022, the Board of Directors resolved to establish the "Internal Material Information Handling Procedures" and amend the "Insider Trading Prevention Management Regulations" to prevent others from engaging in insider trading using such non-public information.</li> <li>At least once a year, education and online courses are conducted for current directors, executives, and employees to ensure compliance with relevant laws and regulations.</li> <li>In August 2022, a physical course on "Prevention of Insider Trading" was conducted, followed by an online course in September. A total of 1,687 people took the test, with a training time of 844 hours. The average score for the online test was 94, covering topics such as defining material information, the reasons for insider trading, insider trading examples, the scope of internal material information, and penalties for insider trading. After the course, the presentation was made available in the internal staff system for reference by all employees.</li> </ul>
11	Are measures in place for individuals with access to sensitive company information to maintain confidentiality, and are there safeguards against the misuse of such information?	<ul style="list-style-type: none"> <li>The company has established the "Internal Material Information Handling Procedures," which clearly define the scope of internal material information and require directors, executives, and employees to maintain confidentiality regarding such information. It also establishes mechanisms for handling and penalizing violations. External disclosure of material information must first be assessed and approved internally and is generally communicated by the company spokesperson or authorized representative. The "Internal Material Information Handling Procedures" have also been incorporated into the internal control and internal audit system and are supplemented with regular education and training.</li> <li>On October 14, 2022, directors were notified not to trade the company's stock during the closed period before the announcement of financial reports to avoid violating the aforementioned rules.</li> </ul>
12	Has the company organized education and training on integrity in business operations?	<ul style="list-style-type: none"> <li>The company promotes the spirit of "diligence and simplicity" through regular corporate publications and active advocacy in various occasions, cultivating a work culture of integrity that values honesty, fairness, transparency, self-discipline, and accountability. New employees undergo training on corporate culture.</li> <li>Training courses on legal compliance and anti-corruption are held annually to reinforce employees' commitment to integrity.</li> <li>In 2022, internal and external education and training related to integrity in business operations were conducted, including topics such as compliance with laws and regulations, the importance of business ethics, prevention of insider trading, risk management, and strengthening corporate governance. A total of 9,306 people attended the courses, with a training time of 3,563 hours.</li> </ul>

### Integrity Operation Status in 2022

Item	Evaluation Items	Operating situation
13	Has the company established a specific reporting system and convenient reporting channels, and designated appropriate personnel to handle reported cases?	<ul style="list-style-type: none"> <li>The company has established the "Employee Complaint Handling Guidelines" and the "Whistleblower Policy" to provide a concrete reporting and reward system:                             <ol style="list-style-type: none"> <li>Multiple reporting channels, including physical mailboxes, email inboxes, and fax lines, are provided and clearly posted at the main entrances and exits of the company for the use of informants.</li> <li>After a reported case is accepted, relevant personnel from the company's General Manager's Office are assigned to handle the case review, filing, and subsequent investigation procedures.</li> <li>Confidentiality principle: During and after the investigation, the case handler is strictly prohibited from disclosing case information to unrelated parties, and the relevant supervisors must also ensure strict confidentiality. The information is treated and archived in a confidential manner to ensure that whistleblowers are not subjected to improper treatment.</li> <li>If violations are confirmed after investigation, disciplinary actions are taken according to the company's personnel management rules, and when necessary, notification is made to judicial and prosecutorial authorities.</li> </ol> </li> </ul>
14	Has the company established standard operating procedures for investigating reported matters, and follow-up measures to be taken after investigation, as well as relevant confidentiality mechanisms?	
15	Does the company take measures to protect whistleblowers from improper treatment resulting from their reporting?	
16	Does the company appropriately disclose the content and progress of the integrity in business operations guidelines on the company's website or the public information observatory?	<ul style="list-style-type: none"> <li>The company has established both Chinese and English websites and discloses information related to integrity in business operations, including the guidelines, in the form of annual reports on the website and public information observatory.</li> </ul>



## Anti-Corruption

### 1. Professional Ethics

NYP has always employed rigorous standards to ensure that employees do not disclose business secrets or misrepresent facts, spread rumors or incite sabotage, or violate gender work equality. Specific actions that have been taken in the past include establishing labor and ethical management policies and advocating the company philosophy “Create Values, Business Ethics, Coexistence and Co-prosperity”. In 2021, a total of 659 employees from the management level at NYP have completed the anti-corruption policy promotion with a 100% completion rate. Furthermore, the Company has advocated for anti-corruption practices annually during holidays, as well as arranged annual ethics cross assessment for employees. The company has also arranged annual staff ethics cross assessment. A number of members of every department are chosen to be interviewed according to the size of the department. These interviews will emphasize on on-site management, staff leave management, work hours management, etc. for staff rights and anti-corruption practices. Since 2016, the “Advocacy of the Concept of Law” course has been added for engineers and management to enable employees to fully understand the relevant corporate regulations and legal responsibilities involved in the Company’s damage caused by bribery or illegitimate benefits during the period of employment. The departmental personnel responsible for the contracting, procurement, import and export must not only understand the course, but also sign the “Procurement and Contracting Person Self-discipline Convention” to standardize the discipline and the expected attitude of the position in charge, so that the personnel can truly abide by the law. There were zero reported cases related to anti-corruption policies in 2022.

Item	Explanation	Execution Method
Anti-Corruption	It is clearly stipulated in the internal system that no entertainment or financial gift from manufacturers shall be accepted, and those who commit fraud, embezzle public funds, accept bribes or commissions will be removed from office.	1. It is clearly stipulated in the internal system that no entertainment or financial gift from manufacturers shall be accepted, and those who commit fraud, embezzle public funds, accept bribes or commissions will be removed from office.
Prevention of Malpractice	Fully promote rotation shifts for all those who hold positions in sales, procurement, finished product storage, supervision and budget, etc., to avoid misconduct with manufacturers.	2. Fully promote rotation shifts for all those who hold positions in sales, procurement, finished product storage, supervision and budget, etc., to avoid misconduct with manufacturers.
Strict Discipline	Employees who violate the regulations will not be treated leniently once verified, and they will also be punished along with their immediate supervisors according to the circumstances to show vigilance and gain public trust.	3. Employees who violate the regulations will not be treated leniently once verified, and they will also be punished along with their immediate supervisors according to the circumstances to show vigilance and gain public trust.

### 2022 Results of Anti-Corruption Policy Communication and Training for NYP

Training participants	Communication Channels or Training	Results for 2022
Board of Directors	Educational Training for “Preventing Insider Trading and Handling of Material Non-Public Information”	Educational Training: 9 individuals, accounting for 100% of all board members.
Employees	manager (Junior Executive, Associate Senior Management, Associate Management)	Educational Training: 314 individuals, comprising 99% of all supervisors.
	Staff (Supervisor, frontline staff, new employees)	Educational Training: 843 individuals, accounting for 12.9% of all staff.

Note1: Data scope is limited to Taiwan facilities.

## 2. Complaint Channels

The Company follows the principle of «Employee Complaint Handling Procedure», establishes multiple complaint channels, and regularly reviews and tracks the complaints. Improvement Status When handling the complaint, the Company and the investigators shall conduct investigation and report in a fair and impartial manner. There shall be no retaliation against the complainant, and the whole process shall be kept confidential, otherwise it will be reported separately to the responsible department.

### Regulatory compliance

NYP firmly believes in honesty, accountability, and abiding by the laws, and as such, its management, operations and strategies have been made in accordance with domestic and foreign laws, regulations, and policies. The Company has held irregular training and seminars related to laws and regulations for employees and has and develop an antitrust compliance code. The content clearly lists the key points to follow and prohibited behaviors, and requires every employee to read and sign as the basis for their business execution. Strictly require employees, managers at all levels and members of the Board of Directors to abide by all regulations and laws.

Furthermore, NYP consults legal opinions from the Department of Legal Affairs internally and Formosan Brothers Attorney-At-Law and Lee and Li Attorney-At-Law externally regarding the Company's ethics and lawful behaviors along with organizational integrity. To date, NYP has never sold prohibited or controversial products and has not been subjected to significant penalties for violating company regulations. It also maintains an objective and neutral position on public policy and does not participate in any political activities. The Company did not receive any correction notices from the TWSE in 2022.

## 2.2 Operating Risk Management



Material Issues    Operating Risk Management



Policy commitments

The company has established the "Risk Management Policy" which outlines the management procedures for risk identification, risk control and monitoring, risk performance management, and improvement. The aim is to enhance the risk awareness of all employees, manage risks within tolerable levels, and ensure the integrity, reasonableness, and optimization of risk management effectiveness.



International sustainability trends

GRI: Self-initiated Topic



Management Activities and Results Tracking

### Establishing ESG Committee

- ESG (Environmental, Social, and Governance) organization was established in May 2022, and it provides an annual report to the Board of Directors on the company's risk management implementation.
- In addition to ongoing general risk management activities, multiple risk management projects have been carried out, including occupational safety, response to the COVID-19 pandemic, currency exchange rate fluctuations, and regulatory changes.
- Reports on the implementation status of sustainable environment, risk management, stakeholder engagement, information security, and greenhouse gas verification were presented to the Board of Directors in both May and November 2022.

### Identification of Risks and Opportunities

- Identify risk factors and formulate responsive strategies to mitigate the impact of risks on operations, while also recognizing potential opportunities arising from risk events.
- In 2022, we primarily identified 14 risks, including "Climate Change" (6 environmental risks, 4 social risks, and 4 corporate governance risks). For risk management strategies related to each risk, please refer to our official website under "Risk Management."

**Stakeholder:** Investors/Corporations and Customers.



Stakeholder Engagement

### Complaint Mechanism

Investors/Corporations: Shareholders' meetings, analyst conferences, investment forums, and teleconference meetings.  
Customers: Customer meetings, customer audits, customer satisfaction surveys.

## 2.2.1 Business risk management



Company's risk management organizational structure and the scope of risk management, please refer to the official website under "Risk Management".

- The Risk Management Assessment Process:





- Scope of Risk Management

Dimension	Risk Items	Risk Management Strategies	Responsible department	Management Achievements in 2022
 Environment	Climate Change	In response to international trends, we conduct analysis and assessment of the risks and opportunities brought about by climate change. We demonstrate our responsibility and strategies to more effectively allocate capital, aiming to achieve the vision of a low-carbon economy transformation. We publish the "TCFD Report" annually.	EHS Team	In July 2022, we published the "TCFD Report," which discloses the company's governance, strategies, risk management, indicators, and targets related to climate-related risks and opportunities.
	Water Resources Management	1. Promote energy and water-saving improvement projects to reduce energy consumption and external water purchases. 2. Establish neutral and alkaline water recycling systems and further expand the wastewater recycling operations throughout the entire plant, reducing the raw water consumption of the pure water production system. 3. Evaluate the introduction of system-regenerated water to increase water supply sources.	Utility Department	In 2022, the wastewater recycling rate increased by 1% compared to 2021, and the Phase II water recycling equipment has been operating stably after expansion.

Dimension	Risk Items	Risk Management Strategies	Responsible department	Management Achievements in 2022
 Environment	Greenhouse Gas Emission Management	<ol style="list-style-type: none"> <li>Monthly energy management meetings are held to enhance energy-saving and carbon reduction techniques.</li> <li>Short, medium, and long-term carbon emission goals are set to promote continuous energy-saving measures and improve energy efficiency.</li> </ol>	EHS Team, Utility Department, Factories	In 2022, a total of 71 energy-saving projects were completed, resulting in an annual benefit of 21,423 thousand dollars.
	Energy Management	<ol style="list-style-type: none"> <li>Annually set environmental management goals and targets and implement a proposal incentive system to encourage various department to review and improve energy efficiency.</li> <li>Establish an energy management organization for operational management, hold regular monthly energy management meetings, and conduct internal audits on energy conservation.</li> <li>Continuously promote the replacement of old public facilities with new ones and improve the energy efficiency of process equipment.</li> </ol>	EHS Team, Utility Department, Factories	<ol style="list-style-type: none"> <li>In 2022, a total of 71 energy-saving projects were completed, resulting in a daily reduction of 24,951 kWh of electricity and an annual benefit of 21,423 thousand dollars.</li> <li>In 2022, a total of 15 water-saving projects were completed, resulting in a daily reduction of 0.271 million liters of water consumption and an annual benefit of 2,067 thousand dollars.</li> </ol>
	Air Pollution Control	Implement regular inspections, maintenance, and upkeep work to ensure that all equipment functions at its optimal efficiency.	EHS Team, Factories	No environmental fines were imposed in 2022.
	Waste Management	<ol style="list-style-type: none"> <li>To promote waste reduction and effective resource utilization, recycling points are set up within the plant to recycle resource waste, and continuous process and operational improvements are implemented in production.</li> <li>Waste reduction is prioritized at the source, followed by consideration of reuse, and finally waste is classified for recycling, enabling the circulation and utilization of resource materials.</li> </ol>	EHS Team, Factories	<ol style="list-style-type: none"> <li>In 2022, 19 combustible waste reduction measures were implemented, resulting in a monthly reduction of 2.8 tons.</li> <li>An assessment for the reuse of pure water filter elements is underway and is expected to be completed in the first quarter of 2023.</li> </ol>
 Social	Human Rights	<ol style="list-style-type: none"> <li>The "Human Rights Policy" is signed by the general manager, adhering to international human rights standards and labor regulations in locations where we operate globally.</li> <li>We are committed to providing an equal and discrimination-free working environment.</li> <li>Individual privacy rights are respected.</li> </ol>	Human Resource Team	There were no human rights-related complaints filed through the formal complaint channel in 2022.
	Talent Recruitment and Development	<ol style="list-style-type: none"> <li>Multiple open recruitment channels, active participation in campus activities, offering summer internships, promoting industry-academia cooperation, and providing scholarships to attract talents and improve recruitment efficiency.</li> <li>Stable and generous compensation and benefits are provided.</li> <li>A comprehensive education and training plan is implemented, encouraging employees to obtain certifications or professional qualifications.</li> <li>For outstanding performers, reasonable and accessible promotion channels are provided.</li> </ol>	Human Resource Team	<ol style="list-style-type: none"> <li>3 recruitment events were attended in 2022.</li> <li>In 2022, a total of 12 employees were hired through industry-academia cooperation with Ming Chi University of Technology and Chang Gung University.</li> </ol>
	Occupational Safety and Health	<ol style="list-style-type: none"> <li>Zero work-related injuries, accidents, and risks are the management foundation, providing employees with a safe and healthy workplace that exceeds legal standards.</li> <li>Encourage active participation of supervisors and employees at all levels to enhance safety awareness and eliminate potential risks.</li> </ol>	EHS Team	In 2022, 8 improvement proposals were added and implemented, with progress being tracked.



Dimension	Risk Items	Risk Management Strategies	Responsible department	Management Achievements in 2022
 Social	Social Participation and Contribution	<ol style="list-style-type: none"> <li>Adhering to the spirit of "taking from society and giving back to society," we are dedicated to giving back to the community and fulfilling our social responsibilities.</li> <li>Encourage employees to actively participate and promote various community engagement activities, deepening interactions with residents.</li> </ol>	Management Department	<ol style="list-style-type: none"> <li>In 2022, assistance was provided to 1,000 people and 210 cases for funding applications for elderly centers and disadvantaged residents in Changxing Village.</li> <li>In 2022, sponsorship for community engagement activities amounted to 1.017 million dollars.</li> <li>In 2022, 8 environmental volunteer activities were organized with a total of 154 participants.</li> <li>In 2022, 18 benevolent service activities were held, with a total of 130 participants, and a donation of 137,000 dollars.</li> <li>In 2022, a donation of 1.46 million dollars was made to provide nutritious lunches for underprivileged students in 25 schools in Taoyuan City.</li> </ol>
	Strategic Operations	The company has formulated a diversified policy for the board of directors and improved the planning of director education to provide them with the latest information on regulations, ESG, industry development, and policies. Additionally, the directors are insured with director's liability insurance to safeguard their interests and mitigate significant risk to the company.	Management Analysis Team	The company's directors not only possess professional leadership and decision-making abilities but also have extensive expertise in business management, diverse industry experience, and knowledge in finance, accounting, or law, enhancing the independence of corporate governance.
 Governance	Integrity in Operations	With the goal of sustainable business, the company continuously develops high-value products, maintains good relationships with customers and suppliers, and carries out quality improvements to enhance competitiveness and reduce operational risks.	Management Analysis Team	To achieve the objectives of environmental protection, social responsibility, and corporate governance, the company established a Sustainable Development Committee in May 2022, regularly reporting to the board of directors.
	Strengthening Board Functions	The company has set various ethical codes of conduct and established sound corporate governance and risk control mechanisms. It evaluates the risk of dishonest conduct and implements relevant preventive measures to promote integrity policies.	Management Analysis Team	<ol style="list-style-type: none"> <li>Annual education and training on "Prevention of Insider Trading" and "Handling of Internal Sensitive Information" are provided to employees and directors.</li> <li>"Internal Handling of Sensitive Information Procedure" and the revised "Prevention of Insider Trading Management Measures" have been established, specifying that company directors are prohibited from trading company stocks during the 30 days prior to the announcement of the annual financial report and 15 days prior to each quarterly financial report.</li> </ol>
	Legal Compliance	Through the establishment of governance structures and internal controls, the company strictly requires compliance with laws and regulations in its operations, while staying updated and responsive to policy and regulatory changes. It has also set up a dedicated legal department, standardized contract templates, and conducted legal compliance education to minimize legal risks.	Management Analysis Team	<ol style="list-style-type: none"> <li>Timely revisions to the "Internal Control System" and "Internal Audit Implementation Regulations."</li> <li>Providing legal compliance education and a smooth reporting channel.</li> <li>Implementing self-inspections and internal audits in various departments to prevent fraudulent activities and reduce the occurrence of risks.</li> </ol>

## 2.2.2 Information Security

In 2022, NYPCB no leaks of personal information, violations of privacy rights, or leaks of customer information. The company fully manages the storage, inspection, authorization, distribution, recycling and destruction of various information such as research and development, production, manufacturing, sales, technical cooperation, negotiation, outsourcing, operation and management according to the confidentiality level set by the company, to protect and fulfill the rights and commitments to partners and customers.

### Information Security Management Strategy

We keep up with the times and continue to improve the security of information technology. Under the three principles of confidentiality, integrity and availability, we strengthen and ensure the security of various information, systems and networks to build Reliable information environment.

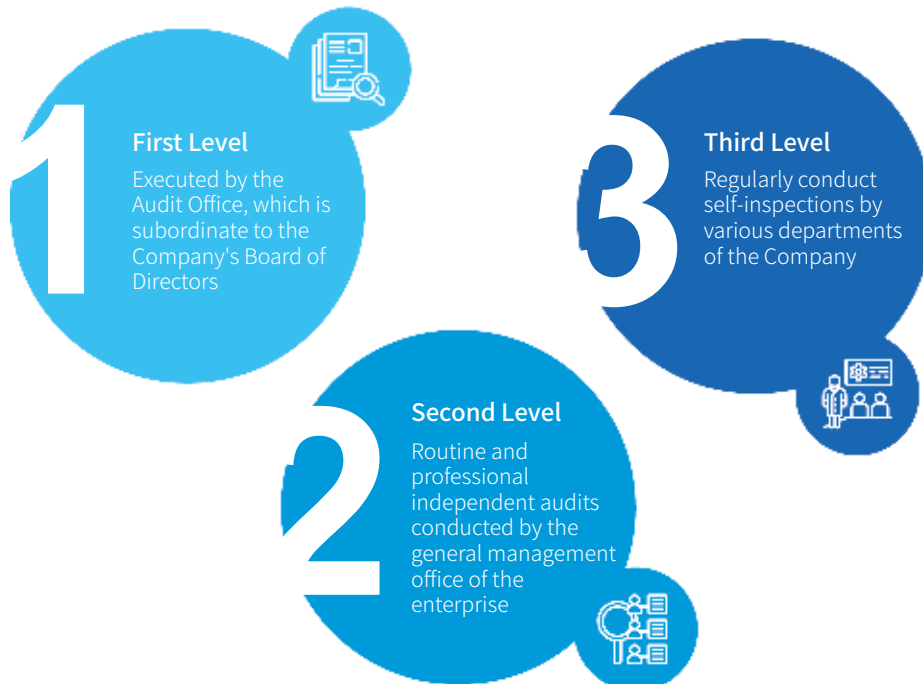
Information Security Management Principles	Management Key	Specific Practices	Implementation Results in 2022
Confidentiality	Information System Software Access Control	<ul style="list-style-type: none"> <li>The company has management measures to regulate information access management, including computer use rights and information protection procedures, and its scope of authority includes users Internet access, mail account, information system, file server related information acquisition and authority management, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Information security operation publicity: 1,513 people. 1</li> <li>USB illegal reading and writing cases: 2</li> </ul>
Integrity	Information system backup drills	<ul style="list-style-type: none"> <li>Regularly every year Execute backup drills for host and equipment abnormalities to ensure the integrity and feasibility of backup procedures Demand processing</li> <li>If there is a need for temporary backup or restore of each application system, the applicant shall apply according to the procedure, and after approval by the supervisor of the department, the information department shall handle it according to the demand</li> </ul>	<ul style="list-style-type: none"> <li>Server backup switching time average 15.6 minutes per department</li> </ul>
Availability	Entity and environmental safety	<ul style="list-style-type: none"> <li>The computer room is equipped with an uninterruptible power supply system, which is regularly inspected and tested by maintenance personnel or outsourced manufacturers according to the UPS maintenance cycle</li> <li>Computer room Equipped with temperature and humidity measuring instruments, water leakage detection alarms, smoke detectors, fire extinguishers, fire alarms and fire alarm reception switchboards to ensure the safety of maintenance and operation of the computer room, to ensure proper system operation.</li> </ul>	<ul style="list-style-type: none"> <li>The data center is equipped with real-time monitoring of various measurement instruments, such as temperature, humidity, and fire detection. The equipment undergoes regular maintenance and inspection tests every year, and annual holiday breaks include uninterrupted power supply (UPS) switch exercises to ensure the system operates smoothly.</li> </ul>
	Anti-virus management and vulnerability detection	<ul style="list-style-type: none"> <li>All computers in the network are equipped with anti-virus software, and the centralized management center monitors the situation of computer poisoning and virus code updates</li> <li>Windows security updates are automatic updates, and the host sends Windows security update files uniformly to fix known loopholes. For machine manufacturers, when updating the program of the machine computer in the factory area, it is necessary to clean the installation program storage medium (USB or hard disk, etc.) before it is allowed to connect to the company network</li> <li>Regularly scan the host system every year, aim at patch management integration and vulnerability analysis, find out potential risks of the system, and reduce network threats and the probability of host s</li> </ul>	<ul style="list-style-type: none"> <li>SOC network monitoring for real-time cybersecurity alerts.</li> <li>Deployment of antivirus software on 2,586 devices, centrally controlled by the antivirus management center in real-time.</li> <li>Weekly antivirus code updates for the antivirus software.</li> <li>Monthly Windows security updates for host systems and customer computers.</li> <li>USB port permission control.</li> <li>Sharing of pre-warning alerts from external cybersecurity organizations such as TWCERT to enhance proactive defense.</li> <li>Vulnerability scanning and patching of host systems every 6 months.</li> <li>Social engineering exercises for email security.</li> <li>Conducting red team exercises to simulate cybersecurity attacks, identify system vulnerabilities, and improve security measures every 2 years.</li> </ul>
	Product data security risk	Nanya products are not terminal products, and are designed and produced according to customer product design specifications, so there is no product data risk	

## 2.3 Internal Control

### 2.3.1 Internal Control Operation

#### Operational structure

NYP fully promote computerization across all operational processes. The six major management functions — human resources, finance, business, production, manufacture, and engineering — should be interconnected by computers to enable trench auditing layer by layer as well as abnormality management. NYP has also established a professional and independent internal audit operation structure, which is divided into three levels:



#### Prevention of insider trading management

In order to avoid leaked information affecting stock prices and to ensure all employees follow the regulations against insider trading, NYP has followed Article 8 of the "Regulations Governing Establishment of Internal Control Systems by Public Companies" to establish an "Insider Trading Prevention Management Regulations", and has included it in its internal control system to implement the prevention of insider trading management.

#### Confidentiality in Daily Operations:

- The directors, executives, employees, and consultants of NYP conduct their duties with utmost care, loyalty, honesty, and integrity. They are required to sign confidentiality agreements and are strictly prohibited from disclosing any significant non-public information they become aware of before an official public announcement by NYP.

#### Internal Reporting Process:

- If any director, executive, employee, or consultant discovers any instance of material non-public information leakage, they are required to promptly report it to the internal audit department.
- Upon receiving such a report or detecting any such leakage independently, the internal audit department will immediately collaborate with relevant departments to develop appropriate measures for handling the situation. The outcomes of these actions will be recorded for future reference.

### 2.3.2 Internal Audit Operations

The Audit Office is under the Board of Directors and employs full-time internal auditors. Internal auditors must participate in audit business-related courses held by professional training institutions every year to continuously improve their professional capabilities. For NYP's internal audit organization and operation, please refer to the official website under "[Internal Audit Organization and Operation](#)".

#### Overview of Internal Auditor Training in 2022

Number of trainees	Total training hours	List of training courses
4	48	<ol style="list-style-type: none"> <li>How Internal Auditors Become Experts in Business Diagnosis</li> <li>The Laws and Compliance in Corporate Social Responsibility and Sustainability Reporting</li> </ol>

#### Internal audit operation in the past four years

	2019	2020	2021	2022
Declaration Items in the Audit Plan	40	40	41	41
Regular Items	37	37	39	39
Make Recommendations	3	3	2	2
Actual achievement rate	100%	100%	100%	100%

### 2.3.3 Employee Behaviors and Code of Ethical Conduct

NYP has defined employees' and employer's rights and obligations to maintain order in the workplace. Pursuant to the law, a code of conduct has been established and was published after having been reviewed by relevant authorities. It will be publicly disclosed after being verified by the competent authority, so that the management of employees at NYP are able to follow. Issues such as the appointment and transfer of personnel, working hours, wages, disciplines to be observed, related regulations on rewards and punishments, dismissal, severance, retirement, training and assessment, occupational accident compensation and pension, welfare measures and other items are clearly regulated in the code of conduct.

In addition, to strengthen the behavior and ethical standards of the Company's managerial officers, those who ranked above engineers and specialists are required to sign the "Statement of Employees' Compliance to NYP's Operating Policy," which is summarized as follows:

Item	Explanation
Prohibition of unfair competition (Antitrust policy)	Employees must abide by all regulations of the Fair Trade law. They should always gain profit through honest means and ensure their conduct is in compliance under the law. The Company has no legal proceedings involving anti-competitive behavior, anti-trust and monopoly practice in 2021.
Regulating the Conflict of Interest Policy:	Employees should avoid damaging the interests of the Company during operation. They should never directly or indirectly request or accept gifts, entertainment, or any form of personal benefits from the customers or competitors of the Company, nor shall any improper gifts, entertainment, or other benefits be accepted.
Internal Data Security Policy	Employees handling the Company's data should not reveal confidential data or other information that has not been published without NYP's written permission. They should not use the information for personal gain or use it for any purpose that is not relevant to the Company's operation. When an employee resigns from the Company, all the technical information under personal custody shall be returned.
Political Activities Policy	Employees should not directly or indirectly donate money, provide services, or give valuable items to any candidates or political parties. Employees are also not allowed to impose improper benefits on political figures or government officials such as legislators, so as not to affect the performance of their duties.
Business Integrity Code	The Company reached the resolution to draft the "Business Integrity Code" on the Board of Directors meeting on November 11, 2014. Although it was slightly revised according to the practice of NYP, the established code is consistent with the spirit of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".

## 2.4 Customers Relationship

### 2.4.1 Customer Service

NYP is committed to being a reliable and growth-oriented business partner for its customers. In order to strengthen customer service, Our company not only provides quality standards that exceed customer expectations but also ensures timely responses to customer requests through an effective communication system. Moreover, NYP adheres to its commitment of delivering products to customers on time to establish strong customer relationships.

To better understand valuable customer feedback, the sales department conducts regular visits to customers, engaging in direct communication and exchanging opinions. Face-to-face discussions on the latest products and market information are held to incorporate relevant customer feedback into the company's operations. In 2022, total of 12 customer complaints were received, all of which were resolved, and timely feedback was provided for each customer's input.

#### Quality complaints process:



#### Fair and reciprocal principles:

Based on our business values of integrity and reciprocity, our company is personally led by the senior management. From contract establishment, qualification, manufacturing, marketing, customer service to customer complaint handling, we apply this principle to all our customers. At the same time, we also strictly follow the international quality standards to provide our customers with fast service and good quality. Actual measures taken are provided below:

**Provide educational training:**

- Employees regularly to ensure understanding customer needs and related regulations.
- Before selling the product, we will communicate with our customers on product design and relevant risk to provide the most suitable products.

**Customer Communication**

- Business and customer service department are required to collect information related to customer satisfaction on TQRDC (technology, quality, response, delivery, and cost). These department are also asked to discuss such issues and improvement measures with the relevant manager.
- Through a dedicated counseling window, the company's official website and multiple complaint channels, our customer's rights are fully secured.

**Internal and external supervision and operations**

- Regularly carried out to ensure the implementation of company policy with fair and reciprocal principles.

## 2.4.2 Customer Satisfaction Survey

NYP regularly conducts customer satisfaction surveys to collect the indicators such as technology, quality, response, delivery, and cost. Each individual department would communicate with customers regarding items that scored poorly and propose improvement plans to customers based on the analysis results in order to raise customer satisfaction. We dedicate the improvements of internal production process and operations as well as customer satisfaction with PDCA ( Plan, Do, Check and Action ) management model in all activities to ensure all departments have a common principle to follow.

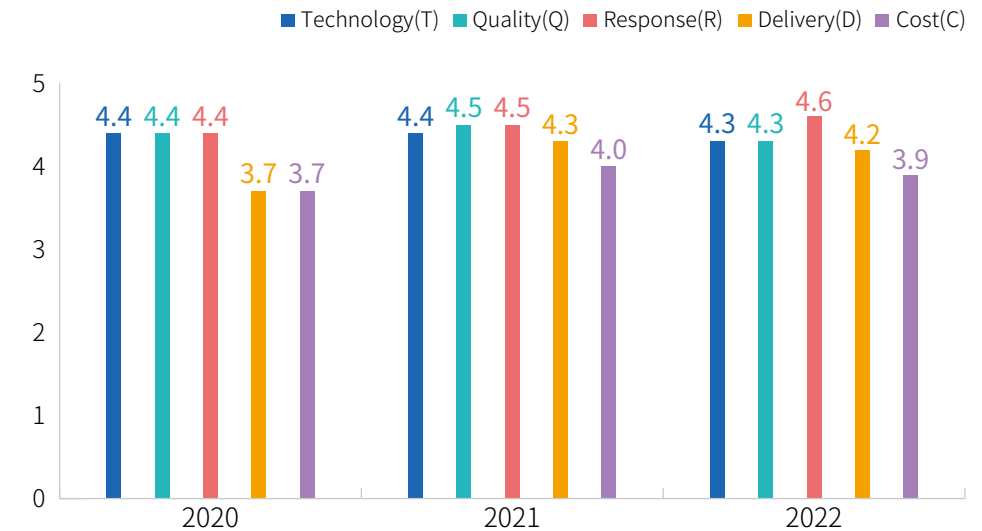
Please refer to the questionnaire results over the past three years, in which the average score of 2022 reached more than 4 points, which indicates that our customers are satisfied with the performance of our company.

### Customer Satisfaction Process



### Customer Satisfaction Questionnaire

In 2022, the average score reached 4 or above, indicating that our company's customer satisfaction met customer expectations. The evaluations of 'response' was better than the previous year. However, the 'cost' rating decreased compared to last year, primarily due to the indirect impact of production capacity constraints.



Note1: Grade - Excellent (5 points), Good (4 points), Fair (3 points), Need Improvement (2 points), Poor (1 point)

Note2: Number of Samples Collected: 2020- 14; 2021 - 17 ; 2022-16(Survey by sales ranking)



## 2.5 Supplier and Contractor Management



Material Issues Sustainable Supply Chain Management



Policy commitments Committed to becoming trusted and growth-oriented business partners with suppliers; compliance with occupational health and environmental regulations to ensure the safety of contractor personnel during construction.



International sustainability trends GRI: 308 Supplier Environmental Assessment, 414 Supplier Social Assessment  
SASB: Supply Chain Management, Raw Material Management  
MSCI: Controversial Procurement  
SDGs Targets: 8.7, 8.8, 12.2, 12.7



Management Activities and Results Tracking

### Supplier Evaluation

- Regularly conducting supplier satisfaction evaluations and annual improvement plan reviews is an essential practice for effective supplier management.
- Evaluation criteria: Technical (T), Quality (Q), Service (R), Delivery (D), Price (C), Environment (E).
- New suppliers must pass ISO 9001:2015 Quality Management System and ISO 14001:2015 Environmental Management System verification and sign the "Formosa Plastics Group Supplier/Contractor Corporate Social Responsibility Requirements and Commitment Form."
- Existing suppliers undergo biannual evaluations with a focus on environmental, social, and governance (ESG) issues. They are encouraged to obtain RBA certification, ISO 45001 certification, AEO certification, and major material suppliers aim to meet IATF 16949 standards.
- In 2022, 60 suppliers achieved a grade of B or higher, accounting for 100% of suppliers evaluated.

### Key raw material procurement involves establishing a Business Continuity Plan (BCP) for supply chain operations.

- Key suppliers with exclusive or single-source materials must establish and update Business Continuity Plans (BCP) annually.
- In 2022, there were 23 self-risk assessments by suppliers, with no high-risk suppliers and 1 medium-risk supplier.
- Emergency response investigations for BCP were conducted 14 times in 2022 without affecting the supply chain.



Management Activities and Results Tracking

### Conflict Minerals Management

- All relevant suppliers are required to commit to not using "conflict-origin metals" and disclose information about their smelters to certify and conduct transactions with new materials.
- Encourage smelters in the supply chain to participate in the Responsible Minerals Assurance Process (RMAP) and obtain third-party certification.
- In 2022, 12 smelters in the supply chain participated in RMAP and obtained third-party certification, accounting for 100% of smelters in the supply chain.

### Local Procurement and Green Procurement Initiatives

- Actively procure products from local suppliers to reduce carbon footprints from product transportation. In 2022, local suppliers accounted for 93% of all suppliers.
- Request material suppliers to provide commitments that their products do not contain environmentally harmful substances and require annual testing reports to ensure compliance with customer and regulatory requirements.
- In 2022, green procurement amounted to NT\$1,587,000.

### Contractor Personnel Supervision and Management

- Conduct pre-construction coordination meetings, safety analysis of construction sites, safety education for construction personnel, and signing of construction operation safety notification forms before starting work.
- Daily signing of safety notification forms at construction sites.
- Conduct two construction audits per year, managed by the General Management Office's Safety, Health, and Environment department.

Stakeholders: Suppliers, Customers



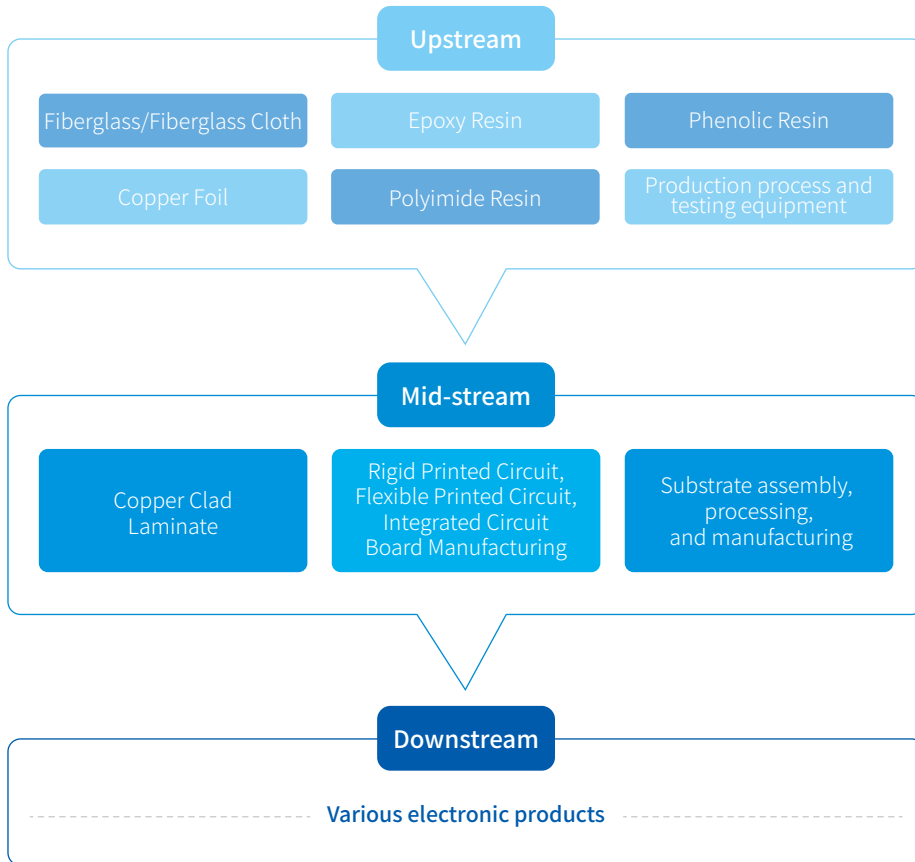
Stakeholder Engagement

### Complaint Mechanism

- Suppliers: Formosa Plastics Group website -> Supplier Feedback Zone -> Formosa Plastics Group Website Supplier Feedback Notification Processing Form.
- Customers: Customer satisfaction surveys.

## 2.5.1 Supplier and contractor management

### Supply Chain at NYPCB

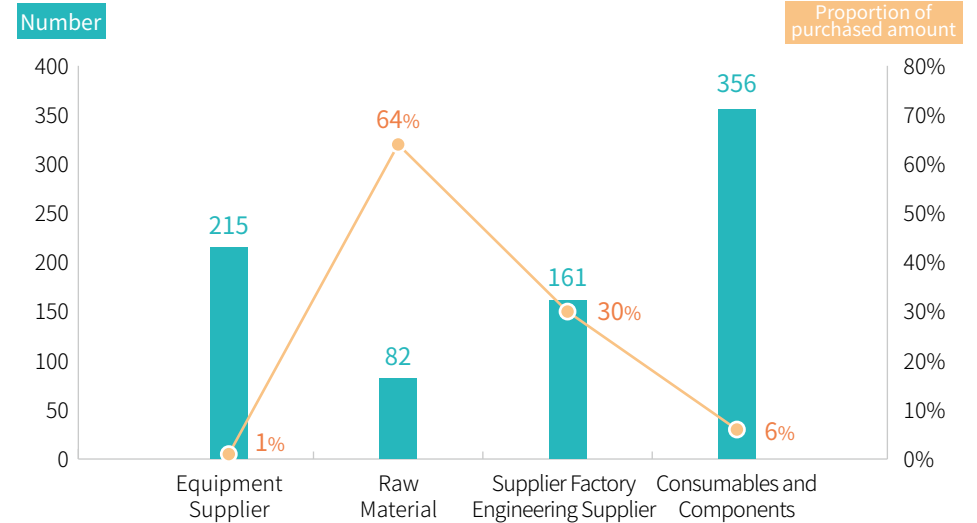


**Explanation:**  
The percentage distribution of upstream raw materials in NYPCB's products is approximately 30% for copper foil, 10-15% for lamination films, and the remainder is related chemicals and consumables.

### Supplier Composition Overview

In 2022, there were about 814 suppliers in cooperation with NYPCB, of which the number of local suppliers accounted for 93%, and the proportion of procurement amount reached 53%.

Item	Equipment Supplier	Raw Material Supplier	Factory Engineering Supplier	Consumables and Components	Total
Number	215	82	161	356	814
Proportion of purchased amount	1%	64%	30%	6%	100%



## 2.5.2 Supplier(or Contractor) Evaluation and Classification

### Management Overview

The procurement process at NYP  
adopts the method of Open Bidding. Through the Formosa Plastics procurement and outsourcing system on the electronic trading platform, it provides online inquiry, quotation, price negotiation, order and delivery of suppliers.

NYP  
has always regarded suppliers as partners, and is committed to provide guidance and make long-term cooperation to establish a sustainable supply chain with stable progression. Since October 1, 2019, NYP  
has progressively introduced the 'Supplier (Contractor) Social Responsibility Commitment Letter' and the 'Supplier (Contractor) Social Responsibility Questionnaire'. When manufacturers log in to the Formosa Plastics Electronic Market or after placing an order, we will send a letter to request manufacturers to sign then reply, and comply with the relevant regulations.

#### • Supplier/Contractor Management Overview

	2019	2020	2021	2022
Trading Manufacturers (Number of Manufacturers)	-	335	550	814
Percentage of signed social responsibility commitments (%)	-	48%	60%	65%
Percentage of completed social responsibility commitment questionnaire (%)	-	98%	98%	98%

### Supplier Evaluation and Audit Assistance

NYP  
regularly conducts supplier evaluations with key suppliers' top management. New suppliers are required to pass ISO 9001:2015 Quality Management System and ISO 14001:2015 Environmental Management System verification, and are evaluated based on comprehensive criteria such as technical capability (T), quality (Q), service (R), delivery (D), price (C), and environment (E) to assess their suitability for the supply chain. Qualified new suppliers are required to sign the " Formosa Plastics Group Supplier/Contractor Corporate Social Responsibility Requirements and Commitment Form" during transactions.

NYP  
visits major suppliers and conducts quality system audits every year according to the annual plan. The implementation target is to have the audit rate greater than 80% within two years. The audit process is to ask suppliers to conduct self-inspection and assessment first, and then conduct an on-site audit. The audit items include the implementation of quality system, human rights and labor conditions, environmental safety, green partners, etc., as well as compliance with the requirements of RBA and relevant environmental laws and regulations. For those who fail the audit, NYP  
will require suppliers to formulate improvement plans and provide necessary assistance. A total of 8 major manufacturers had been planned to be audited in 2022, 8 of which have been completed, and the audit completion rate is 100%. There were no high-risk manufacturers, no major audit defects, and all other audit defects have been fully improved.

#### Supplier Evaluation Item



#### Supplier Environmental and Safety System Evaluation Form

- Health and Safety
- Environment
- Management System



#### Supplier Personnel System Evaluation Form

- Freedom of Employment
- No Child Labor
- Working Hours
- Wages and Benefits
- Humane Treatment
- Non-Discrimination
- Freedom of Association
- Management System
- Code of Conduct



#### Supplier Green Product Audit Checklist

- Hazardous Substances Management System
- Internal Audits and Management Reviews
- Design and Change Management
- Procurement and Incoming Material Management
- Corrective and Preventive Actions
- Warehouse and Production Management
- Shipping Control
- Education and Training
- Document and Record Management

### Major Supplier Audit Status

Year	2019	2020	2021	2022
Overall Supplier Audit Ratio (Note 1)	100%	90%	100%	100%
High-Risk Supplier Audit Ratio (Note 2)	N/A	N/A	N/A	N/A

Note1: Overall Supplier Audit Ratio = Number of Audited Manufacturers/Number of Major Manufacturers

Note2: High-Risk Supplier Audit Ratio = Number of Audited Manufacturers/Number of High-Risk Manufacturers

### Supplier Complaint Mechanism

We have established a dedicated customer service center for our electronic trading marketplace, providing 24-hour comprehensive consultation services to suppliers regarding the software operation and various inquiries related to our online quotation platform. Additionally, we have set up a response and complaint platform within the electronic trading marketplace system, which is managed by the Group's Central Administration Department. Any feedback or complaints received are promptly addressed and responded to by our dedicated personnel.

Based on the statistics from the Formosa Plastics Group's electronic trading marketplace system in 2022, there were a total of 79 cases of supplier feedback, categorized as follows: 55.6% inquiries about procurement details, 16.5% system issues, 1.3% stoppage-related issues, 1.3% revised procurement cases, 13.9% complaints, and 11.4% others. The stoppage-related issues refer to cases where the number of abnormal delivery lead times exceeded 3 (inclusive) and the abnormal rate reached 40% (inclusive) or higher. In such instances, the stoppage would last for one month, and if improvements are made the following month, the stoppage control will be lifted.

### About Supplier Safety Management

For supplier safety management, please refer to section 4.5 Occupational Safety and Health in this report.

### Tiered Management System for Contractors



To reinforce safety management, control the quality of contractors, improve contractors' occupational safety standards, and prevent their employees from injuries, NYPCB implemented a hierarchical system for contractor management. For all engineering professional manufacturers, the contracting center of the general management office is responsible for collecting their information, investigating and evaluating their plant construction sites, construction equipment, construction site safety management capabilities and technical capabilities, and contract performance, etc. They are classified in to classes A, B, and C according to their contracting ability and actual performance.

Selection criteria	Vendor Construction Assessment (Regulation No. E00009-2)
Evaluation Items	<ul style="list-style-type: none"> <li>Construction Quality Management</li> <li>Safety and Health Management</li> <li>Weekly inspection of construction material management based on safety and health checklist</li> <li>Transportation vehicle management</li> <li>Entry and exit management</li> <li>Overdue abnormal improvement</li> <li>Completion delay: Construction progress delay; no points deducted for delays less than 7 days, 3 points deducted for delays of 7 to 13 days, 7 points deducted for delays of 14 to 30 days, and a score of 0 will be given for delays exceeding 30 days.</li> </ul>
Evaluation Scale	A-C three grades
Scale	Countermeasures
Grades A	Score >90 points, eligible for rewards
Grades B	General management
Grades C	Score <74 points, counseling

## 2.5.3 Supply Chain Issues

### Procurement of key raw materials

The sole supplier or the key supplier must update the Business Continuity Planning (BCP) every year. The Company properly manages emergency response plans and requires suppliers to conduct self-risk assessments annually.

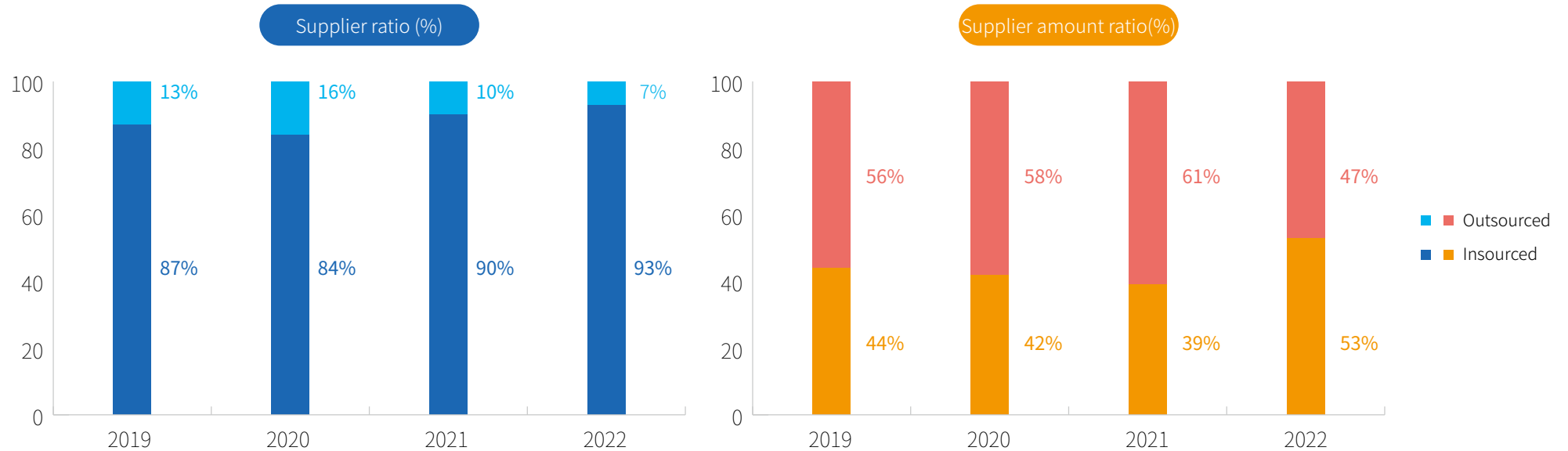
Key Supplier Classification	Brief Overview of Sustainable Business Plan	Brief Overview of Emergency Response Plan	Annual Self-Risk Assessment Results
<ul style="list-style-type: none"> <li><b>Sole Source:</b> A sole supplier in the world with exclusive rights to provide the material.</li> <li><b>Single Source:</b> There are two or more suppliers with industry-proven capability to provide the material, but due to strategic considerations, only one supplier is authorized for use.</li> </ul>	<p>Supply Chain Business Continuity Planning(BCP) and Risk Assessment Process:</p> <ul style="list-style-type: none"> <li>In the first quarter of each year, the Material Procurement Team conducts regular updates on the annual Supply Chain Business Plan (Business Continuity Planning) for the Sole/Single Source suppliers from the previous year.</li> <li>The supply chain risk assessment process is completed in the second quarter of each year.</li> </ul>	<p>Integrating preventive and recovery control measures and procedures, we have established a comprehensive Business Continuity Management System to minimize operational disruptions caused by various natural disasters, accidents, emergencies, or management deficiencies to an acceptable level, and to enable the company's rapid recovery, ensuring sustainable development of the enterprise.</p>	<p>BCP Implementation in 2022:</p> <ul style="list-style-type: none"> <li>A total of 23 suppliers conducted self-risk assessments, with no high-risk suppliers identified and only 1 identified as medium risk.</li> <li>BCP emergency response investigations were carried out 14 times, including incidents related to the COVID-19 pandemic and lockdowns (3 times), natural disasters such as earthquakes (8 times), and incidents caused by human factors such as wars, gas explosions, and strikes (3 times). None of these incidents affected the supply chain's material sourcing.</li> </ul>

### Conflict minerals management

In terms of conflict mineral management, NYPCB requests its suppliers to promise not to use mineral and metals mined from conflict zones. Suppliers must disclose the information of its smelters to obtain a new material certificate prior to commencement of supply. Suppliers who do not provide complete information or work with illegal smelters shall be asked to improve, and do not rule out finding replacements. In addition, NYPCB actively encourages smelters in the supply chain to participate in the Responsible Minerals Assurance Process (RMAP), and get certified as a qualified smelter by a trusted third party. In 2022, a total of 12 smelters in the supply chain participated in RMAP and obtain third-party certification, accounting for 100% of the total smelters.

### 2.5.4 Localized purchase

NYPCB actively promotes and implements the localization of material procurement to reduce unnecessary air and sea freight and the carbon footprint generated during transportation. Please refer to the table below for the ratio of the number of domestic/outsourced suppliers and the ratio of the amount purchased in the past four years.



Note1: Insourced purchases are defined as suppliers purchased in Taiwan and the corresponding purchase amount, and outsourced purchases are from outside Taiwan

Note2: Major customers that specify high-end products that still need to import raw materials from abroad

Note3: Supplier ratio (%) = Number of suppliers in each procurement category / Total number of suppliers

Note4: Supplier amount ratio (%) = Amount of procurement in each procurement category / Total procurement amount from suppliers

Using products with ECO MARK can reduce resource consumption, lower environmental pollution, and minimize the impact on the planet. Since 2007, the Environmental Protection Administration (EPA) has actively promoted the policy of group purchasing of green products by businesses. Due to the substantial purchasing power of the Formosa Plastics Group, we not only respond to the EPA's green procurement policy and implement the concept of 'Recyclable, Low Pollution, and Resource-Saving' in environmental protection, but also encourage suppliers to actively develop green products, thus enhancing the production level of green products in our country. To achieve this, our company has established a Green Procurement Project Team to actively promote green procurement. The main green products procured include plastic pallets, toner cartridges, fluorescent lamps, and other 70 items. In 2022, the total amount of government-approved green products purchased reached NT\$1,587,000.



# 03

## chapter

### Environmental Sustainability



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## 3.1 Environmental Policy and Achievements

### 3.1.1 Environmental Policy

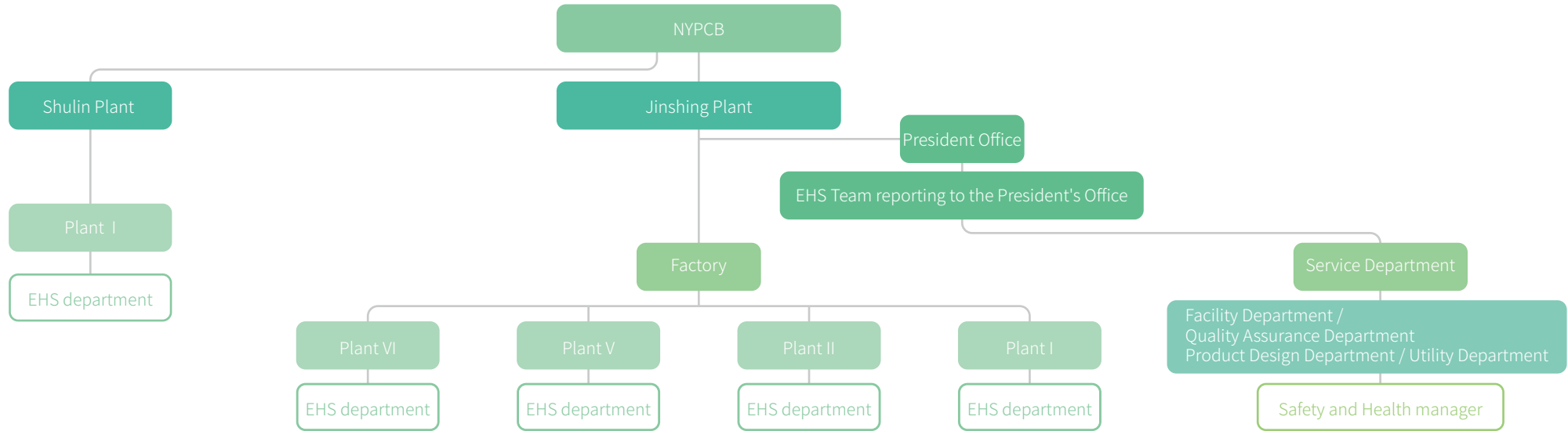
Organizational Structure and Responsibilities of “Environmental, Health, and Safety Group,(EHS)”.

ENYPCB has a EHS Group that reports directly to the President's Office. In 2009, the EHS was evaluated by the Council of Labor Affairs as the first-tier Labor ESH Management. It is responsible for the integration, formulation, and execution of relevant external business related policies and various standard implementation procedures of the entire company. Each factory also has an environmental safety department, which is responsible for the promotion of internal safety, hygiene and environmental protection.

- ESH Organization

	Safety and hygiene management meeting	Environmental protection and energy saving meeting	Occupational Health and Safety Committee
Organizational Purpose	<ol style="list-style-type: none"> <li>1. Zero occupational injuries and zero hazards.</li> <li>2. Zero violation tickets</li> </ol>	<ol style="list-style-type: none"> <li>1. Zero anomalies as checked by the competent authorities</li> <li>2. Energy saving, water saving and waste reduction</li> </ol>	<ol style="list-style-type: none"> <li>1. Established under the Occupational Health and Safety Act</li> <li>2. Review safety, hygiene, health and other related business</li> </ol>
Top Executive	Vice President	Vice President	President
Meeting Frequency	Once per month	Once per month	Once per quarter
Management Results in 2022	No occupational injuries/disabilities or fines	<ol style="list-style-type: none"> <li>1. Zero Abnormalities in Government Audits.</li> <li>2. Energy Saving Achievement Rate of 94%.</li> <li>3. Water Saving Conservation Achievement Rate of 102.2%.</li> <li>4. Waste Reduction Achievement Rate of 73%.</li> </ol>	This year, 8 new improvement cases were introduced, all of which have had improvement measures implemented, and their execution progress is being monitored.

### EHS Organization



### Management Review Process:

NYP CB holds an annual "Environmental and Occupational Health and Safety Management Review Meeting" to assess the implementation of the previous year's environmental and occupational health and safety management plan (including tracking measures) and objectives, review the achievement rates of objectives, and establish the environmental and occupational health and safety management objectives and targets for the current year along with the corresponding management plan. The execution of these objectives is supervised by EHS. For information about the Management System Verification Certificate, please refer to the official website's "Awards and Certifications" section.

### Environmental Compliance Records:

NYP CB conducts fundamental work in accordance with the law for various environmental protection management tasks. In 2022, there were no records of violations of environmental regulations, nor were there any significant environmental leakage incidents. Furthermore, the company collaborates with and participates in relevant environmental improvement projects led by supervisory authorities, consistently promoting waste reduction, resource reuse, greenhouse gas reduction efforts, and adhering to green product research and requirements, facilitating green product management to align with environmental trends and tendencies.

### Environmental Complaint Mechanism

We have established feedback mailboxes on both its global website and internal intranet, assigning the Public Relations team to handle external complaint opinions. As of 2022, NYP CB recorded no external or internal environmental complaint opinions.

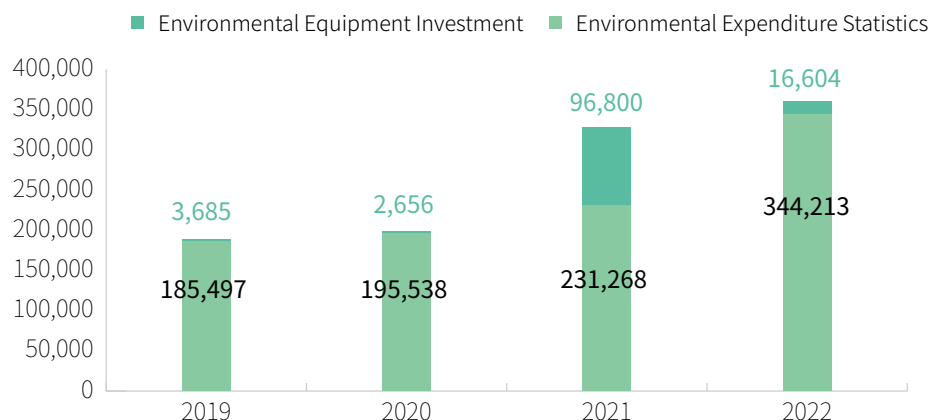


Internal and external feedback mailbox

### 3.1.2 Environmental Accounting

The environmental accounting system is designed to calculate environmental costs, identifying and quantifying the capital and expenditure incurred by the enterprise to mitigate, prevent, or eliminate environmental impacts resulting from operational activities. NYP introduced the environmental cost accounting system in 2008, categorizing various environmental expenditures into six major categories (as shown in the diagram below) and establishing distinct accounting entries for each category. The environmental expenditures invested in 2022 amounted to NT\$329,454 thousand, with environmental operational expenses accounting for NT\$344,213 thousand, and investments in environmental equipment totaling NT\$16,604 thousand. The equipment investment in 2022 was reduced by NT\$80,196 thousand compared to 2021. This reduction is mainly attributed to multiple large-scale expansion projects of wastewater treatment equipment in 2021, with 62% of the expenses allocated to the Phase RO II water recycling equipment.

Statistics on environmental protection expenditure over the years



Environmental Expenditures Over the Past Four Years

Unit : NT\$ thousand

	2019	2020	2021	2022
Investment in environmental protection equipment	3,685	2,656	96,800	16,604
Recurring Expenses	185,497	195,538	231,268	344,213
Total Environmental Protection Expenditure	185,182	198,194	328,068	329,454

Note 1: Shulin plant commenced trial operations in 2022, with system establishment underway. Relevant information will be disclosed starting from 2023."

Note 2: "Environmental equipment investment refers to investments in equipment related to environmental improvement."

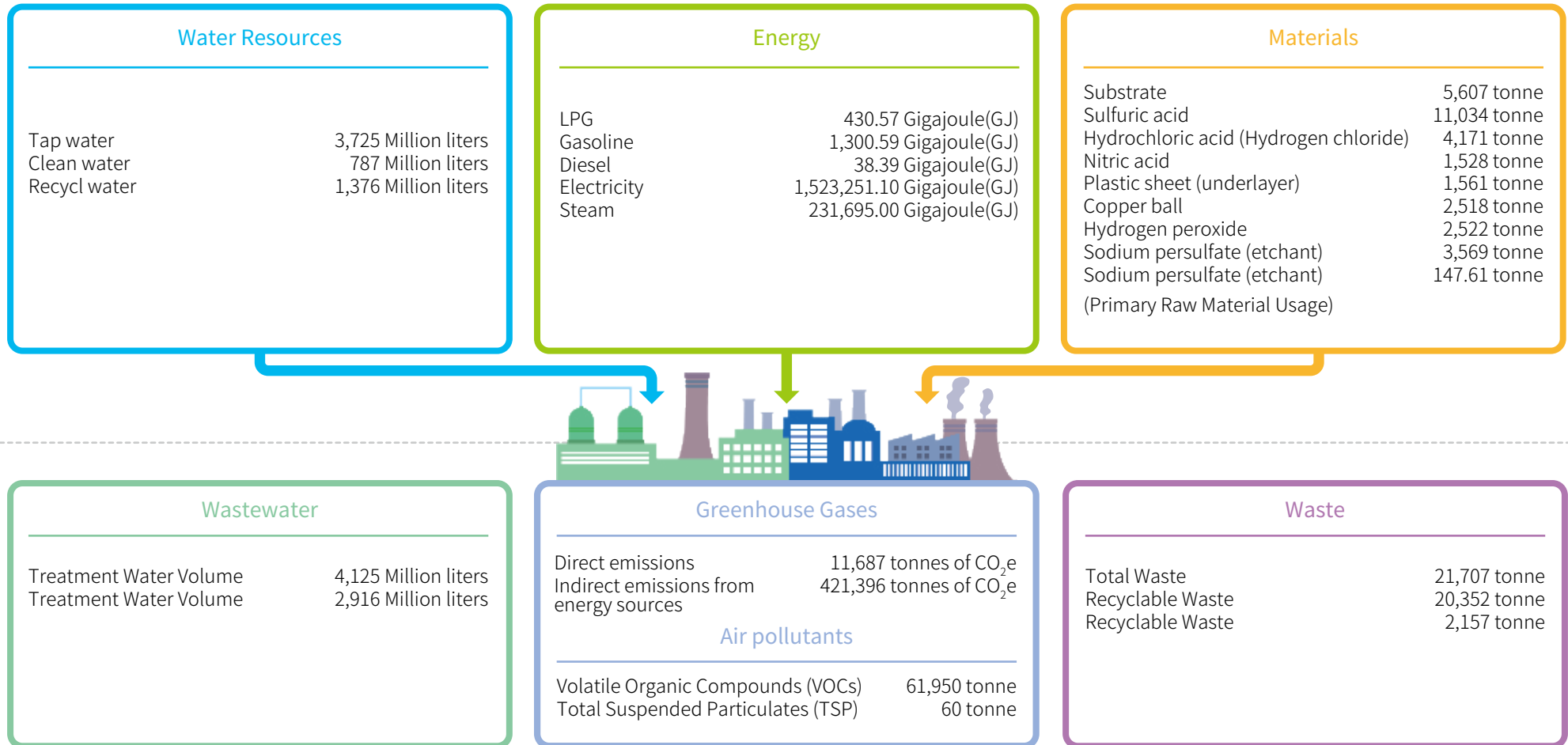
Note 3: "Operational expenses encompass various activities aimed at preventing, reducing, or eliminating pollution or environmental hazards arising from production and consumption processes."

Classification of Environmental Protection Recurring Expenses



### 3.1.3 Overall Environmental Results in 2022

In 2022, the total input (materials, energy, water resources) and total output (greenhouse gas, air pollutants, waste, waste water) and other environmental information of NYP's operating plants are summarized following diagram:





Note 1: Relevant information regarding the Shulin Plant will be disclosed starting from 2023.

Note 2: Zero emissions of nitrogen oxides and sulfur oxides in exhaust gases.

## 3.2 Climate Change Action

### 3.2.1 Climate Change Management Framework

Item	Governance	Strategy	Risk Management	Indicators and Goals
 Management Strategies and Action Plan	<ol style="list-style-type: none"> <li>We have established an energy management department to promote the review and improvement of energy efficiency of each department, as well as hold monthly energy management meetings and tracking the current status.</li> <li>Environmental policies, reduction targets, effectiveness of implementation plans, etc., will be implemented by the General Manager after preliminary review by the Vice President.</li> </ol>	<ol style="list-style-type: none"> <li>We have continues to promote the ISO 14001 environmental management system as well as various energy and resource conservation activities.</li> <li>Cooperate with the government to promote green procurement policies, purchase products that are required to have environmental protection and energy saving labels, and report the procurement results to governmental department every year.</li> <li>Improve the recycling and reuse of waste water generated in the process, promote energy-saving solutions, apply economical and clean production processes, and reduce the demand for energy and water.</li> </ol>	<ol style="list-style-type: none"> <li>Risk topic collection: When formulating risk scenarios, consider the transition risks (policy and legal/market/technology/reputation) in the TCFD structure, then define and explain the risks that may occur.</li> <li>Major risk identification: Identify major risk issues based on the financial impact degree, impact object, and risk possibility of the relevant risk issues.</li> <li>Scenario Analysis and Opportunity Assessment: When developing an opportunity scenario, consider resource efficiency, energy, products and services, markets, and adaptability, and make an opportunity statement explaining the opportunities that may occur.</li> </ol>	We have set absolute greenhouse gas reduction targets, with a baseline year of 2020, starting in 2021, and a target year of 2030. The goal is to achieve a reduction of 25% over a period of 10 years.
 Implementation	Implemented 13 meetings, tracked the progress of implementing energy management policy, annual goals, and policy resolutions in 2022.	<ol style="list-style-type: none"> <li>In 2022, a total of 71 energy-saving projects were successfully implemented, resulting in an annual reduction of 9,107,115 kWh of electricity (32,785 GJ).</li> <li>In 2022, executed water-saving projects led to a daily reduction of 0.271 million cubic meters of water consumption.</li> </ol>	NYP Sustainability is actively engaged in the research and development of products related to the electric vehicle industry, such as circuit boards/substrates for electric vehicle peripherals. It is anticipated that the demand for circuit boards/substrates will rapidly increase within the electric vehicle market, thereby enhancing the company's revenue.	<ol style="list-style-type: none"> <li>Solar Power Generation Installation:                             <ol style="list-style-type: none"> <li>In 2022, the plan was set to establish solar power generation at Shulin Plant 1.</li> <li>Construction commenced in January 2023, with an anticipated power generation starting in December 2023.</li> </ol> </li> <li>Purchase of Green Energy (Wind Power, Solar Power) in 2023.</li> </ol>

### 3.2.2 Climate Change Management Strategies

In response to international trends, we have analyzed and evaluated the risks and opportunities associated with climate change and demonstrated its responsibilities and strategies by effectively allocating capital to achieve its vision for low-carbon economic transformation.

Item	Management strategies	Management results
Promote energy and water conservation programs	Environmental management goals and targets are set every year along with the proposal reward system, and the review and improvement of energy efficiency are promoted in each department. There is also an internal energy management department for management and operation where regular monthly energy management meetings are held to implement daily operations and conduct internal energy conservation audits.	In the year 2022, a total of 71 energy-saving projects were accomplished, resulting in a daily reduction of 24,951 kilowatt-hours (89,823.6*10-3GJ) of electricity, yielding an annual benefit of 21,423NT\$ thousand. In the year 2022, a total of 15 water-saving projects were successfully completed, leading to a daily reduction of 0.271 million cubic meters of water consumption, and an annual benefit of 2,067 thousand.
Purchasing Green Products	Regarding the assessment for replacing high-energy-consuming equipment with energy-efficient alternatives (heating equipment, air compressors, refrigeration units, motors).	In 2022, we were honored with the Excellent Award for Voluntary Greenhouse Gas Emission Reduction by the Industrial Development Bureau of the Ministry of Economic Affairs.
Use green energy	Plan and investigate suitable locations for the installation of solar power generation. Plan the procurement of green energy (wind power, solar power).	Internally, the consolidation of procurement from multiple renewable energy power vendors has commenced. This arrangement will be dynamically adjusted in response to developments in the green energy market. It is anticipated that in the year 2023, a purchase of 3 million kilowatt-hours per year (equivalent to 10,800 GJ per year) will be made, followed by a purchase of 13.41 million kilowatt-hours per year (equivalent to 48,276 GJ per year) in 2024.







### 3.2.3 Climate change risk management

Regarding the climate change risk and opportunity assessment process of NYPCB, as well as the outcomes of climate risk scenario analysis, please refer to the "2022 Climate-Related Financial Disclosure Report."

#### Risk Analysis Results

Aspects	The Impacts of Risks and Opportunities	Potential Financial Impacts	Stages at which risks and opportunities impact the value chain	Response measures
 Emerging Regulations	Increased operating costs due to regulatory revisions	The amendment to Taiwan's "Renewable Energy Development Act" was formally passed on April 2019, requiring consumers with large electricity consumption (with a contracted capacity greater than 5000KW) to set up renewable energy equipment, energy storage equipment with 10% of the contracted capacity within five years, or purchase Renewable Energy Certificates, otherwise a fee will be charged. Although we have purchases electricity from Nanya Plastics and was not included in the first wave of control list of major electricity consumers, it may still be included in the control list in the future, resulting in an increase in operating costs.	Operation	Internally, the consolidation of procurement from multiple renewable energy power vendors has commenced. This arrangement will be dynamically adjusted in response to developments in the green energy market. It is anticipated that in the year 2023, a purchase of 3 million kilowatt-hours per year (equivalent to 10,800 GJ per year) will be made, followed by a purchase of 13.41 million kilowatt-hours per year (equivalent to 48,276 GJ per year) in 2024.
 Chronic entity	Changes in rainfall patterns and extreme variability in climate patterns	In recent years, due to the impact of global climate change, the original rainfall time frame has changed. The rainy season in Taiwan is delayed to until after June and the time of rain is very short, resulting in less rainfall in Taiwan's dry season and shortage of water resources. As a result, NYPCB may experience water shortage during the dry season. If water is carried from other areas with abundant water sources to cope with the shortage of water resources, it will inevitably increase the production cost.	Operation	1.Reduction of Process Water Usage. 2. Recycling and Reuse of Wastewater 3. Procurement of wastewater from the Taoyuan North District Water Resource Center for the production of purified water through a water regeneration system. By 2024, an estimated annual reduction of 2.86*10 <sup>-3</sup> million cubic meters of water extraction is anticipated.

### 3.2.4 Short-, medium- and long-term management goals

- 2022 Goals and Achievements

Category	Item	Target Value in 2022	Actual Value in 2022	Attainment Status	Note
Water Saving	Water consumption per unit of output value (Million liter per NT\$ thousand)	7.91*10 <sup>-5</sup>	6.98*10 <sup>-5</sup>	Attainment	Consumption reduced by 2% per year based on actual usage in the previous year.
	Recycled Discharged Wastewater Volume (Million liter per day)	3.461	3.351	Attainment	The recycling rate increased by 1% per year based on the actual recovery rate for the previous year.
Energy Conservation	Greenhouse gas emissions per unit of output (tonnes of CO <sub>2</sub> e per NT\$ thousand)	8.1*10 <sup>-3</sup>	6.8*10 <sup>-3</sup>	Attainment	Emission decreased by 2% based on the actual emission of the previous year.
Waste Reduction	Amount of waste not recycled per unit of output value (ton per NT\$ thousand)	2.98*10 <sup>-5</sup>	1.56*10 <sup>-5</sup>	Attainment	Reduce by 1% per year based on the actual amount of the preceding year

- Short-term goals (Goals in 2023)

- Continuously promote water conservation, energy efficiency, and waste reduction operations.
- Set unit production value-to-usage ratio targets for 2022 and 2023: Based on 2022, reduce water consumption by 2%, electricity consumption by 2%, non-recycled waste generation by 1%, and greenhouse gas emissions by 2%.
- Increase the recycled discharged wastewater rate by 1% compared to 2022.
- The Carbon Disclosure Project (CDP) "Climate Change" questionnaire rating for 2022 maintains the "Leadership" level.
- Introduce external recycled water usage.

- Mid- and long-term goals (Goals for 2023~2030)

- Continuously promote water conservation, energy efficiency, and waste reduction operations, and engage in external assessments to enhance energy-saving techniques and effectiveness.
- Install additional RO purification treatment systems to increase wastewater recycling volume.
- Raise the proportion of external recycled water usage.
- Ongoing submission of CDP questionnaires to understand international climate change response trends.
- The absolute greenhouse gas reduction target for 2030 is to achieve a 25% reduction compared to the 2020 baseline.
- The Occupational Health, Safety, and Environmental System will persistently drive "digitalization" for real-time monitoring, reducing occurrences of anomalies.

Note 1: Effluent Recycle Ratio = [(1-(Recovery volume) / (Effluent volume + Recovery volume))\*100]






Note 2: Emission data for validated 2021 figures will be disclosed. Verification data for 2022 will be disclosed upon completion of verification in the third quarter of 2023. Data for 2018-2021 does not include Shulin Plant.

Note 3: Greenhouse gas emissions Scope 2 coefficients reference the Nan Ya Plastics Corporation electricity emission coefficient: 0.9888530771 tonnes of CO<sub>2</sub>e / thousand kilowatt-hour, steam emission coefficient: 0.3084563385 metric tons CO<sub>2</sub>e/metric ton (calculated according to the Ministry of Economic Affairs Energy Bureau GHG Inventory Tool 4.1).

Note 4: Revenue is calculated using consolidated revenue figures.

Note 5: The data does not include the Shulin Plant.

### 3.2.3 Greenhouse Gas and Energy Management

	Significant Themes Greenhouse gas emissions management
	<p>Policy Commitments</p> <ol style="list-style-type: none"> <li>1. Adherence to external regulations and internal environmental goals, with an aim to reduce greenhouse gas emissions in the production process, driving energy efficiency and operational enhancements.</li> <li>2. SBT (Science-Based Targets): Based on 2020 as a reference year, a 25% carbon reduction target is set for the year 2030.</li> </ol>
	<p>Linkages to International Sustainability Frameworks</p> <p>GRI:305 emission SDGs Detailed Targets:13.1</p>
	<p>Tracking of Management Actions and Results</p> <p><b>Regular Conduct of Greenhouse Gas Inventory</b></p> <ol style="list-style-type: none"> <li>1. In accordance with ISO 14064-1:2018 standards, conduct regular inventories of emissions for Scope 1, Scope 2, and Scope 3 categories, utilizing analysis to identify carbon emission hotspots and driving energy-saving projects.</li> <li>2. Establish annual greenhouse gas reduction targets, aiming for a 2% decrease in greenhouse gas emissions compared to 2020. However, in 2021, there was a 3% increase in greenhouse gas emissions compared to 2020, falling short of the target.</li> </ol> <p><b>Planning for Green Energy Usage</b></p> <ol style="list-style-type: none"> <li>1. Solar Power Installation:             <ol style="list-style-type: none"> <li>(1) In 2022, there is a plan to install solar power at the Shulin Plant.</li> <li>(2) Construction is set to commence in January 2023, with an estimated completion date of May 2023.</li> </ol> </li> <li>2. Purchase of Green Energy (Wind and Solar):             <ol style="list-style-type: none"> <li>(1) It is projected that in 2023, 3 million kWh of electricity will be purchased annually (equivalent to 10,800 GJ/year).</li> <li>(2) The plan is to procure 13.41 million kWh of electricity per year (equivalent to 48,276 GJ/year) in 2024.</li> </ol> </li> </ol>
	<p><b>Stakeholders:</b> Investors/Corporations, Government, Media</p> <p>The company has established feedback mailboxes on both its global website and internal intranet, with the Public Relations team designated to handle external complaint opinions.</p> <ul style="list-style-type: none"> <li>• Investors/Corporations: The company holds an annual shareholders' meeting to report on the execution status of sustainable development plans.</li> <li>• Government: Following the requirements and regulations of various supervisory authorities and the Environmental Protection Administration, the second batch of industrial greenhouse gas emissions must be reported annually before August 30 starting from 2023.</li> <li>• Media: Arrangement of news coverage and issuance of press releases on a non-regular basis.</li> </ul>



Significant Themes

Energy Management



Policy Commitments

Assessment of Energy-Efficiency Improvements for High-Energy-Consuming Equipment: Heating Systems, Air Compressors, Refrigeration Units, and Motors.



Linkages to International Sustainability Frameworks

GRI:302 Energy  
SDGs Detailed Targets:7.2\7.3\8.4



Tracking of Management Actions and Results

Monthly Review of Energy-Efficiency Assessment and Improvement Progress for High-Energy-Consuming Equipment.

In 2022, a total of 71 energy-saving projects were completed, resulting in a daily reduction of 24,951 kilowatt-hours (equivalent to 89.8236 GJ).



Stakeholder Engagement

**Stakeholders:** Customers, Media

**Complaint Mechanism:**

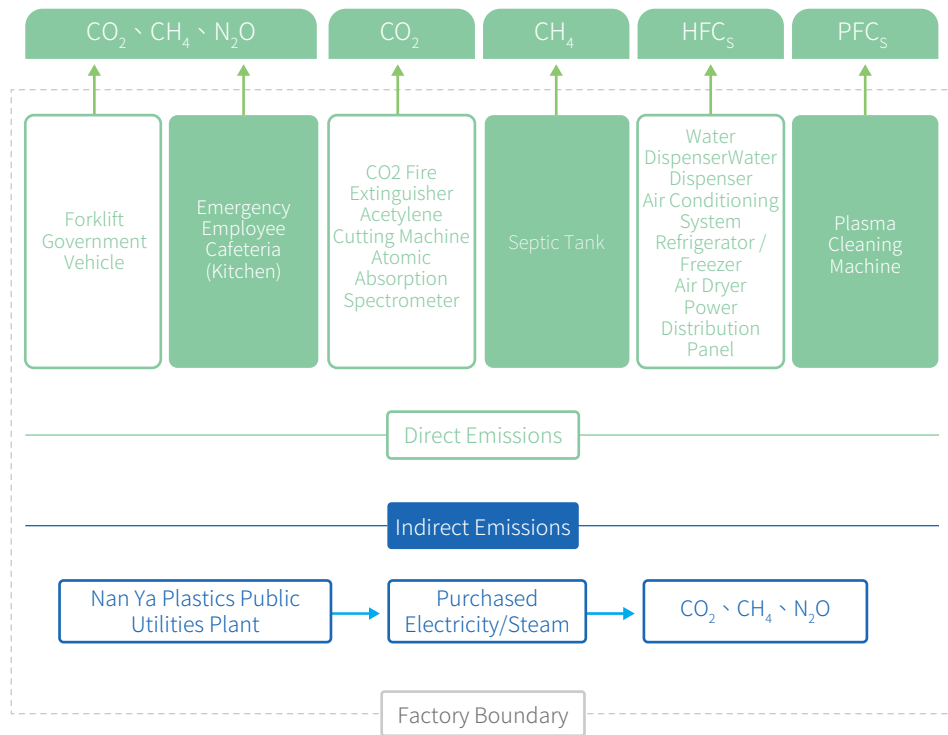
The company has established feedback mailboxes on both its global website and internal intranet, with the Public Relations team designated to handle external complaint opinions.

- Investors/Corporations: The company holds an annual shareholders' meeting to report on the execution status of sustainable development plans.
- Government Entities: Following the requirements and regulations of various supervisory authorities and the Energy Bureau, the reporting is completed annually by February.
- Media: Periodically arranges news interviews and releases press releases.

### Greenhouse Gas Management:

Greenhouse gas (GHG) emissions at NYP primarily stem from energy-related indirect emissions resulting from the use of electricity in manufacturing facilities. In accordance with the ISO 14064-1:2018 standard for organizational greenhouse gas inventory management systems, NYP conducts qualitative and quantitative inventories of both direct and indirect GHG emissions (Scope 1, 2). Concerning Scope 3, NYP has also established on-site support for production, video conferencing, and shared commuting systems to reduce product transportation and employee commuting-related vehicular exhaust emissions.

#### Greenhouse Gas Inventory Process



### A . Total Greenhouse Gas Emissions Over the Years

	Unit : tonnes of CO <sub>2</sub> e			
Year	2018	2019	2020	2021
Scope 1 (A)	5,513.90	9,783.92	10,099.46	11,686.98
Scope 2 (B)	332,342.80	358,247.45	409,219.61	421,396.31
Subtotal of emissions(A+B)	337,856.70	368,031.37	419,319.07	433,083.29
Greenhouse gas emissions per unit of output (tonnes of CO <sub>2</sub> e/ NT\$ thousand)	0.0117	0.0118	0.0109	0.0083
Scope 3 (C)	-	-	367,819.47	447,136.79
Total Emissions(A+B+C)	337,856.7	368,031.37	787,138.54	880,220.08

Note 1: Emission data is disclosed based on the verified 2021 data, and verification data for 2022 will be disclosed upon completion of verification in the third quarter of 2023. Data from 2018 to 2021 does not include data from the Shulin Plant.

Note 2: Scope 1 emissions cover carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride. Scope 2 emissions primarily include greenhouse gases emitted by Nan Ya Plastics Corporation's Jingshin Plant and Taiwan Power Company. The boundary for these scopes is defined through the control approach, and emissions are calculated using emission factor methods.

Note 3: Scope 3 includes items such as employee commuting and business travel, outsourced waste disposal, and transportation by outsourced contractors.

Note 4: Greenhouse gas emission factors are referenced from the Environmental Protection Administration's Greenhouse Gas Emission Factors Management Table 6.0.4 and the Global Warming Potential factors are referenced from the IPCC Fourth Assessment Report.

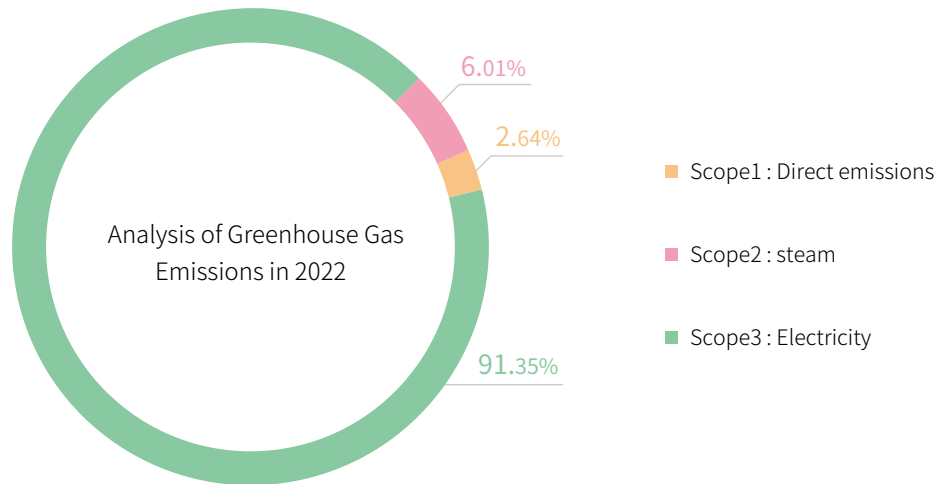
Note 5: The baseline year is set as 2020, and the subtotal of Scope 1 and Scope 2 emissions is 419,319.07 metric tons of CO<sub>2</sub>e.

Note 6: Unit carbon intensity (greenhouse gas emissions per unit of production value) = Subtotal of emissions (Scope 1 + Scope 2) / Company's annual production value (calculated using consolidated revenue).

## B. Emissions Analysis

The main source of CO<sub>2</sub> emission in the whole plant is the purchased electricity and steam, which are all purchased from the Jinxing Plant of Nanya Plastics Co., Ltd. In order to effectively suppress CO<sub>2</sub> emissions, we can mainly start from saving electricity. NYP's total greenhouse gas emissions in 2021 was increased compared to 2020, mainly due to the increase in the number of machines and product evolution stages throughout the company, resulting in an increase in electricity usage and greenhouse gas emissions.

Analysis of Greenhouse Gas Emissions in 2022



## Energy Management and Energy Efficiency Improvement

In 2022, the total energy consumption within NYP's was 1,756,716.578 GJ, resulting in an energy intensity of 0.027 GJ per thousand dollars of output. The consumption of non-renewable energy primarily involves liquefied petroleum gas, diesel, and gasoline as main materials. If categorized by usage percentage, liquefied petroleum gas constitutes approximately 24.9%, diesel comprises 73.5%, and gasoline accounts for 2.2%. Regarding energy consumption through purchases, NYP's processes predominantly focus on printed circuit board production, relying mainly on externally purchased electricity and steam as the primary sources of power, which also contribute to the largest portion of greenhouse gas emissions.

Type	Category	Data for the Year 2022 (Unit:GJ)
Consumption of Non-Renewable Energy (Note 1)	Liquefied Petroleum Gas	430.570
	Diesel	1,300.587
	Gasoline	38.386
Consumption of Renewable Energy (Note 2)	Photovoltaic (Solar Energy), Wind Energy	-
Purchased and Consumed Electricity, Heating, Cooling, and Steam (Note 3)	Purchased Electricity	1,523,250.104
	Purchased Steam	231,695.000
Self-Generated but Unconsumed Electricity, Heating, Cooling, and Steam	-	-
Quantity of Sold Electricity, Heating, Cooling, and Steam	-	-
Total Organizational Energy Consumption (Note 4)	1,756,716	
Energy Intensity (Note 5)	0.027	

Note 1: The fossil fuels used in 2022 are primarily for emergency power generators, forklifts, official vehicles, fire trucks, and the staff restaurant (kitchen) within the plant area.

Note 2: NYP has not yet utilized renewable energy sources.

Note 3: The electricity and steam used in NYP's processes are purchased from Nan Ya Plastics Corporation's Jin Xing Utility Plant and Linkou Utility Plant.

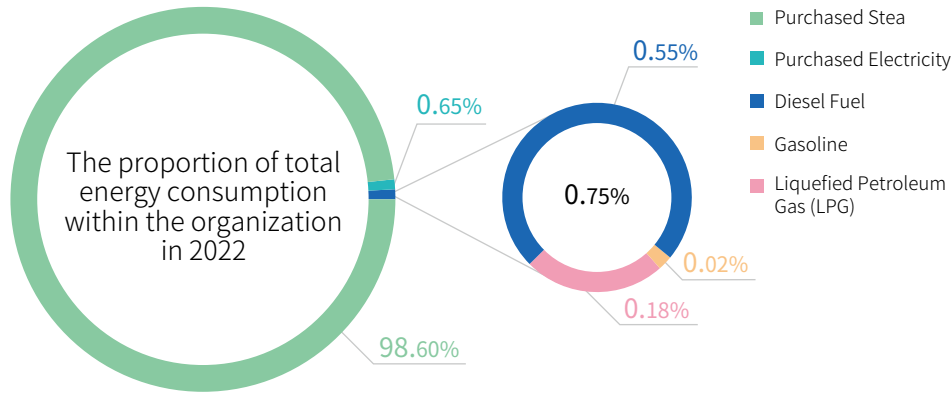
Note 4: Total energy consumption within the organization = Consumption of non-renewable energy + Consumption of renewable energy + Purchased electricity, heating, cooling, and steam consumption + Self-generated but unused electricity, heating, cooling, and steam - Sold electricity, heating, cooling, and steam.

Note 5: Energy intensity (Gigajoules per thousand dollars) = Total energy consumption within the organization (Gigajoules) / Company's annual production value (thousand dollars, calculated using consolidated revenue).

Note 6: The data does not include the Shulin Plant.



The proportion of total energy consumption within the organization in 2022



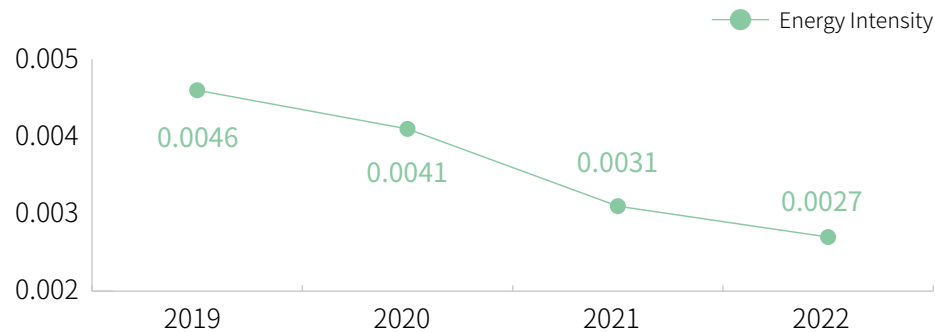
Historical Energy Intensity Statistics for NYP

Year	2019	2020	2021	2022
Energy Intensity	0.0046	0.0041	0.0031	0.0027

Note 1: Energy Intensity (GJ/NT\$ thousand) = Total Internal Energy Consumption (GJ) / Company Annual Revenue (thousand, calculated using consolidated revenue)

Note 2: The data does not include the Shulin Plant.

Energy Intensity Statistics for the Past Four Years



A. Renewable Energy Usage

In response to the global trend of using renewable energy, plans have been made to investigate suitable locations for installing solar power generation and to procure green energy sources such as wind and solar power. In 2022, there is a plan to establish a solar power generation system at the Shulin Plant, with construction scheduled to begin in January 2023 and completion expected by May 2023.

B. Promotion of Energy Efficiency Improvement

NYP is fully committed to reducing energy costs and enhancing energy efficiency. Every year, the company establishes environmental management objectives and targets, utilizing proposal incentive systems to encourage various department to review and improve energy utilization efficiency. The company has an internal energy management team in place to oversee operations, conducting regular energy management meetings on a monthly basis to ensure day-to-day implementation and conducting internal energy conservation audits.

In 2022, NYP successfully completed a total of 71 energy-saving projects, resulting in an annual reduction of 9,107,115 kWh of electricity (equivalent to 32,785 GJ) and generating an annual benefit of 21,423 thousand dollars.

Item	Improvement Methods	Power Saved	CO <sub>2</sub> suppression amount	Improvement Benefits
		(kilowatt-hours / year)	(tonnes of CO <sub>2</sub> e/year)	(NT\$ thousand /year)
1	Reduction of processing energy usage	5,454,195	5,347	12,729
2	Energy Management	256,230	250	621
3	Public utility efficiency promotion	3,396,690	3,330	8,073
Total		9,107,115	8,927	21,423

Note 1: Energy-saving benefits calculation refers to the "Guidelines for Voluntary Greenhouse Gas Emission Reduction Verification for Industries" by the Taiwan Green Productivity Foundation.

Note 2: Emission factors are calculated based on the 2021 data from the Nan Ya Plastics Corporation's Jinshing Public Utility Plant (calculated using the Ministry of Economic Affairs Energy Bureau's Greenhouse Gas Inventory Tool 4.1 version), with the electricity emission factor being 0.9888530771 tonnes of CO<sub>2</sub> per thousand kilowatt-hour. The 2022 coefficient is under verification.

Note 3: The data does not include the Shulin Plant.

## 3.3 Water Resources Management

### 3.3.1 Water Management

The water company primarily sources its water from tap water and recycled water, without the use of groundwater. Both the Jingshin Plant and the Shulin Plant obtain their water from reservoirs.

Statistics on the water intake of NYP source in the past four years

Unit: Million Liters

	2019	2020	2021	2022	
Water Intake (A)	surface water	433	351	213	787
	well water (Groundwater)	-	-	-	-
	third party (Tap water)	3,564	4,151	4,002	3,725
	Others	-	-	-	-
	Total water withdrawal	3,997	4,502	4,215	4,512
Discharged Water Volume (B)	2,389	3,070	2,792	2,916	
Water Consumption (A-B)	1,608	1,432	1,423	1,596	

Note 1: The trial run of Shulin Plant began in September 2022, and the system installation is in progress. Relevant data will be disclosed starting in 2023.

Note 2: The other water source of NYP is supplied from the Nan Ya Plastics Corporation Jinshing Plant.

Note 3: Water intake = Surface water + Third-party (tap water)

Note 4: Water consumption = Water intake - Discharged water volume

NYP utilizes historical process water consumption data as a foundation for improvement measures, tracking and enhancing process efficiency and overall usage. In 2022, the water consumption reached 1,596 million cubic meters, which increased by 173 million cubic meters compared to 2021. This increase was mainly attributed to the expansion of production processes.

Water Usage in Manufacturing Process for the Past Four Years

Unit: Million Liters

	2019	2020	2021	2022
Water Consumption	1,608	1,432	1,423	1,596
Water Consumption per Unit of Output (million liters per NT\$ thousand)	$5.17 \times 10^{-5}$	$3.71 \times 10^{-5}$	$2.72 \times 10^{-5}$	$2.47 \times 10^{-5}$

Note 1: The data does not include the Shulin Plant.

Note 2: Water Consumption per Unit of Output (million liters per NT\$ thousand) = Water Consumption (million liters) / Company's annual production value (NT\$ thousand, calculated using consolidated revenue).

### 3.3.2 Water Management Measures

In order to reduce water resource consumption, NYP is committed to promoting water-saving measures and water recycling from the source of its processes. Additionally, the company plans to reuse cleaning water within its processes. Furthermore, water-saving faucets have been installed in all areas of the facility, including the employee office area, to cultivate a culture of water conservation in daily life.

#### NYP Reclaimed Wastewater System

System	Neutral reclaimed water system	Alkaline reclaimed water system	Repurification and reclaiming system
Mode of Operation	Transfer the wastewater with pH 7 to the washing tower of the production plant and use as flushing water (including dormitory)	The wastewater with pH9 ~ pH10.5 is transported to the scrubber of the production plant for use.	Utilizing a filtration system, residual substances such as COD, SS, microorganisms, and dissolved ions are removed from the water.
Outcome Benefits	1. Neutral reclaimed water use in 2022: 91.859 million liters /year. 2. Alkaline reclaimed water use in 2022: 233.043 million liters /year.		Supplementing the water supply of each plant and the pure water plant's clean water tank helps reduce the usage of raw water.

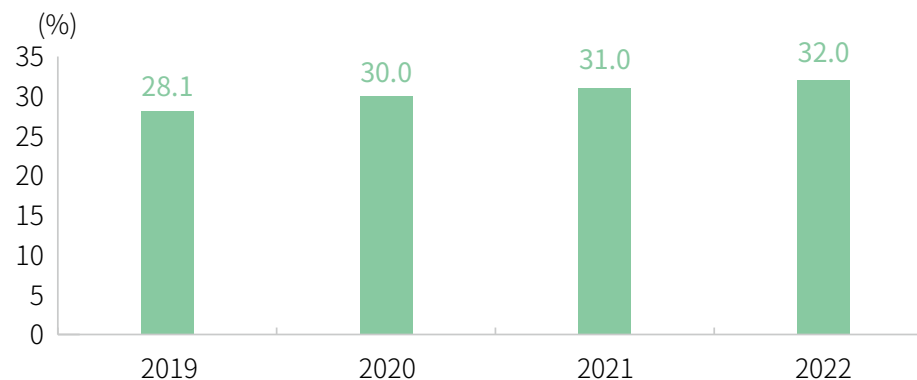
NYP has formulated response strategies for potential short-term, medium-term, and long-term water scarcity scenarios, including insufficient water supply, rising water prices, and conflicts over water resources with stakeholders. In 2022, the wastewater recycling rate increased by 1% compared to 2021. This increase is attributed to the installation of the Phase II Reverse Osmosis (RO) water recycling system, which led to an increase in the amount of recycled water.

#### Wastewater Recycling Statistics

Item	2019	2020	2021	2022
Recycled Water (Million Liters)	1,122	1,301	1,265	1,376
Recycled Water (Million Cubic Meters)	28.1%	30.0%	31.0%	32.0%

Note 1: Effluent Recycle Ratio =  $[(1 - (\text{Recovery volume} / (\text{Effluent volume} + \text{Recovery volume})) * 100]$   
 Note 2: The data does not include the Shulin Plant.

#### Trend chart of discharge wastewater recovery rate



### Water saving activities completed in 2022

Improvement Methods	Amount of water saved (million liters /day)	Improved efficiency (NT\$ thousands)
Wastewater recycling and reuse	0.040	173
Process water reduction	0.231	1,894

Note 1: The data does not include the Shulin Plant.

### Statistics of Water Saving Activities at NYPCB in the Past Four Years

Year	Amount of water saved (ton/day)	Improved efficiency (NT\$ thousands)
2019	0.146	820
2020	0.347	2,422
2021	0.325	2,488
2022	0.271	2,067

Note 1: The data does not include the Shulin Plant.

### 3.3.3 Waste water disposal

In the design concept of wastewater treatment facilities, Nan Ya Plastics Corporation (NYPC) primarily considers the characteristics of various types of wastewater and the stability and convenience of treatment operations and maintenance. Through well-planned categorization, NYPC establishes comprehensive wastewater treatment processes and facilities, coupled with rigorous engineering planning of wastewater segregation at the process source. This approach effectively manages wastewater, facilitating efficient purification and recycling at the backend.

#### Wastewater treatment equipment



Biological treatments



Coagulation sedimentation



Chemical reaction treatment

The location of NYPCB's premises and surrounding areas are designated as Category B industrial land by the government, exclusively for industrial purposes. These areas are not situated within ecologically protected zones. The wastewater discharge of the Jingshin Plant is directed to the Nankan River, while the Shulin Plant discharges into the Dahan River (as shown in the table below). Moving forward, NYPCB will continue to enhance processes and equipment to reduce wastewater discharge and improve treatment efficiency, thereby minimizing environmental impact.

Item Plant	Plant area	Drinking water source water quality protection area	Drainage area for the reservoir	National Park	Wildlife Sanctuary	Nature Reserve	Coastal Reserve
Jingshin Plant	Downstream of the Nankan River	X	X	X	X	X	X
Shulin Plant	Beside the DaHan Creek	X	X	X	X	X	X

Note: "X" means that NYPCB is not in the above protected areas.

Furthermore, the wastewater generated from various processes is meticulously categorized and managed at the machine or equipment level. It is then collected through dedicated pipelines to various wastewater treatment systems. The company conducts daily sampling and analysis of discharged water to ensure that the treated water quality far exceeds the existing legal discharge standards.

#### 2022 Wastewater quality evaluation results

場別	項目 Testing Items	Unit	Regulatory Standards	Test Results			Meets the standards (YES/NO)
				Min	Average	Max	
Jingshin First Wastewater Treatment Sit	Hydrogen Ion Concentration Index (pH)	-	6~9	7.3	7.3	7.4	YES
	Chemical Oxygen Demand(COD)	mg/L	<120	51.3	58.2	68.1	YES
	Suspended Solids(SS)	mg/L	<50	8.0	11.6	14.2	YES
	Copper Ion(Cu)	mg/L	<1.5	0.32	0.389	0.487	YES
Jingshin Second Wastewater Treatment Sit	Hydrogen Ion Concentration Index (pH)	-	6~9	7.2	7.6	8.1	YES
	Chemical Oxygen Demand(COD)	mg/L	<120	30.4	38.3	50.9	YES
	Suspended Solids(SS)	mg/L	<50	2.5	6.6	9.9	YES
	Copper Ion(Cu)	mg/L	<1.5	0.387	0.499	0.745	YES

Note1: The regulatory standard is "Appendix 5 of the Standard for Discharge Water - Items and Limits of Discharge Water Quality in Basic Metal Industry, Metal Surface Treatment Industry, Electroplating Industry and Printed Circuit Board Manufacturing Industry".

Note2: The data does not include the Shulin Plant.

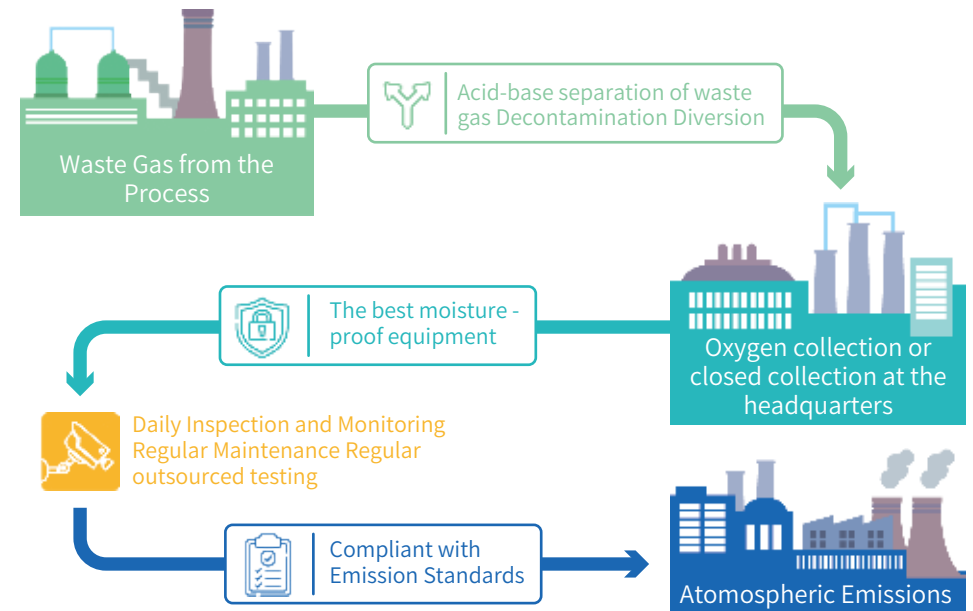
### 3.4 Air Pollution Control

	Significant Themes	Air Pollution Management
	Policy Commitments	Establishing a air pollution control process to manage the emissions of major air pollutants within the plant area, ensuring the quality of the surrounding air.
	Linkages to International Sustainability Frameworks	GRI :305 emission SDGs Detailed Targets :3.9~12.4
	Tracking of Management Actions and Results	<p><b>Air Pollution Control Measures</b></p> <ol style="list-style-type: none"> <li>Cooperate to implement inspection, maintenance, and upkeep tasks to ensure optimal performance of all equipment.</li> <li>Zero environmental penalty cases in 2022.</li> </ol> <p><b>Testing during the trial phase of process equipment additions or modifications.</b></p> <p>During the trial operation, emissions testing of smokestack pollutants is consistently carried out by organizations approved by the Environmental Protection Agency to ensure the effectiveness of pollution control measures.</p>
	Stakeholder Engagement	<p><b>Stakeholders:</b> Nearby Communities</p> <p><b>Complaint Mechanism:</b></p> <p>The company has established feedback mailboxes on both its global and internal websites and has formed a public relations team to handle external complaints and feedback.</p> <ul style="list-style-type: none"> <li>Nearby Communities: Annually, the company will make at least one announcement through its corporate website to inform the local community about relevant information.</li> </ul>

The main source of air pollution of the NYPCB is the use of acid and alkali and chemicals containing volatile organic compounds in the manufacturing process. In addition to implementing the acid-base separation design at the source of the process waste gas collection pipeline, we also plan and set up treatment equipment according to the characteristics of various waste gases, including packed scrubbers, baghouses, activated carbon adsorption towers and other air pollution control equipment.

In order to improve the air quality around the factory area, the company purchased a UV-C reaction tower in 2011 to improve the effect of odor and VOC treatment. In 2012, a pH abnormality reporting system for a packed scrubber was installed to instantly improve system deviation and improve waste gas treatment efficiency. Cooperate with the implementation of inspection and maintenance work at the same time so that the equipment can perform its best and be able to perform pollution work effectively. The Company's flue test results have always met the statutory emission standards (the test results have been published on the Environmental Protection Agency's "Fixed Pollution Source Management Information Disclosure Platform").

Exhaust Pollution Prevention Control Flowchart





• Air Pollution Control Equipment

Statistics of Air Pollutant Emission Information of NYP in 2022

Various major gas emissions	Plant		Total
	Jingshin Plant	Shulin Plant	
Nitrogen oxides (NOx)	-	-	-
Sulfur oxides (SOx)	-	-	-
Volatile Organic Compounds (VOCs)	61,950	-	61,950
Suspended Particulate (PM)	60	-	60






Unit: kg/Year

Note: The data does not include the Shulin Plant.



## 3.5 Waste management

### 3.5.1 Waste management

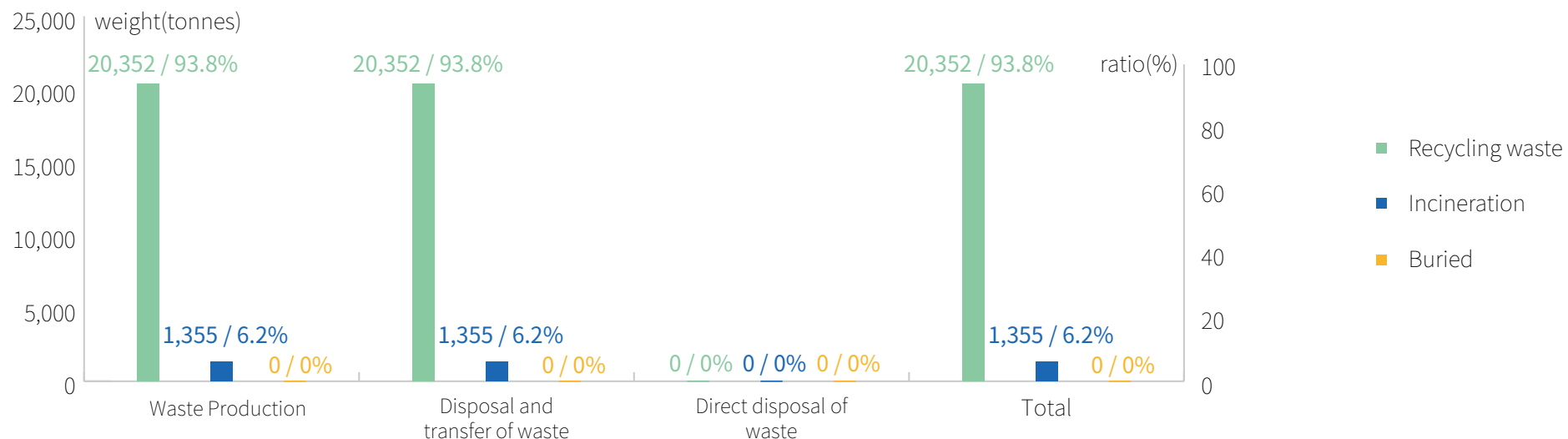
	Significant Themes	Waste management
	Policy Commitments	Various recycling points have been extensively set up within the plant area to facilitate recycling of waste resources. Apart from recycling resource waste, continuous process and operational improvements are also pursued in production. The primary focus is on waste reduction at the source of the process, followed by considerations for reuse, and ultimately the implementation of waste classification and recycling.
	Linkages to International Sustainability Frameworks	GRI: 306 Waste SDGs Detailed Targets: 6.3、12.4、12.5
	Tracking of Management Actions and Results	<p><b>Waste disposal</b></p> <ol style="list-style-type: none"> <li>All business waste is contracted to qualified domestic waste disposal companies for proper handling. These contracted waste materials are regularly subjected to follow-up inspections to ensure their proper removal and disposal by authorized waste processing facilities.</li> <li>Zero fines in waste management.</li> </ol> <p><b>Establishing Waste Reduction Goals</b></p> <ol style="list-style-type: none"> <li>Continuously conduct various waste quantity statistics and management, effectively promote reduction goals and waste reduction measures through data tracking.</li> <li>Set annual waste reduction targets, aiming for a 1% decrease in total non-recyclable waste compared to the previous year. The increase in waste quantity in 2022 by 25% compared to 2021 is mainly attributed to the waste generated from the expansion of factory facilities.</li> </ol> <p><b>Continuously and consistently promote relevant waste reduction measures.</b> In 2022, 19 measures to reduce combustible waste were implemented, resulting in a reduction of 2.8 tons per month. Additionally, an assessment for the reuse of pure water filter cartridges was initiated, with the evaluation expected to be completed in the second quarter of 2023.</p>
	Stakeholder Engagement	<p><b>Stakeholders:</b> Employees, Customers, Suppliers, Nearby Communities</p> <p><b>Complaint Mechanism</b> The company has set up feedback mailboxes on both global and internal websites, and established a public relations team to handle external complaints.</p> <ul style="list-style-type: none"> <li>Employees: Regularly release internal announcements and hold communication meetings. Monthly meetings are conducted to explain the progress of waste reduction efforts. The management department provides internal channels for opinions and suggestions, with an available suggestion box for feedback at any time.</li> <li>Customers: Conduct periodic customer audits and communication meetings. Obtain feedback through customer satisfaction surveys.</li> <li>Suppliers: Use the supplier information platform as a periodic communication channel. Perform annual supplier evaluations and surveys to ensure timely feedback.</li> <li>Nearby Communities: Announce relevant information to the community at least once a year through the company's website.</li> </ul>

NYP is committed to minimizing waste and maximizing the efficient utilization of resources. Apart from establishing recycling points throughout the facility for resource waste collection and recycling, the company continuously improves processes and operations in production. The approach begins with reducing waste at its source, followed by considering options for reuse and ultimately implementing waste classification for effective utilization, enabling the circulation of resource materials.

All business-related waste generated by NYP is outsourced to qualified domestic waste removal contractors. These contractors collaborate with certified waste treatment facilities for proper disposal. The contracted waste undergoes regular inspections to ensure proper and responsible disposal practices are upheld.

Total waste

Unit:tonnes

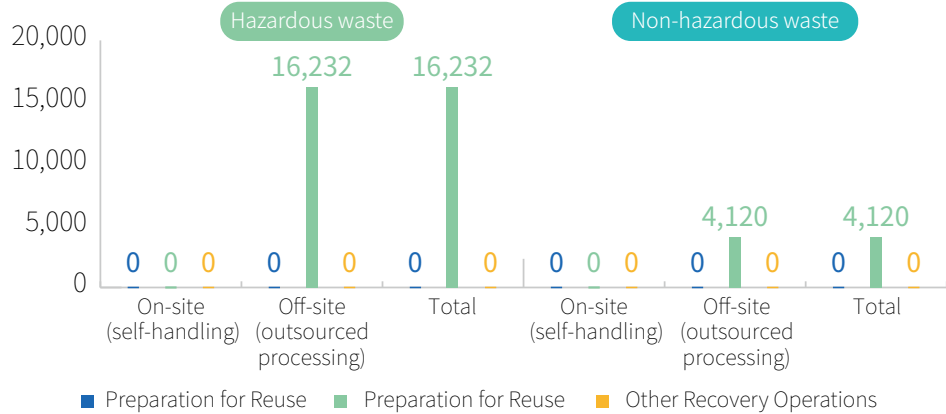


Note: The data does not include the Shulin Plant.



Waste diverted from disposal by recycling operations

Unit: tonnes

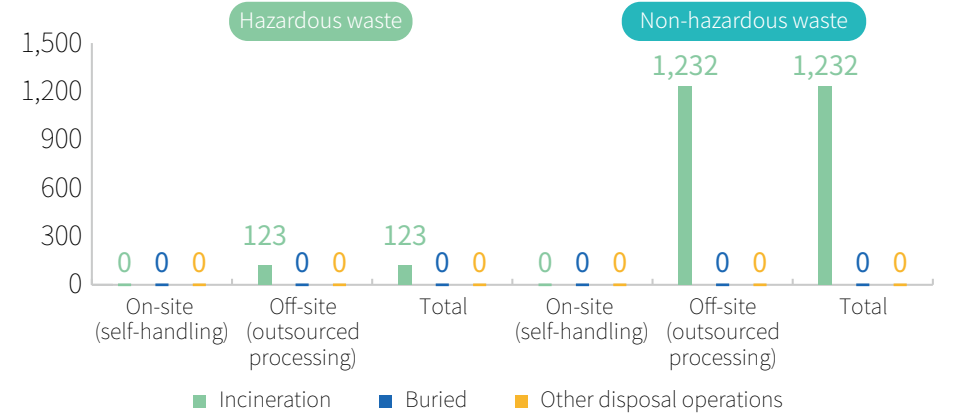


Note 1: The data does not include the Shulin Plant.

Note 2: Hazardous waste mainly includes copper-containing waste liquid, copper-containing sludge, and other corrosive hazardous industrial waste.

Waste directly disposed of by disposal operation

Unit: tonnes



Note 1: The data does not include the Shulin Plant.

Note 2: Hazardous waste mainly includes copper-containing waste liquids, copper-containing sludge, and other corrosive hazardous industrial wastes.






Through continuous efforts in promoting waste reduction measures, NYP has achieved success in terms of non-recycled waste generation relative to unit production value (Non-recycled waste refers to waste generated annually that is subject to incineration or landfilling). This achievement in 2022 indicates that the company has not its targets. Moving forward, we will persist in implementing various waste reduction and resource reuse measures, working towards the goal of further reducing waste generation.



Wastes categorizing and collecting



### 3.5.2 Chemical Safety

	Significant Themes	Chemical Safety
	Policy Commitments	By implementing risk prevention and emergency response plans, accident handling procedures, and conducting regular emergency drills, we aim to reduce the occurrence rate of related disaster incidents.
	Linkages to International Sustainability Frameworks	GRI: Custom Topic MSCI: Chemical Safety SDGs Detailed Targets: 3.9、6.3、12.4
	Tracking of Management Actions and Results Stakeholder Engagement	<ol style="list-style-type: none"> <li>By conducting hazard identification, risk assessment, and implementing control and improvement measures, the probability of various accidents is reduced.</li> <li>Regular emergency drills are conducted for toxic substances, fires, and chemical disasters to familiarize individuals with emergency accident response procedures.</li> </ol> <ol style="list-style-type: none"> <li>In 2022, one comprehensive toxic substance drill was conducted, along with two unannounced testing drills.</li> <li>There were no incidents of toxic substance-related accidents throughout the year 2022.°</li> </ol>
	Stakeholder Engagement	<p>Stakeholders: Suppliers</p> <p>(Complaint Mechanism) We have set up feedback mailboxes on both global and internal websites, and established a PR team to handle external complaints and feedback.</p> <ul style="list-style-type: none"> <li>Suppliers: Utilizing a supplier information platform as an irregular communication channel, and conducting annual supplier evaluations and surveys to ensure timely feedback.</li> </ul>

In terms of the management and use of toxic and concerning chemicals, NYP  
primarily deals with Category 3 cyanides (potassium cyanide and sodium cyanide) and Category 4 toxic chemicals. In accordance with environmental regulations, management and reporting are conducted for the purchase, transportation, usage, storage, and disposal stages. According to the statistical data of 2022, products involving the use of Category 3 and Category 4 toxic chemicals constitute 100% of the overall revenue. In response to this, the company has formulated the following management policy:

Management Stage	Execution Strategy	Achievements in 2022
Purchase	Upstream suppliers' operational permits and authorization documents for toxic chemicals.	Obtained
Transportation	Transportation manifests for toxic substances.	Shipping consignment note issued by upstream suppliers.
Usage	Registration and approval documents for the operation of toxic chemicals at the workplace.	Obtained
Storage	Operation records and locked storage management for storage rooms.	Ongoing operation

#### 1. Management Measures and Processes

##### Labeling Regulations

(1) Packaging and containers of toxic substances shall be labeled according to the following regulations:

- For containers with a capacity greater than 100ml, they shall bear the following information: hazard symbol, substance name, warning statement, hazard warning message, manufacturer's, importer's, or supplier's name, address, and telephone number.
- For containers with a capacity of 100ml or less, they may only need to display the name, hazard symbol, and warning statement.

(2) The operating premises shall display the following information on a bulletin board in summary:

- Hazard symbol
- Name
- Hazardous components
- Warning statement
- Hazard warning message
- Measures for hazard prevention and caution or supplementary information.



- (3) Laboratories operating below the graded operation quantity standard shall display the wording "Toxic Chemical Operating Area," "Hazardous Chemical Operating Area," or "Toxic and Hazardous Chemical Operating Area" at various entry and exit points of the operating premises based on the actual substances being handled.
- (4) Piping shall be clearly labeled with the flow direction of toxic chemicals, their Chinese and English names or abbreviations, and if necessary, signage may be used as an alternative.
- (5) Safety data sheets shall adhere to the legally mandated 16 sections. Manufacturers and importers shall update these sheets at least every 3 years. The emergency contact phone number must be accessible and available for consultation at all times, conveniently placed within the operating area.

#### Regular Reporting and Documentation

Operators of toxic chemicals shall complete the operational records for the previous month by the 10th day of each month.

#### Detection and Alarm System and Emergency Response Tools/Equipment

- (1) Toxic chemical operation sites shall review the installation and operational plan content of emergency equipment and detection alarm devices every two years and submit an installation plan to the local competent authority.
- (2) Emergency equipment, detection, and alarm devices should be kept in functional condition. Monthly inspection, maintenance, and servicing should be conducted, and disposable materials and equipment should be kept at twice the quantity of personal protective equipment.
- (3) A leakage alarm device is installed below the machine, utilizing liquid level sensors. When liquid leaks into the overflow tray and accumulates to the level sensor, the warning light and buzzer will be activated within 10 seconds. The alarm will continue until the abnormality is resolved and the alarm function is deactivated.

#### 2. Daily Preventive Management Measures

For operations involving toxic substances exceeding the specified quantity, dedicated personnel responsible for toxic and hazardous chemicals are designated within the process area, with a total of 2 personnel appointed by the company. Additionally, for processes involving the usage and storage of toxic and hazardous chemicals, "Qualified Professionals" corresponding to the risk levels are designated. The company has appointed 9 individuals for this purpose.

#### 3. ISO Management Certification

We have established an ISO 45001:2018 Occupational Health and Safety Management System, along with a comprehensive hazard identification and risk assessment procedure (outlined in the factory's operational procedure "Occupational Health and Safety Risk Management Procedure/MASBP-160"). Following the "Plan-Do-Check-Act" approach, the organization ensures continuous improvement, controlling safety risks and mitigating exposure to operational hazards.

#### 4. Emergency Response System

Regular disaster prevention and rescue training, drills, and educational outreach are conducted, including unannounced tests at least twice a year and comprehensive exercises at least once a year. Records of these activities are kept for three years for reference.

Due to the acute toxicity of Category 3 toxic chemicals to the human body, strict control measures are implemented for storage areas. Access to storage rooms is restricted and requires protective equipment. Personnel exposure is minimized. To effectively prevent disasters, alarm systems are installed in the processes, and annual emergency response drills are conducted.

#### Toxic Disaster Drill





## 4.1 Employment

### 4.1.1 Diverse Employee Structure

For NYP's manpower structure, the total number of employees in 2022 was 6,875, including a total of 6,867 regular employees, accounting for 99.9%, and with 8 non-regular employees whom are all fixed-term contract employees, accounting for 0.1% (5 males, 3 females, and their working location is at the Taoyuan Plant). Currently, there are no part-time employees; domestic employees account for 82.5%, and foreign employees account for 17.5% (all nationalities are Vietnamese). The ratio of male to female employees is about 2:1, the average age of employees is 38.5 years old, and the average years of service is 13.2 years.

The company's non-employee workforce consists of contracted vendors responsible for assisting in mechanical and electrical engineering, machinery operations, environmental cleaning, and plant-related tasks. The total number of non-employee workers is 8,798 person-times.

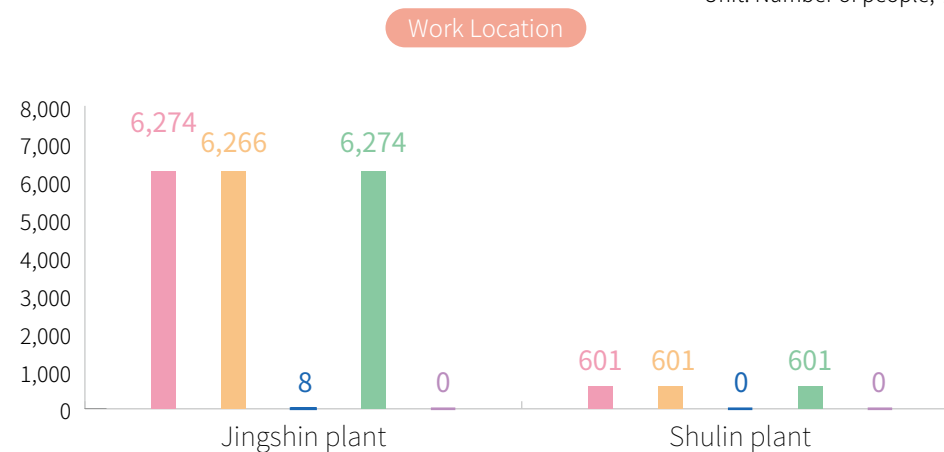
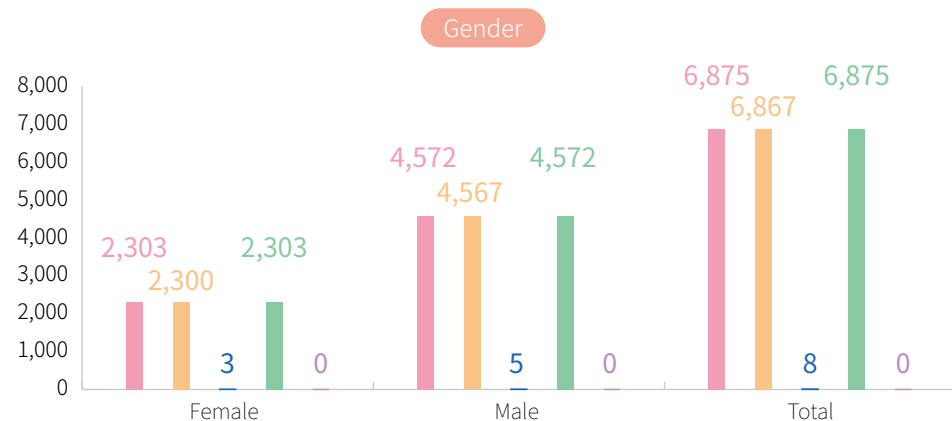


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### 2022 Manpower Structure Distribution of Regular Employees

Unit: Number of people; %



- Number of employees   ■ Permanent employees<sup>(Notes 1)</sup>   ■ Temporary employees count<sup>(Notes 2)</sup>
- Full-time employees count<sup>(Notes 3)</sup>   ■ Part-time employees count<sup>(Notes 4)</sup>
- Number of employees   ■ Permanent employees<sup>(Notes 1)</sup>   ■ Temporary employees count<sup>(Notes 2)</sup>   ■ Full-time employees count<sup>(Notes 3)</sup>   ■ Part-time employees count<sup>(Notes 4)</sup>

Note 1: Permanent Employees: Full-time or Part-time employees who have signed indefinite contracts.

Note 2: Temporary Employees: Employees who have signed fixed-term contracts. These contracts expire at a specified time or upon the completion of a specific task or event with a predetermined schedule (e.g., the end of a project or the return of the employee to the original position after acting as a substitute).

Note 3: Full-time Employees: Employees whose weekly, monthly, or yearly working hours meet the legal and practical definitions of full-time employment in the country.

Note 4: Part-time Employees: Employees whose weekly, monthly, or yearly working hours are less than those of full-time employees.

Note 5: The company does not employ Employees with unlimited hours

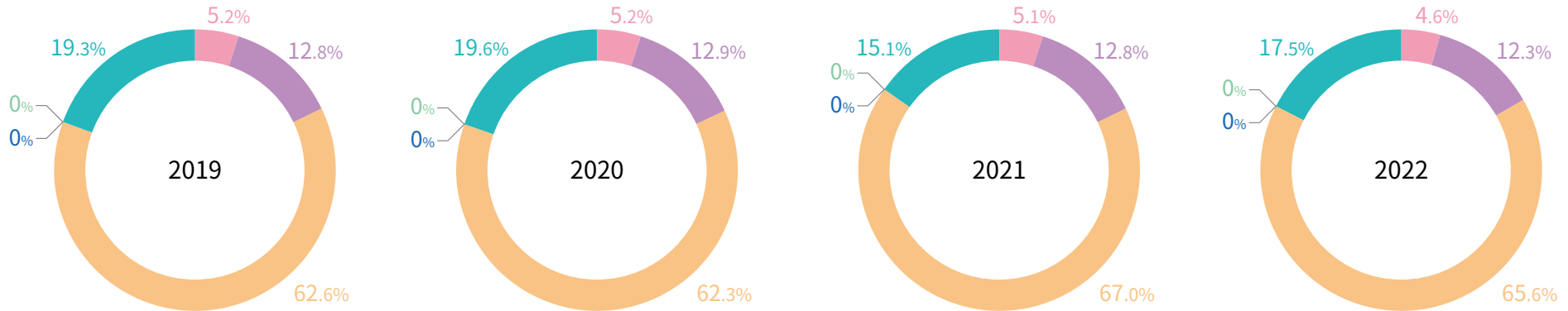
### Distribution of Non-Employees

Unit: Number of people; %

Category	Group	People	Working Hours
Contractor	Electrical Engineering	1,906	11,436
	Mechanical Engineering	6,830	47,810
	environmental cleaning	35	58,016
	Kitchen Operations	27	42,080
Total		8,798	159,342

Nationality distribution of NYP employees in the past four years

Unit:%



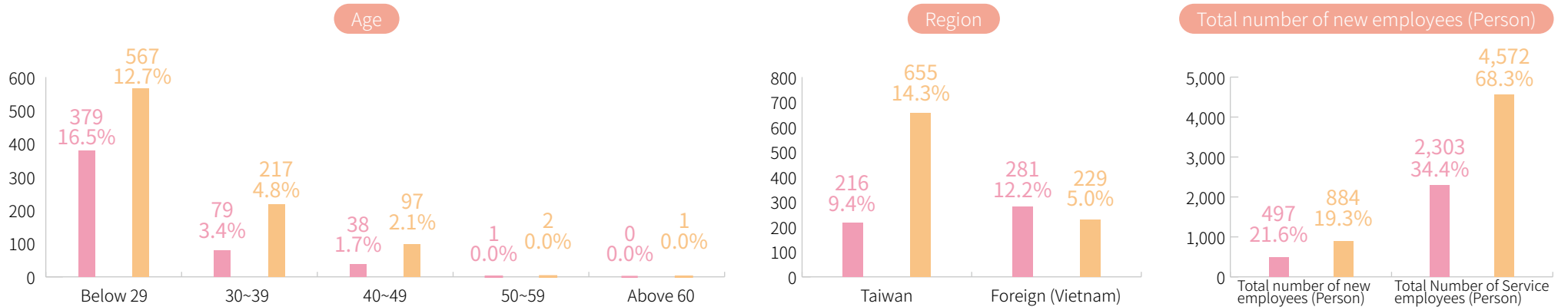
Taiwanese : Management Level (Note 1) Technician (Note 2) All other employees  
Foreign Nationality : Management Level (Note 1) Technician (Note 2) All other employees

Note 1: The management level refers to managers(inclusive) and above  
Note 2: Technical staff refers to the supervisors  
Note 3: Data statistics for the year 2022 include Shulin plant

Age and regional distribution of new employees

2022 Age and regional distribution of new employees

Unit: Number of people; %

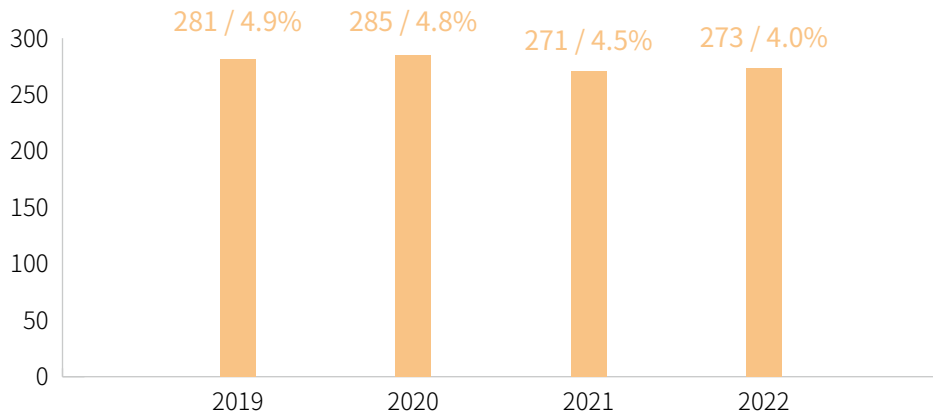


### Ratio of Local Supervisors

NYP PCB creates stable employment opportunities, gives priority to local residents when recruiting new entry-level recruits, and actively trains local residents to become outstanding officers. In 2022, a total of 273 local residents were employed as supervisors, accounting for about 4.0%.

Proportion of employing local residents as supervisors in the past four years

Unit: Number of people ; %



Note 1: Supervisors refer to the ratio of engineers (inclusive) or above whose household registration and plant location are in the same county and city.

Note 2: Local ratio = supervisors (inclusive) or above whose household registration and plant location are the same county and city / number of full-time employees

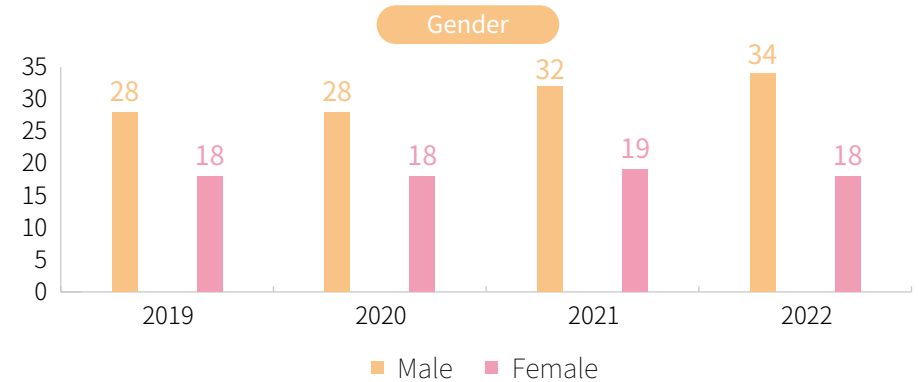
Note 3: Data statistics for the year 2022 include Shulin plant

### The number of people with disabilities

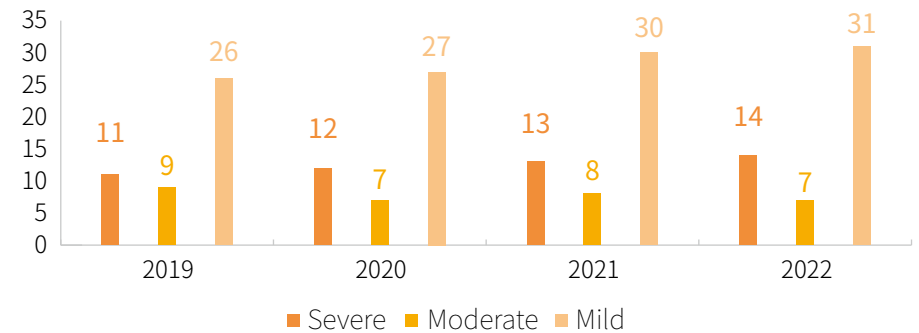
In order to safeguard the rights and interests of persons with disabilities, protect their equal opportunities to participate in society, politics, economy, culture, and promote their independence and development, NYP PCB employs persons with disabilities in accordance with Article 38 of the People with Disabilities Rights Protection Act. By the end of 2022, a total of 52 persons with disabilities (34 males and 18 females) have enrolled, including 14 persons with severe disabilities, 7 persons with moderate disabilities and 31 persons with mild disabilities.

Number of Employees with Disabilities in the past four years

Unit: Number of people



Level of Disability



Note1: Data statistics for the year 2022 include Shulin plant

### 4.1.2 Employee Recruitment:

NYPCB values its solid human capital and actively utilizes both online and offline recruitment channels to hire skilled professionals."

#### Recruitment Channels: Participate in government organized recruitment events

In 2022, we participated in the Recruitment Expo organized by the Taipei City Government, where we recruited professional staff, including engineers and managers.



#### Recruitment Channel: Campus Recruitment Information Session

In 2022, we participated in the National Taipei University of Technology's Campus Recruitment Information Session, where we invited our company's alumnus, a senior executive from the Research and Development Department, to share work experiences and motivate students. We also promoted our company's recruitment information during the event.



#### Recruitment Channel: Social Media Platforms

Through social media platforms, we share recruitment information and corporate social responsibility, enhancing our recruitment promotion channels and enabling more people to be acquainted with the company's operations and talent recruitment opportunities.



#### Recruitment Channel: Industry cooperation

To foster outstanding students, we collaborate with Ming Chi University of Technology and Chang Gung University, welcoming interns to gain practical experience and allowing current students to experience the professional workplace early. Through this program, we aim to impart industry knowledge and enhance their work-related skills.



## 4.2 Compensation and Benefits



Material Issues Wages and Benefits



Policy commitments

Our company has established a human rights policy, complies with regulations, safeguards the basic human rights of employees, and sets reasonable and competitive salaries and benefits. The company provides employees with good treatment and a sound management system, along with comprehensive employee training, promotion systems, and channels for grievances. We actively recruit outstanding employees.



International sustainability trends

GRI:401 labor relations  
405 Diversity and Equal Opportunity  
SDGs target:5.1,5.4,8.5

Regular salary adjustment mechanism and promotion of performance-based bonuses

- The minimum wage standard exceeds legal requirements, and the basic salary ratio between male and female employees in the same position and job grade is 1:1.
- The benefits exceed legal requirements.



Management Activities and Results Tracking

We continue to conduct talent recruitment and implement the Coaching and Employee Care system, various training courses at different stages, and provide comprehensive salary, welfare benefits, and promotion systems.

- Conduct an annual regular employee satisfaction survey.
- Track employee retention and turnover rate statistics and propose improvement measures. In 2022, the employee retention rate was 99.2%, and the turnover rate was 0.8%. The overall turnover rate is lower than the industry average.

Stakeholder: Employees, Nearby community



Stakeholder Engagement

Complaint procedure

- Employees: Express their opinions through organizations such as the labor union and welfare committee. The company provides physical and online suggestion boxes and sets up the '799' hotline as communication channels.
- Nearby communities: Announce relevant information to the community at least once a year through the company's website.

### 4.2.1 Employee Remuneration and Welfare

NYP not only complies local labor laws but also joins local associations that survey salaries and welfare to ensure its salaries are competitive in the labor market. The basic salary ratio of female and male employees of the same position and rank in the Company is about 1:1. After being employed, salary will be adjusted and promoted year by year depending on work performance, and the corresponding salary will be given. In 2022, the number of non-supervisor full-time employees will be 6,252 (excluding those who have been on the job for less than 6 months), with a total salary of NT\$7,441,744,000, an average annual salary of NT\$1,190,000, and a median salary of NT\$1,131,000.

Rank	Female	Male
Manager and above	1	1.40
Supervisor and below	1	1.21

The number and average salary of non-supervising staff

Unit: NT\$

Year	2021(A)	2022(B)	Year-over-year ratio (C=B/A)
Number of non-supervising full-time employees (person)	5,825	6,252	+7.3%
Total salary (thousand NT\$)	6,896,435	7,441,747	+7.9%
Average annual salary (in thousand NT dollars)	1,184	1,190	+0.5%
Median salary (thousand NT\$)	1,147	1,131	-1.4%

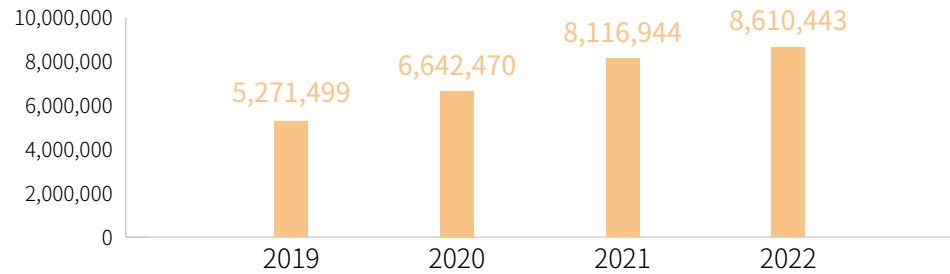


## Employee Welfare

NYP established the Employee Welfare Committee in accordance with the "Act for Employee Welfare", "Employee Welfare Committee Organizational Regulations" and "Regulations for Employee Welfare Association Establishment". The Company also set up an employee welfare committee and allocate employee welfare funds to handle employee welfare matters including: welfare association, staff cafeteria, hairdressing department, food and beverage department, library, health center, sports facilities, movie appreciation, annual welfare products, birthday vouchers, employee travel subsidies, life lectures and hiking activities, etc. For details about the Company's various welfare measures, please refer to the official website under "[Work and Life](#)".

Expense on Employee Welfare (salary / labor & health insurance / pension / other)

Unit: NT\$ thousand



Library



Hair salon



Employee Cafeteria



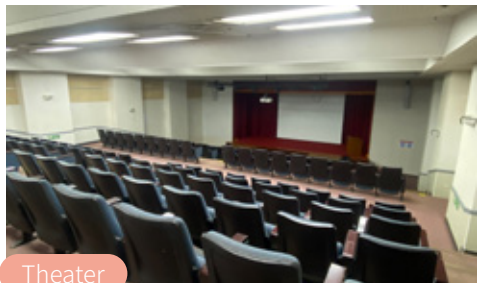
Billiard Room



Health Center



Bakery



Theater

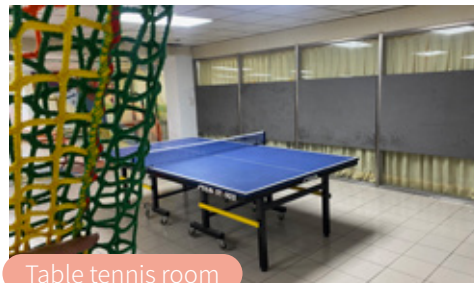


Table tennis room




Basketball Court




Staff dormitory

The Company offers a variety of employee welfare benefits and incentives based on Formosa Plastics Group and are more generous than the requirements of government regulations. Details are as follows:




### Leave Benefits

- Provide various types of leaves
- The pay standards for sick leave, certain types of bereavement leave, and typhoon leave are higher than the legally stipulated levels indicated in the Labor Standards Act.




### Insurance Benefits

- Labor insurance, national health insurance
- Members of the Welfare Committee at each plant provides accident insurance, medical insurance or various group insurances at discounted rates



### Retirement Benefits

- Payment of labor pension and labor retirement reserve on a monthly basis
- When an employee meets retirement criteria, the Company will pay his/her pension according to the law, and will provide a retirement gift.



### Marriage and Childbearing Benefits

- incentive for congratulating (funeral offerings)
- Offers breastfeeding rooms, implemented the system of parental leave and unpaid parental leave

In order to continuously maintain the vision of a happy workplace, NYP has set up breastfeeding rooms and implemented the system of parental leave and unpaid parental leave. In 2022, a total of 26 people applied for parental leave without pay, with a reinstatement rate of 77% and a retention rate of 50%.

Number of applicants, the reinstatement rate, and retention rate of unpaid parental leave in 2019-2022

Unit: Number of people

NYP	2019			2020			2021			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of people who can apply for parental leave in the past three years	111	53	164	93	32	125	78	12	90	65	31	96
Actual number of applications for parental leave	8	33	41	3	19	22	8	15	23	8	18	26
Number of people who should be reinstated in the current year (A)	9	31	40	4	29	33	6	15	21	4	9	13
Number of applicants for reinstatement in the current year (B)	7	19	26	3	15	18	6	12	18	4	6	10
Reinstatement rate (B/A) (%)	77	61	65	75	52	54	100	80	86	100	67	77
Number of people who stay for more than one year after reinstatement	9	17	26	5	13	18	3	8	11	4	5	9
Retention Rate	69	85	79	71	68	69	100	53	61	67	42	50

Note1: "Retention rate" refers to the rate of employees who are reinstated after parental leave and stayed for more than one year

Note2: The data statistics for the year 2022 include Shulin plant



## 4.2.2 Staff Evaluation and Job Security

### Staff Evaluation

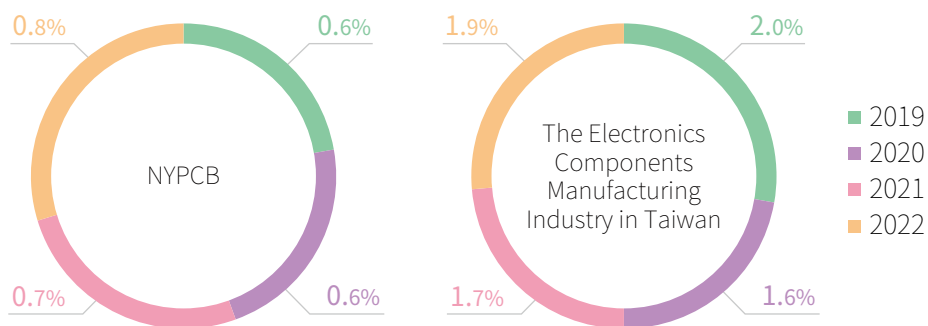
All NYP employees undergo regular assessments in accordance with the "Assessment Measures", and the year-end performance appraisal grades are assessed based on regular work assessments, attendance records, records of rewards and punishments, and the time limit for handling various cases as the basis for salary adjustment and year-end bonus issuance, and as a reference for future training, promotion and transfer. Employees with evaluation results of grade B or C shall be interviewed periodically by their supervisor to track the improvement plans and results. In 2022, 100% of employees were subjected to regular assessment.

### Excellent Job Security

In order to adapt to the rapid changes in the business environment and the continuous innovation of technology, NYP continued to rationalize management and simplify the organization. However, based on the spirit of giving priority to protecting the rights and interests of employees, even in the most difficult business environment, we still share the difficulties with employees and establish a human resources integration mechanism to replace severance by transfer. In the past four years, NYP's employee turnover rate has been about 0.7%, which is significantly lower than that of Taiwan's electronic components manufacturing industry.

Comparison table of the turnover rate between NYP and the industry in the past four years

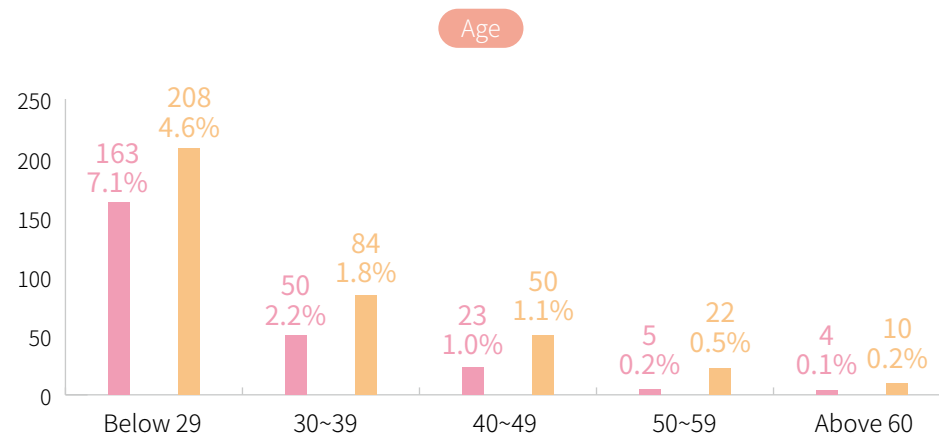
Unit:%



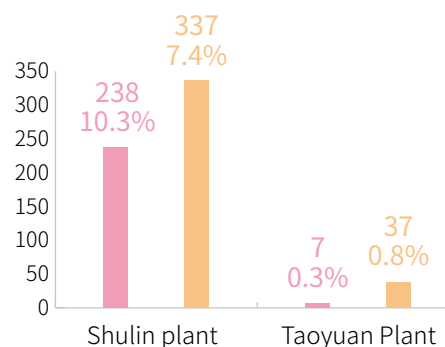
Source: Department of Budget, Accounting and Statistics (Time Series Data Enquiry - Exit Rate)  
[https://earnings.dgbas.gov.tw/query\\_payroll.aspx](https://earnings.dgbas.gov.tw/query_payroll.aspx)  
 Note1: Data statistics for the year 2022 include Shulin plant

Age and regional distribution of the resigned employees in 2022

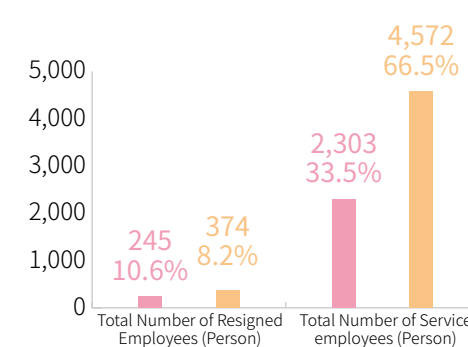
Unit: Number of people,%



Region



Total Number of Resigned Employees



Note 1: The statistical period includes the resigned and in-service colleagues from 2022.1.1 to 2022.12.31 (including regular and part-time personnel)

Note 2: Percentage of resigned staff = Total number of employees resigned / (Total number of employees at service) \* 100

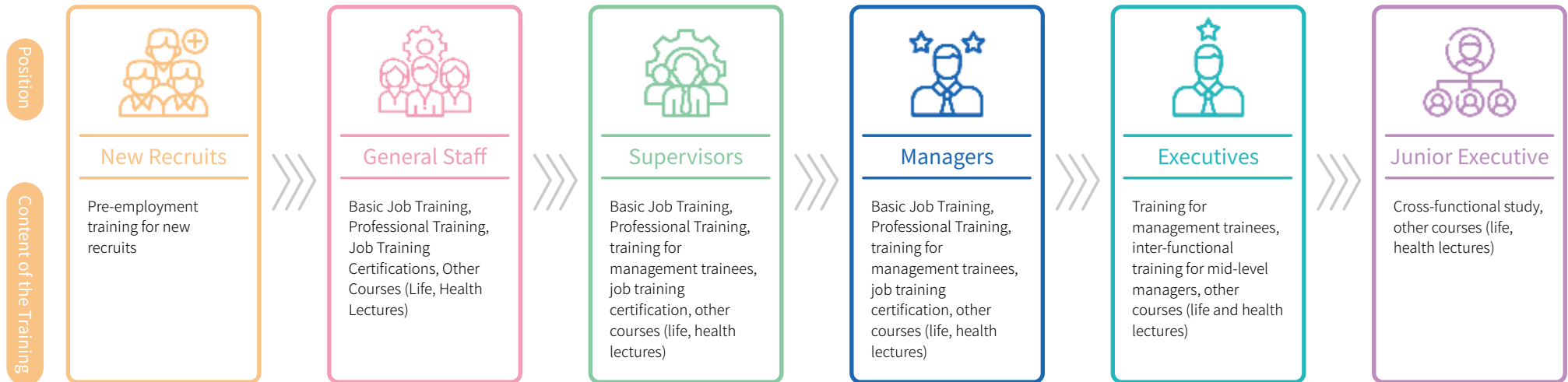
Note 3: The data statistics for the year 2022 include Shulin plant

## 4.3 Talent Cultivation and Development

### 4.3.1 Career Learning Map

NYPCB has a complete training and development system for the new recruits, and has created a quality working and learning environment to cultivate professional talents with innovative perspective and continuous improvement. At the same time, a comprehensive training plan for different stages of each employee's career has been created to facilitate gradual improvement, allowing him/her to excel and become an outstanding and practical professional.

Career Development Road Map for Employees



### 4.3.2 Implementation of employees' continuing education and training

In 2022, the Company's various training courses, in addition to being held by each department independently, will also be coordinated by the training department under the President's office to handle common professional training and training for management trainees. A total of 1,247 training sessions were held, the number of participants was 6,687 (excluding managing directors). The total number of training hours was 103,436 hours, the average training hours per individual was 15.5 hours, and the total cost was about NT\$6.54 million.

Average number of training hours for different types of employees in the most recent four years

Unit: Hours/ Person

Position	Executives			Managers			Supervisors			General Staff			Total		
	Year	Total Number of People	Total Number of Hours	Average	Total Number of People	Total Number of Hours	Average	Total Number of People	Total Number of Hours	Average	Total Number of People	Total Number of Hours	Average	Total Number of People	Total Number of Hours
2019	72	319	4.4	225	1,775	7.9	574	15,162	26.4	4,897	125,750	25.7	5,768	143,006	24.8
2020	74	277	3.7	228	2,095	9.2	608	12,049.5	19.8	5,081	104,633.5	20.6	5,991	119,055	19.9
2021	73	487	6.7	234	2,054	8.8	626	11,188	17.9	5,162	111,821	21.7	6,095	125,550	20.6
2022	77	324	4.2	233	1,282	5.5	693	7,308	10.5	5,684	94,522	16.6	6,687	103,436	15.5

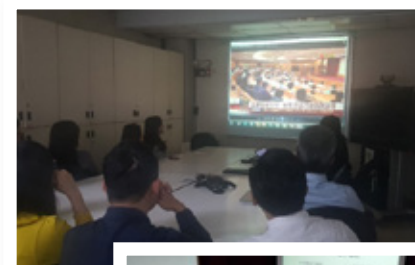
Note 1: Data statistics for the year 2022 include Shulin plant

Average training hours per employee in the most recent four years

Year	Gender	Total number of people (person)	Total training hours (hours)	Average (hour/person)
2019	Male	3,773	105,192	27.9
	Female	1,995	37,814	19.0
2020	Male	3,920	84,732	21.6
	Female	2,071	34,323	16.6
2021	Male	4,051	90,980	22.5
	Female	2,044	34,570	16.9
2022	Male	4,440	70,543	15.9
	Female	2,247	32,893	14.6

Note1: The total number of people does not include managing directors. The statistical time is based on the number of people at the end of December of the current year.

Note2: Data statistics for the year 2022 include Shulin plant



The actual scene at the training

## 4.4 Employee Communication and Care

### 4.4.1 Status of Collective Bargaining

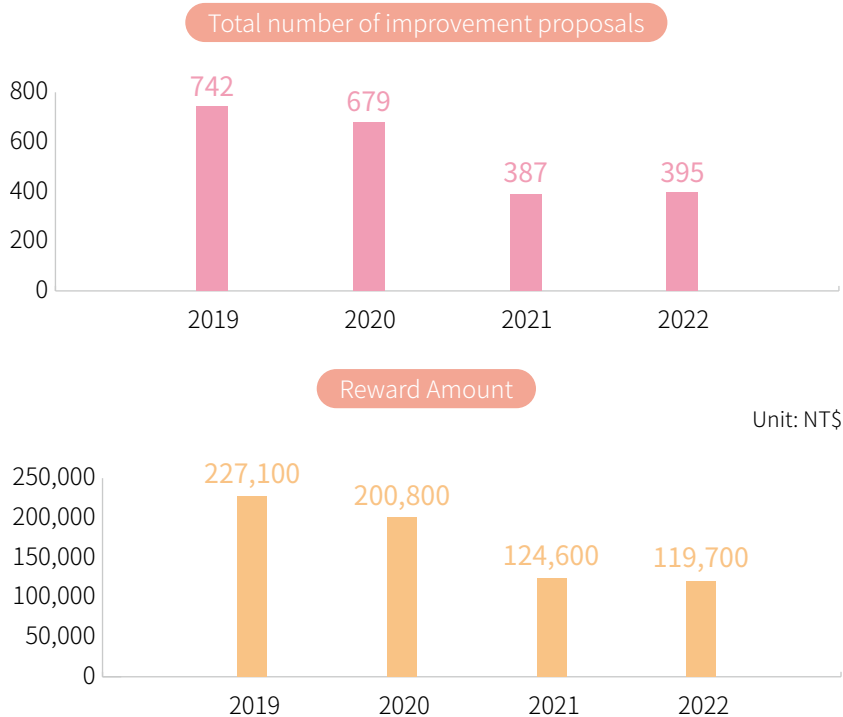
NYP has established an employee complaint system to improve labor-management relations, and formulated work and human resources management regulations to clearly stipulate the rights, obligations and management matters of both parties, so that employees can fully understand and protect their own rights and interests.

Communication Target	Communication Channel	Communication Resources	2022 Communication effectiveness	
All employees	<ol style="list-style-type: none"> <li>Face-to-face communication <ul style="list-style-type: none"> <li>Regular meeting of trade union/welfare committee (board of supervisors/labor-management meeting)</li> </ul> </li> <li>Written communication <ul style="list-style-type: none"> <li>Complaint form</li> </ul> </li> </ol>	Supervisors at all levels	<ol style="list-style-type: none"> <li>Every day: Meeting</li> <li>Every quarter: Occupational Safety and Health Committee Meeting, Labor Union Symposium</li> <li>Irregularly: executive manager communicate with union representatives</li> </ol>	
	<ol style="list-style-type: none"> <li>Human resources service team <ul style="list-style-type: none"> <li>Announcement letter</li> <li>Internal Magazine Publications (electronic, physical books)</li> </ul> </li> <li>Employee Assistance Program <ul style="list-style-type: none"> <li>The Plant Management Office promotes logistical support and welfare services</li> <li>Employee Welfare Committee (periodic performance evaluation and satisfaction survey)</li> </ul> </li> </ol>	Human Resources Organization	Board of Directors and the Management	<ol style="list-style-type: none"> <li>Every month: Employee Welfare Committee</li> <li>Every two months: Internal Magazine Publications</li> <li>Every year: Employee Satisfaction Survey</li> <li>Irregularly: Management policy feedback</li> </ol>
	Employee feedback box <ul style="list-style-type: none"> <li>The 799 Hotline from the plant</li> <li>Physical suggestion mailbox, corporate information system (Online suggestion box)</li> </ul>		System	Irregularly: <ul style="list-style-type: none"> <li>Physical suggestion mailbox and online suggestion box(Notes, Outlook)</li> <li>799 Hotline from the plant</li> </ul>

## 4.4.2 Employee Care

NYP continuously promotes many employee care programs to motivate employees, enhance employee benefits, and promote employees to achieve a balanced development in work, health, and life. For related content, please refer to the official website under "[Work and Life](#)".

The Company has set up improvement proposal incentives to encourage employees to discover work abnormalities and propose a good improvement plan, and bonuses will be issued based on the improvement period and effect after adoption. In 2022, there were a total of 395 improvement proposals, and a total of NT\$119,700 of bonuses was issued. In addition, an innovation platform website was set up for employees to discuss professional topics, and appropriate rewards were given to those who provide outstanding innovative ideas.



Note 1: Data statistics for the year 2022 include Shulin plant

In addition, NYP provides Employee Assistance Programs (EAPs). Through the consultation resources of the Mental Health Center of the County Government Health Bureau, department supervisors and employees can seek professional social workers and counselors to provide crisis management assistance for their management, psychological, family, emotional and other problems to reduce the damage caused by man-made, natural factors or inappropriate treatments.

## 4.4.3 Respect for Human Rights

NYP believes that every employee should be treated with fairness and respect, provides equal job opportunities, and protects the basic human rights of to job seekers and every employee. No material investment agreements and contracts relating to human rights were made in the company in 2022. For the company's human rights protection, please refer to the official website under "[Human Rights Policy and Specific Practices](#)".

The company's labor employees have the option to freely participate in a union and run for representative and can communicate openly with the company's management about work issues without fear of retaliation, threats or harassment. The total people covered by the collective bargaining agreement of the Company in 2022 was 57.1% of the total number of employees. The Company's labor union also holds regular director and supervisor meetings, and, to avoid colleagues' doubts, the Company does not intervene in the union's practical operations and member lists. Under the scope of legality and reasonableness, the unions can give full play to and communicate with each other, discuss labor issues extensively, and implement resolutions after reaching a consensus, which is of great help to the improving labor-management relations and planning labor welfare matters.

The company holds regular quarterly labor union meetings to facilitate the exchange of opinions and address feedback from both labor and management. For colleagues who are not part of the labor union, designated representatives are assigned to attend the meetings. These representatives collect feedback in advance and incorporate it into the discussions. After the meetings, the conclusions and feedback are communicated back to the respective individuals (e.g., migrant workers' feedback is represented by the dormitory administrators in the meeting, while local staff feedback is collected by performance representatives and then conveyed to the designated representatives).

The company regularly holds communication meetings for managers at all levels, and publishes a quarterly corporate magazine. Employees can also express their opinions through the employee suggestion box, sexual harassment prevention hotline or response hotline. In 2022, there were a total of 4 human rights-related complaints through the formal complaint channel, 2 of which have been properly handled and closed, and the remaining 2 are in progress.

## 4.5 Occupational Health and Safety

### 4.5.1 Occupational Health and Safety

	Material Issues	Occupational Health and Safety
	Policy commitments	<ol style="list-style-type: none"> <li>Promote ISO 45001:2018 Occupational Health and Safety Management System and Taiwan Occupational Health and Safety Management System (TOHSMS), aiming to enhance environmental safety and health, and to maintain the well-being of employees.</li> <li>Emphasize two-way communication, with the goal of involving all member.</li> </ol>
	International sustainability trends	GRI:403 Occupational Health and Safety SDGs :3.4、3.5、8.8
	Management Activities and Results Tracking	<p><b>Management action</b> Using PDCA (Plan-Do-Check-Act) as the framework, safety and health management KPIs are established for regular audits and tracking of management effectiveness.</p> <p><b>Performance tracking</b> Establish safety and health management performance objectives as KPIs, and regularly hold monthly functional meetings and annual management effectiveness review meetings.</p>
	Stakeholder Engagement	<p><b>Stakeholders:</b> Employees、Investors/Corporations、Suppliers、Government agencies、Local communities</p> <p><b>Complaint procedure</b></p> <ul style="list-style-type: none"> <li>Employees: Handled in accordance with the Employee Complaint Management Policy.</li> <li>Investors/Corporations: Annual convening of shareholders' meetings, presenting company's operational overview, business focus, profit distribution, loss compensation, and other significant proposals.</li> <li>Suppliers: Utilize the Supplier Information Platform as an irregular communication channel and conduct supplier evaluations and surveys annually to ensure timely feedback.</li> <li>Government agencies: Comply with the requirements and regulations of various levels of supervisory authorities/ environmental protection agencies.</li> <li>Local communities: Inform the community through the company's website at least once a year with relevant information.</li> </ul>

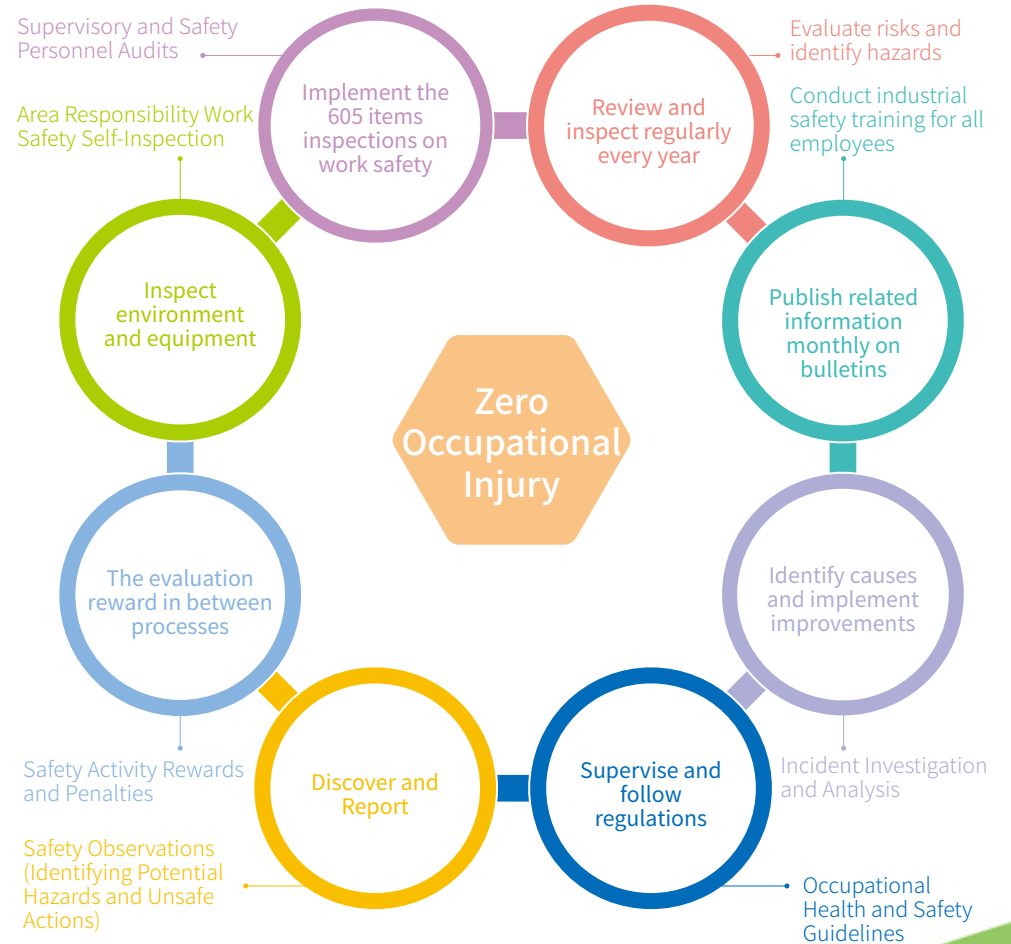
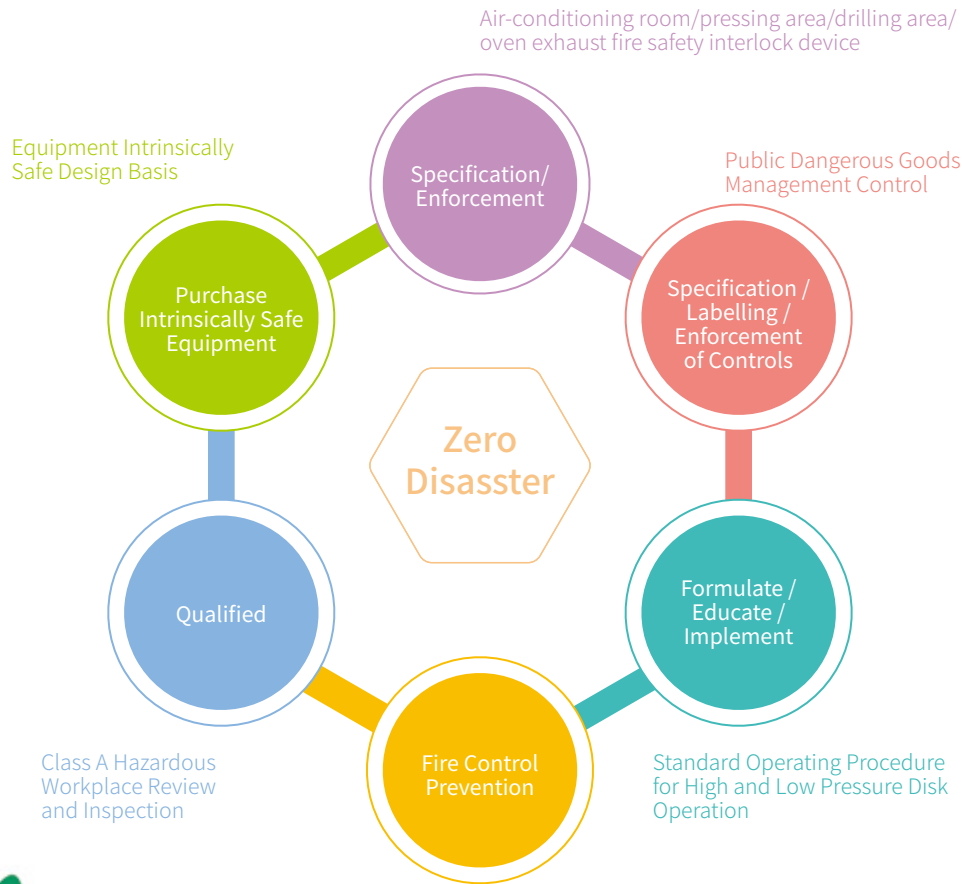
### Occupational Health and Safety Management System

NYP has been promoting workplace safety and has established a well-defined occupational health and safety organization. All factories have set up Occupational Health and Safety Committees in compliance with legal regulations, with labor representatives accounting for more than 1/3 of the committee members. They actively participate in optimizing and improving the occupational health and safety system, and have obtained the ISO 45001 Occupational Health and Safety Management System certification. The system covers 100% of the company's workforce, including all employees and contractors.

#### Occupational Health and Safety Committee

	Number of Committee Members	23 members
	Labor representation ratio	9 members (39%)
	Meeting Frequency	Every quarter
	Topics for discussion in 2022	<ol style="list-style-type: none"> <li>Health and Safety Management Performance</li> <li>Employee Health Promotion Program</li> <li>Tracking the progress of the work environment improvement cases</li> </ol>







### Hazard risk Identification and Assessment

The company has established a systematic process for hazard identification and risk assessment to prevent unsafe environments or operations. If employees identify potential risks or hazards in their work environment, they can report them through various channels such as immediate response in each department, communication meetings, IE proposals, safety observations, etc., without facing any disciplinary actions for doing so.

#### Hazard Identification and Risk Assessment Process



### Health Risk Management and Assessment

The company adopts the guidelines from the Ministry of Labor's "Occupational Disease Reference Guide" under five major categories and identifies hazard factors related to employees' occupational diseases in its industry and organizational characteristics. These factors include "socio-psychological," "physical," "chemical," "biological," and "ergonomics" hazards. The company actively provides management practices and tracks relevant performance to manage and assess health risks.

Risk Factors	Socio-psychological	Physical	Chemical	Biological	Ergonomics
Content	Long working hours and work-related stress	Abnormal temperatures, ionizing radiation, etc.	Dust, organic solvents, strong acids, strong alkalis, etc.	Microorganisms, infectious diseases, etc.	Long-term repetitive musculoskeletal loading hazards, etc.
Industry characteristics	Overload risk or middle-aged and senior employees	Noise hazards, ionizing radiation hazards.	Strong acid, strong alkali, oxidizing agents, toxic chemicals.	COVID-19 (Coronavirus Disease 2019)	Repetitive Strain Injury (RSI)
Methods	According to health examinations and overtime hours, a workload assessment is conducted to identify individuals at high risk. These high-risk individuals receive work advice and follow-up from the on-site physician.	<ol style="list-style-type: none"> <li>1. Regularly conduct operational environment monitoring and health checks.</li> <li>2. Implement graded management and control based on monitoring and examination results.</li> </ol>	<ol style="list-style-type: none"> <li>1. Establish relevant measures to prevent leakage and designate responsible supervisors.</li> <li>2. Conduct regular operational environment monitoring and health checks.</li> <li>3. Implement graded management and control based on monitoring and examination results.</li> </ol>	<ol style="list-style-type: none"> <li>1. Establish response measures for various control stages.</li> <li>2. Cooperate with CDC announcements to adjust and implement epidemic prevention measures.</li> </ol>	The personnel implement the hazard prevention plan for sexual harassment and carry out improvements for high-risk items.

### Compliance with occupational safety and health regulations

No fines, complying with the regulations of occupational safety and health.

### Statistics on Occupational Hazards

Annual	category	total work hours	death toll	number of disabilities	occupational fatality rate (Note1)	disabling injury severity rate (Note2)	disabling injury frequency(Note3)	comprehensive injury index(Note4)	Number of deaths due to occupational illnesses	Death rate due to occupational illnesses	Number of record-able cases of occupational illnesses
2022	Employees	12,090,496	0	0	0	0	0	0	0	0	0
	Contractors	418,600	0	0	0	0	0	0	0	0	0
2021	Employees	12,680,976	0	0	0	0	0	0	0	0	0
	Contractors	198,912	0	0	0	0	0	0	0	0	0
2020	Employees	12,364,880	0	1	0	0.1	0.08	0.01	0	0	0
	Contractors	-	-	-	-	-	-	-	-	-	-
2019	Employees	12,041,744	0	1	0	0.83	0.17	0.01	0	0	0
	Contractors	-	-	-	-	-	-	-	-	-	-

Note 1: Occupational fatality rate = (Number of deaths from occupational injuries \* 1,000,000) / Total work hours

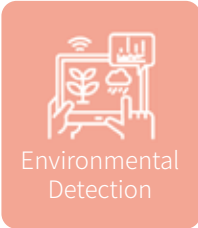
Note 2: Disabling injury frequency = (Number of disabling injuries \* 1,000,000) / Total work hours Note 3: Disabling injury severity rate = (Number of days lost due to disabling injuries \* 1,000,000) / Total work hours

Note 4: Comprehensive injury index =  $\sqrt{(\text{Disabling injury frequency} * \text{Disabling injury severity rate}) / 1,000}$

Note 5: Data for the year 2022 includes Shulin Plant.

Note 6: Starting from 2021, Southern Electric began to collect data on the "Disabling injury severity rate" for contractors.

Employee Health Care and Promotion



Approach

Carry out inspections at the manufacturing area and office area every 6 months according to the laws and regulations.

Achievement

The results of all physical and chemical monitoring are below the regulatory control standards.



Approach

To reduce the risk and impact of serious accidents or unexpected incidents, the company will arrange group accident insurance for its employees.

Achievement

By insuring for accidental death and dismemberment coverage of 600,000 and accidental medical expenses coverage of 50,000, we aim to reduce medical expenses for our employees.



Approach

Including courses on injury and illness treatment, preventive care, smoking cessation counseling, and other related programs.

Achievement

Every month, the health center will announce relevant health information to all employees for their awareness.





Physical and  
Mental Care

Approach

NYP  
Committee organizes various leisure activities periodically.

Achievement

The committee organizes recreational activities such as hiking and river cleaning, shrimp fishing, bowling, and basketball competitions. Additionally, they arrange family trips to promote parent-child interaction and care.



Healthcare

Approach

We collaborate with Chang Gung Medical Team to provide our employees with health check-ups and medical services.

Achievement

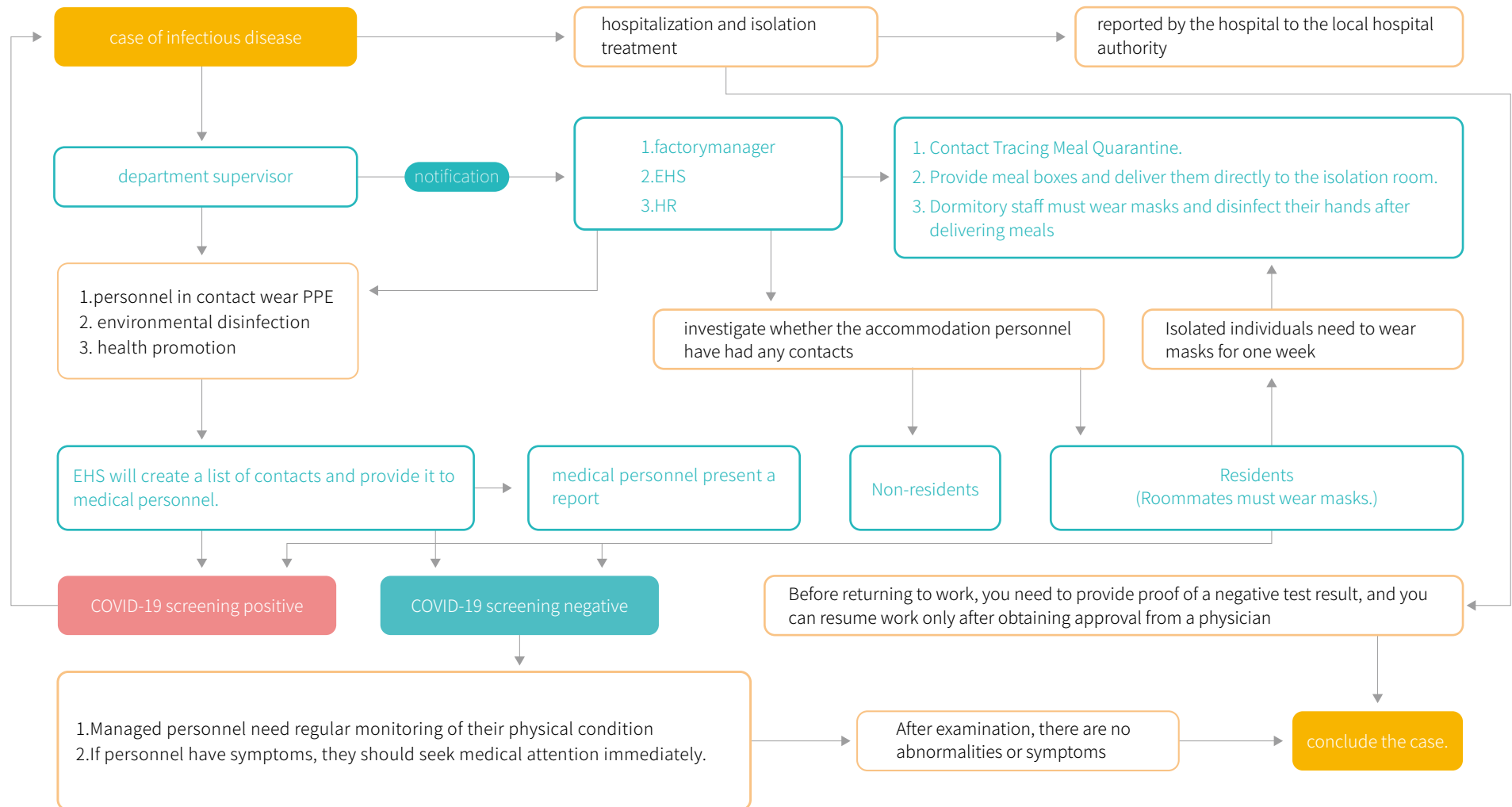
Arrange more than 16 consultations per month with occupational medicine specialists to provide on-site medical consulting services. Additionally, conduct annual health check-ups for employees and initiate health promotion programs targeting issues like overloading and health concerns for middle-aged and elderly employees.



Epidemic Response

• Infectious Disease Management Proces

In response to the domestic COVID-19 pandemic in 2022, NYPCB implemented various measures to mitigate its impact on business operations. This included implementing employee health care initiatives, adjusting internal operations, and managing external visitors in accordance with central epidemic prevention regulations. The company continuously adapted its epidemic prevention measures to reduce the impact of the pandemic on its business operations.





COVID-19 Epidemic Prevention Measures



Employee Health Care and Concern

- Care for employees' health status and conduct health management tracking for employees on sick leave.



Internal Operational Adjustments

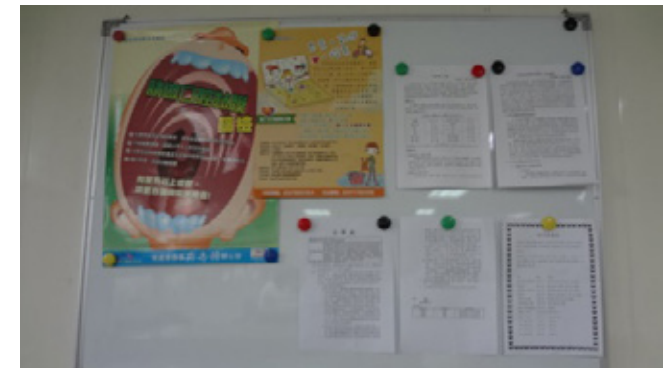
- Formed a joint epidemic prevention team, conducting daily morning and afternoon epidemic meetings to review preventive measures and monitor the situation. They also track the status of employees' home isolation, attendance, and return to work.
- Implemented body temperature measurements at the entrance to the factory as a control measure.
- Suspended domestic and international business trips. Increased the frequency of environmental disinfection.
- Provided meals in boxed format at the factory to avoid group dining.



External Visitor Management

- Follow the epidemic command center's control measures to ensure the health and protective measures for employees.
- Prohibit domestic business trips and only allow essential personnel to enter office buildings or factory areas.
- People entering office buildings or factory areas must undergo body temperature measurement and disinfection.
- Use audio or video conferencing whenever possible instead of in-person meetings, and everyone should wear masks at all times.
- Implement entrance control measures.
- Implement strict control measures for high-risk areas with confirmed cases, including the possibility of conducting nucleic acid testing.
- Foreign technicians entering the factory must formulate an epidemic prevention plan, including activity area planning and health management.

Anti-epidemic Propaganda



## 4.5.2 Factory public safety (Material Issues)

	Material Issues	Factory public safety
	Policy commitments	<ol style="list-style-type: none"> <li>1. Implement hazardous chemical control measures, promote process safety management, eliminate risks of fire, explosion, and other hazards, and enhance overall intrinsic safety.</li> <li>2. Establish comprehensive fire protection equipment, and implement inspection and maintenance mechanisms to ensure proper functioning.</li> </ol>
	international sustainability trends	GRI: Self-initiated Topic SDGs target: 8.8
	Management Activities and Results Tracking	<ol style="list-style-type: none"> <li>1. Define risks related to chemicals, machinery, and production operations, and implement controls accordingly.</li> <li>2. Implement stock control and warning mechanisms for public hazardous materials.</li> <li>3. Promote building safety inspection management system and governance mechanisms.</li> <li>4. Manage fire protection facilities systematically and establish inspection schedules.</li> </ol> <ol style="list-style-type: none"> <li>1. Set Process Safety Management (PSM) performance goals, with the target of zero accidents for the year 2022, to be achieved.</li> <li>2. Establish Fire Management Key Performance Indicators (KPIs), with the target of zero accidents for the year 2022, to be accomplished.</li> </ol>
	Stakeholder Engagement	<p><b>Stakeholders:</b> Employees, Investors/Corporations, Customers, Suppliers, Media, Government Agencies</p> <p><b>Complaint Mechanism</b></p> <ul style="list-style-type: none"> <li>• Employees: Employee complaints will be handled according to the Employee Complaint Management Procedure.</li> <li>• Investors/Corporations: Annual shareholder meetings will be held to report on the execution of sustainable development plans.</li> <li>• Customers: Periodic customer audits and communication meetings will be organized, and customer satisfaction surveys will be conducted to gather relevant feedback.</li> <li>• Suppliers: The Supplier Information Platform will be used as a periodic communication channel, and annual supplier evaluations and surveys will be conducted to ensure timely feedback.</li> <li>• Media: Media interviews and press releases will be arranged periodically.</li> <li>• Government Agencies: Compliance with the requirements and regulations of government agencies/environmental protection agencies will be ensured.</li> </ul>

### Supplier and contractor safety management:

NYPCB regards the contractors who enter the factory as part of the employees. In addition to regular education and training for contractors before entering the factory, if there are new measures or lack of audits, the contractors will be announced again in the "toolbox meeting" every day. Guidance/supervision, education and training content includes: construction safety, classification and waste reduction standard operating procedures and missing guidance. In 2022, there will be no major occupational accidents for contractors in the company's factory area.

### Management Methods

In order to prevent construction accidents, NYPCB has continued to strengthen contractor safety education and training, promote contractor safety management systems, and conduct observation seminars and other businesses in recent years. NYPCB trained a total of 2,570 contractors in 2022.

In order to urge contractors to implement management, it is stipulated that contractors must comply with the Occupational Safety and Health Act and other applicable laws and occupational safety and health organizations shall be established. In addition, one to five dedicated occupational safety and health management personnel with qualified licenses and necessary qualifications are required to be appointed by the contractors for each construction project. The dedicated personnel are required to implement safety and health management activities at the construction site to ensure workplace safety and environmental health.



### A. Before Construction

Item	Work Procedure	Responsible department/ Personnel	Operational Items
1	Outsourcing	Outsourcing unit	<ol style="list-style-type: none"> <li>Place outsourcing order.</li> <li>Provide a construction safety checklist. Establish workplace safety measures and identify potential risks.</li> </ol>
2	Budget Planning	Design class	<ol style="list-style-type: none"> <li>Include safety measures into the construction plan and budget.</li> <li>Evaluate the necessary safety equipment on the construction site and plan them into the budget as a reference for the supplier when giving a quote.</li> </ol>
3	Safety notice for contractors	Construction supervision	<ol style="list-style-type: none"> <li>After finalizing the bidding for construction, the person in charge of the construction site and the contractor's health and safety management personnel are informed of the safety regulations and the agreements are signed.</li> <li>Make sure the construction personnel have completed the health and safety training as well as the computer system management control.</li> <li>The person in charge for the construction site should fill out and submit the "Questionnaire on Physical and Mental Condition of Contractor's Employee's Injury and Illness in Contract Work".</li> <li>The contractor should submit a case study on Job Safety Analysis (JSA), provide educational training for the construction personnel, and completes the signing.</li> </ol>
4	Apply for entry permit	Construction supervision	<ol style="list-style-type: none"> <li>Contractors that are registered online can apply for the entry permit online.</li> <li>Contractors who are not yet registered online can apply through the construction management department.</li> </ol>
5	Issuance of entry permit	Guard department	<ol style="list-style-type: none"> <li>Construction work safety notice (contract number) signed by the construction personnel.</li> <li>Computer verification of the construction personnel's safety educational training before entering the site (by using the employee number).</li> </ol>
6	Construction Application	Construction supervision	<ol style="list-style-type: none"> <li>Fill out a work safety permit application form and submit it to the department for signature and approval.</li> <li>Assign construction supervisor.</li> </ol>
7	Construction approval	Outsourcing department	Assign safety supervisor

### B. Under construction:

Item	Work Procedure	Responsible department/ Personnel	Operational Items
1	On-site machinery and equipment inspection	supervisor or worker	<ol style="list-style-type: none"> <li>Inspect hazardous equipment.</li> <li>Inspect electronic machinery.</li> </ol>
2	Daily Toolbox Meeting	Construction supervision	Promote construction safety
3	Supervise and control of construction safety	Safety supervisor	<ol style="list-style-type: none"> <li>Inspect and supervise safety facilities and devices during construction.</li> <li>Prohibit construction in unapproved areas and control personnel entry.</li> </ol>
		Factory construction safety personnel	<ol style="list-style-type: none"> <li>Daily spot check on safety facilities and safety protection for construction sites and construction staff.</li> </ol>
		Construction supervision	<ol style="list-style-type: none"> <li>Inspect and supervise safety facilities and devices before, during, and after construction.</li> </ol>

### C. After Construction

Item	Work Procedure	Responsible department/ Personnel	Operational Items
1	Confirm after construction	Outsourcing department	<ol style="list-style-type: none"> <li>Make sure the working area and environment is cleaned.</li> <li>Make sure industrial waste is properly disposed.</li> </ol>
		Construction supervision	<ol style="list-style-type: none"> <li>Check on the daily attendance of every construction staff.</li> </ol>

### Training of safety supervisors

To ensure safety during construction, the Corporation has assigned dedicated safety supervisors for all construction work throughout all plants on top of adhering to all applicable laws and regulations. The dedicated position is set up to remind vendors of construction safety at all times and to improve their safety awareness. In addition, the safety supervisors also assist contractors and suppliers in voluntary safety management before, during, and after construction, thereby actively maintaining the safety of contractors and construction processes.

To ensure the performance of safety supervisors and that contractors are being effectively educated, professional knowledge and hazard identification skills training courses have been offered to safety supervisors since 2011. The professional competencies of the safety supervisors are strengthened through a combination of in-class training and practical hands-on training. By 2022, NYP has offered the professional training to 344 people.



Trained safety supervisors who wear seat belts to carry out practical training on overhead work

### Health and Safety Education

Most accidents are related to human negligence, therefore how to educate employees, improve their safety awareness and ability to respond to emergencies is the primary focus of NYP's safety education and training. In 2022, there were a total of 147 stages of industrial safety training courses, with a total of 1,702 trainees and a total of 10,533 training hours. For information on the sessions of relevant courses in 2022, the number of trainees, etc., please refer to the official website under "[Training and Development](#)".

#### Courses offered and number of trainees in 2022

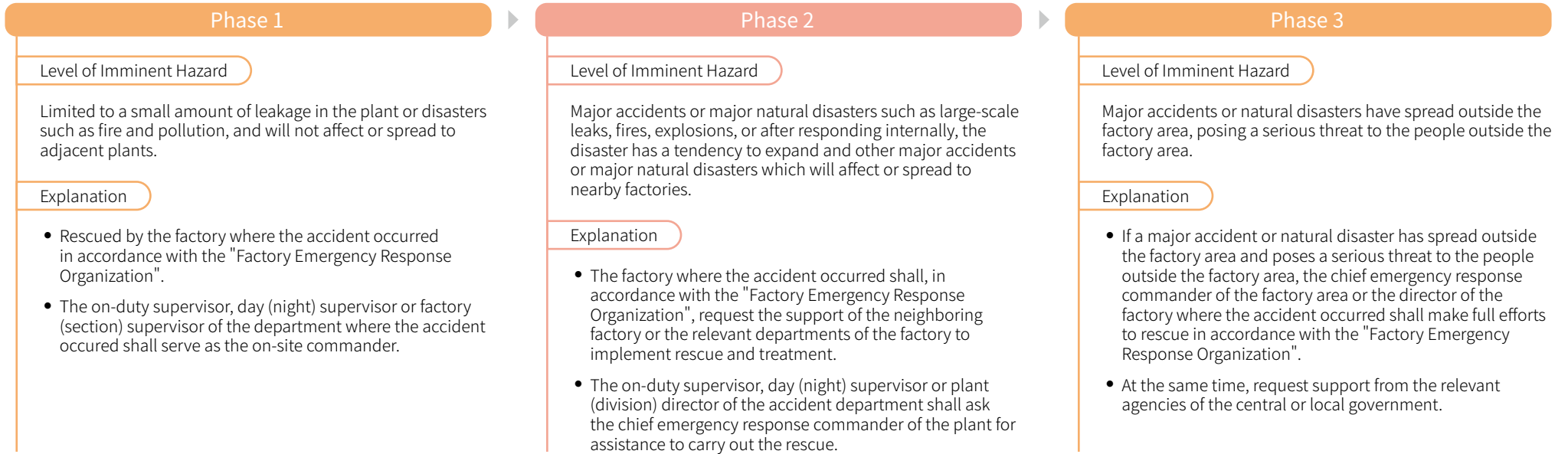
Course Name	Sessions Offered	Number of Trainees	Hours per person	Total Number of Hours
Training on Manufacturing, Disposal or Use of Hazardous Substances	19	1,145	3	3,435
Class B Air Pollution Control Personnel	2	2	78	156
Class B professional technical managers of toxic and chemical substances of concern	2	2	38	76
Class B waste water treatment personnel	1	1	77	77
Class B waste treatment technicians	6	7	74	518
Class B occupational health and safety administrators	1	1	115	115
On-the-job training for Class B occupational health and safety administrators	1	6	12	72
Fixed hoist operators above three metric tons	7	7	38	266
On-the-job training for fixed hoist operators above three metric tons	3	1	3	3
On-the-job training for fixed hoist operators under three metric tons	4	14	3	42
Class A waste water treatment personnel	1	1	77	77
Class A professional and technical personnel in waste removal and treatment	1	1	103	103
On-the-job Education for Class A Occupational Health and Safety Managers	1	2	12	24

Course Name	Sessions Offered	Number of Trainees	Hours per person	Total Number of Hours
Class A occupational health and safety supervisor	5	14	42	588
On-the-job training for Class A occupational health and safety supervisors	2	6	6	36
On-the-job training for Dangerous Goods Security Supervisors	2	2	8	16
Dangerous Goods Security Supervisors	2	2	24	48
Organic Solvent Operations Supervisor	5	21	18	378
On-the-job training for supervisors of organic solvent operations	4	11	6	66
Fire management personnel	5	12	16	192
On-the-job training for fire management personnel	4	4	3	12
Personnel using hoisting tools to carry out hoisting operations	2	15	3	45
Operators of radioactive substances or ionizing radiation	2	48	18	864
On-the-job training for operators of radioactive substances or ionizing radiation	1	48	3	144
Emergency medical technicians	2	41	16	656
On-the-job training for emergency medical technicians	5	92	3	276
On-the-job training for supervisor for construction platform assembly operation	1	1	6	6
Professional technical managers of toxic and chemical substances of concern(level 1)	9	12	8	96

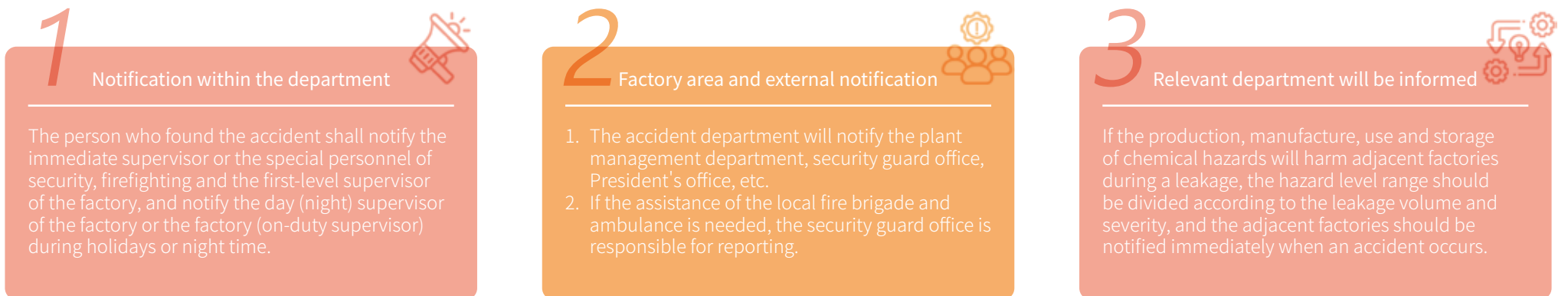
Course Name	Sessions Offered	Number of Trainees	Hours per person	Total Number of Hours
Professional technical managers of toxic and chemical substances of concern(level 2)	7	9	16	144
Professional technical managers of toxic and chemical substances of concern(level 3)	5	7	40	280
Combustion Training	7	13	7	91
Supervisors on the use of specific chemical substances	6	26	18	468
On-the-job training for supervisors on the use of specific chemical substances	3	48	6	288
Training for hypoxia supervisor	2	9	18	162
On-the-job training for hypoxia supervisor	3	11	6	66
Operating Specific Equipment for high Pressure Gases	1	4	35	140
On-the-job training for forklift operators with a loading of more than one metric ton	2	8	3	24
Forklift operators with a loading of more than one metric ton	6	17	18	306
Supervisors of operations involving lead	1	5	18	90
On-the-job training for Supervisors of operations involving lead	2	2	6	12
On-the-job training for professional and technical personnel in waste removal and treatment	1	1	6	6
On-the-job training for occupational safety and health committee	1	23	3	69
<b>Total</b>	<b>147</b>	<b>1,702</b>	<b>1,013</b>	<b>10,533</b>

Emergency response mechanism

Emergency response mechanism



Incident Notification Process





### Disaster Prevention Drills

The Company has also established detailed contingency response policies and has held drills in preparation for various emergencies such as earthquakes, fires, chemical spills and leakages, and other natural disasters. The Company has trained its employees to be familiar with contingency response measures such as reporting, reaction, and containment of incident, and medical aid.

The actual scene at the training

The Effectiveness of Disaster prevention training in 2022



#### Disaster Prevention Training Items

Disaster prevention drills



#### Training Sessions

- 5 sessions in the first half of the year
- 6 sessions in the first half of the year



#### Number of Participants

- 4,149
- 5,082



# 05

## chapter

### Social Welfare



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## 5.1 Neighborly Relations

### 5.5.1 Factory and village family

NYPCB has been deeply cultivating in the local community for a long period of time. The management department in the plant has set up the Neighborhood Relations Team and a volunteer team. Through visits and communication, it has established a channel of mutual trust and assistance with the residents. At the same time, the Company takes a contributory part in community and the Earth by paying care for the elderly, the youth, and other disadvantaged groups, assisting local or devoted social welfare organizations in holding festive activities or non-profit second hand market, and encouraging employees to take part as a environmental protection volunteer. We hope that through the promotion of various activities, NYPCB will spread the seeds of love and hope with our neighbors to all corners of the society, and jointly create a "Factory and village family".



Each of the Company's plant promotes community outreach by cooperating with planning of the local management department. Taking the North Plant as an example, the community outreach works conducted in 2022 are listed as follows:

Item	Cooperative Units	Promotional Methods	Implementation Results in 2022
 <p>Visits and Communications</p>	<ol style="list-style-type: none"> <li>1. Neighborhood Offices</li> <li>2. Local Residents</li> </ol>	<ol style="list-style-type: none"> <li>1. Aperiodic visits to create communication channels.</li> <li>2. Invitation to participate in factory activities to promote harmonious relationship.</li> </ol>	<ol style="list-style-type: none"> <li>1. Jinxing Factory provided assistance to the elderly centers and vulnerable residents in Changxing Village, with a total of 210 instances of aid, amounting to NT\$160,000 in financial support.</li> <li>2. Shulin Plant offered care and assistance to the elderly and economically disadvantaged families in Dongshan Village, Shanjia Village, and Zhongshan Village, with a total of 30 instances of aid.</li> </ol>
 <p>Traditional Culture Promotion</p>	Ming Hwa Yuan Arts & Cultural Group (Jinxing Plant)	The Theater was sponsored to perform in plants.	Due to the impact of the COVID-19 pandemic, large-scale events such as "Factory and village family" have been temporarily postponed and are expected to be held again in October 2023.
 <p>Neighborhood Relationship</p>	<ol style="list-style-type: none"> <li>1. District Office</li> <li>2. Neighborhood Offices</li> <li>3. Community development associations</li> </ol>	Actively participate in activities held by township offices, neighborhood offices, and community development associations in order to maintain good relationship between each other.	The total amount of sponsorship was NT\$ 1,017,757.
 <p>Environmental protection volunteering</p>	Plant employees and families	Plant employees and their families were encouraged to become volunteers of environmental protection works to maintain a clean place in plants as well as the surroundings.	<ol style="list-style-type: none"> <li>1. Jinxing and Shulin Plant jointly organized 8 environmental volunteer activities involving street clean-up and hiking, with a total of 154 volunteer participants.</li> <li>2. On October 16th and November 5th, the Nankan River Cleanup Event saw approximately 3,900 employees and their families actively participating in ecological preservation.</li> <li>3. On September 17th, in observance of International Coastal Cleanup Day, 6 companies, with a combined participation of 600 individuals, responded to the New Taipei City Government's "Corporate Joint Coastal Cleanup" initiative by conducting a beach cleanup in Wanli District.</li> </ol>
 <p>Charity Service</p>	<ol style="list-style-type: none"> <li>1. Charity Service Club of the Welfare Committee</li> <li>2. The Labor Union</li> <li>3. Local charity groups</li> </ol>	<ol style="list-style-type: none"> <li>1. Make regular visits to orphanages and nursing homes and collect goods to be donated to social welfare institutions.</li> <li>2. Organize a second-hand market in collaboration with the Welfare Committee Love Society and local charitable organizations, with all proceeds from the sales being donated to disadvantaged groups.</li> <li>3. Assist disadvantaged groups to apply for emergency relief from FPG's CHING PAO P.D. Charitable Foundation.</li> <li>4. Promote activities to donate to disadvantaged schoolchildren in Taoyuan City who are unable to afford nutritious lunches.</li> </ol>	<ol style="list-style-type: none"> <li>1. Jinxing and Shulin Plant jointly organized 18 charity service events, with a total of 130 participants and a donated amount of NT\$137,700.</li> <li>2. The "Diligence Foundation" emergency assistance fund received applications totaling NT\$71,000.</li> <li>3. The number of beneficiaries for the nutritious lunch donation reached 610 individuals, with a total donation amount of NT\$1.46 million benefiting 25 elementary schools.</li> </ol>





Environmental volunteer activities



Mid-autumn warmth giving activity



Warming the winter for impoverished families



Nankan river clean-up event



Wanli district corporate joint coastal cleanup event



Colleagues from the factory area participating in garbage cleanup, and a photo taken with volunteers from Changxing Village.



Donating mooncake gift boxes to the head of Changxing Village for distribution to underprivileged residents within the village, and taking a photo with the village head while distributing mooncakes and cling wrap.



Distribution of daily necessities to low-income households.



Volunteers' group photo during the river cleanup, collecting trash in the river



The results of the joint coastal cleanup, fostering a culture of environmental conservation through parent-child coastal cleanups.

## 5.2 Social Feedback

### 5.2.1 Caring for the Underprivileged

The Formosa Plastics Group, to realize the vision of its two founders, actively collaborates with the government and various civil organizations to gain a deep understanding of societal needs, care for and assist vulnerable groups. Over the years, the company has invested a total of NT\$ 76.44 billion in social welfare initiatives related to education, healthcare, and social welfare, continuously extending a helping hand to those in need within society.

The two founders of the Formosa Plastics Group actively engage in social welfare work, establishing seven foundations and public benefit trusts. They strive to minimize administrative and personnel costs, channeling funds towards supporting vulnerable groups and social welfare institutions. Moreover, they collaborate with private professional groups, scholars, and experts, employing "comprehensive, integrated, and systematic" planning principles to drive various charitable projects forward.

Organization Name	Founder
Wang Chang Gung Philanthropy Trust	Mr. Wang Yung-Ching
Wang Chan Yang Philanthropy Trust	Mr. Wang Yung-Tsai
Ching Bao Philanthropy Trust	Ms. Lee Pao-Chu
Wang Chan Yang Foundation	Mr. Wang Yung-Ching, Mr. Wang Yung-Tsai
Diligence Foundation	Mr. Wang Yung-Ching
Ming Te Foundation	Mr. Wang Yung-Ching, Mr. Shen Tsung-Han
Golden Cart Indigenous Culture and Education Philanthropy Foundation	Mr. Lee Tien-Tsai Mr. Yang Chao-Lin

Item	Public welfare project	Cumulative effect
 Disability Benefits	The "Early Intervention Service Enhancement Program" aims to assist the development of children with developmental delays by providing them with high-quality therapeutic and educational interventions at an early age. The ultimate goal is to integrate these children back into the mainstream education system and society, thereby reducing the burden on their families and society as a whole. This program is based on evidence-based research, guided by integrated concepts, and follows the principles of family-centered and community-based approaches. The key focus is on improving the quality of institutions, enhancing the capabilities of professionals, and empowering parents.	Accumulated investment of more than NT\$950million, benefited about 30,000 person, and 92 units from received counseling and subsidies from 2006 to 2022.
 Sports and Cultural Development	Donating to Taiwan's Distinctive Cultural Troupes.  Nurturing talented individuals in tennis, table tennis, billiards, badminton, and golf, and collaborating with Chang Gung Hospital to provide athletes with health check-ups, sports injury clinics, and accompanying medical staff for protective measures.	The donation amount exceeded NT\$170 million, benefiting over 360,000 spectators.  The investment amount exceeded NT\$ 300 million.
 Assistance to Inmates	The Wang Chan Yang Foundation's "Rainbow Project" provides guidance and support to individuals with drug addiction and HIV/AIDS in Yunlin, Taipei, and Kaohsiung rehabilitation centers.  The Wang Chan Yang Philanthropy Trust's "Sunshine Project" provides professional counseling measures for inmates with drug offenses.	The recidivism rate is only about 10%, significantly lower than the general average of 70-80%.  The reoffending rate is less than 10%, significantly lower than the general average of 60-70%.
 Elderly Welfare	Since 2013, we have been promoting the "Healthy and Active Aging Center."  We are promoting the "Elderly Residential Improvement and Appliance Subsidy Program."	Over 20,000 elderly individuals have been assisted in promoting health and delaying aging.  In all 19 counties and cities across Taiwan.
	Since 2007, the "Elderly Pneumococcal Vaccination Program" has been implemented.	From 2007 to 2018, a total of 1.16 million doses of vaccines were donated, resulting in a vaccination program that saved the government nearly NT\$14.3 billion in medical expenses.

## Appendix 1. Global Reporting Initiative Standards (GRI Standards) Comparison Table

Statement	NYP will report in accordance with the GRI guidelines from January 1, 2022, to December 31, 2022.
GRI1	GRI1:2021
Global Reporting Initiative	Not Applicable

- GRI2 General Disclosures

Disclosure Title	Reference Chapter	Note
2-1 Organization Information	1.1.1 Company Profile	
2-2 Organizational sustainability reporting	About this Report 1.1.1 Company Profile	
2-3 Time, Frequency, and Contact Person	About this Report	
2-4 Information Editing	About this Report	Disclosure Scope: Addition of Shulin Plant
2-5 Third Party Assurance	About this Report Appendix 5 Statement	
2-6 Activities, Value Chain, and Other Business Relationships	About this Report 2.5.1 Supplier and contractor management	
2-7 Employees	4.1.1 Diverse Employee Structure	
2-8 Non-Employee Workers	4.1.1 Diverse Employee Structure	
2-9 Company Governance Structure and Composition	2.1.1 Professional board operation 2.1.2 Functional Committee	
2-10 Nomination and selection of the highest governance body	2.1.1 Professional board operation	
2-11 Chair of the highest governance body	2.1.1 Professional board operation	
2-12 Role of the highest governance body in overseeing the management of impacts	2.1.1 Professional board operation	
2-13 Person Responsible for Impact Management	About this Report	
2-14 Role of the highest governance body in sustainability reporting	About this Report	
2-15 Conflicts of Interest	2.1.1 Professional board operation	
2-16 Communication of critical concerns	2.1.1 Professional board operation	
2-17 Collective knowledge of the highest governance body	2.1.1 Professional board operation	
2-18 Evaluation of the performance of the highest governance body	2.1.1 Professional board operation	
2-19 Compensation Policy	2.1.1 Professional board operation	
2-20 Process for Determining Executive Compensation	2.1.1 Professional board operation	

Disclosure Title	Reference Chapter	Note
2-21 Annual Total Compensation Ratio	2.1.1 Professional board operation	
2-22 Statement of Sustainable Development Strategy	Message from the President	
2-23 Policy Commitments	1.1.2 Market Position and Development Vision 1.1.3 Financial Performance 1.2 Product Innovation and Research & Development 2.1.3 Business Integrity and Compliance 2.2 Operating Risk Management 2.5 Supplier and Contractor Management 3.2.3 Greenhouse Gas and Energy Management 3.4 Air Pollution Manage 3.5.1 Waste Management 3.5.2 Chemical Safety 4.2 Compensation and Benefits 4.5.1 Occupational Health and Safety 4.5.2 Factory public safety	
2-24 Inclusion of Policy Commitments	1.1.2 Market Position and Development Vision 1.1.3 Financial Performance 1.2 Product Innovation and Research & Development 2.1.3 Business Integrity and Compliance 2.2 Operating Risk Management 2.5 Supplier and Contractor Management 3.2.3 Greenhouse Gas and Energy Management 3.4 Air Pollution Manage 3.5.1 Waste Management 3.5.2 Chemical Safety 4.2 Compensation and Benefits 4.5.1 Occupational Health and Safety 4.5.2 Factory public safety	
2-25 Remediation Procedures for Negative Impacts	1.1.3 Financial Performance 1.2 Product Innovation and Research & Development 2.1.3 Business Integrity and Compliance 2.2 Operating Risk Management 2.5 Supplier and Contractor Management 3.2.3 Greenhouse Gas and Energy Management 3.4 Air Pollution Manage 3.5.1 Waste Management 3.5.2 Chemical Safety 4.2 Compensation and Benefits 4.5.1 Occupational Health and Safety 4.5.2 Factory public safety	

Disclosure Title	Reference Chapter	Note
2-26 Mechanisms for Seeking Advice and Raising Concerns	1.1.3 Financial Performance 1.2 Product Innovation and Research & Development 2.1.3 Business Integrity and Compliance 2.2 Operating Risk Management 2.5 Supplier and Contractor Management 3.2.3 Greenhouse Gas and Energy Management 3.4 Air Pollution Manage 3.5.1 Waste Management 3.5.2 Chemical Safety 4.2 Compensation and Benefits 4.5.1 Occupational Health and Safety 4.5.2 Factory public safety	
2-27 Compliance with Regulations	1.2.3 Green product design 2.1.3 Business Integrity and Compliance 3.1.1 Environmental Protection Policy 4.5.1 Occupational Health and Safety	
Membership in Business Associations	1.1.1 Company Profile	
2-29 Stakeholder Engagement Policy	1.3.2 Stakeholder Communication Channels and Issues of Concern	
2-30 Collective Agreements	4.4.3 Respect for Human Rights	



- GRI Subject Standard

Topics	Global Reporting Initiative Index	Report Inde	Note
Management Guideline	3-1 Process to Determine Material Issues	1.4.1 Process of Identifying Major Topics	
	3-2 List of Major Topics	1.4.3 Impact Identification and Value Chain	
<b>Material Issues: Financial Performance</b>			
Management Guideline	3-3 Management of Material Issues	1.1.3 Financial Performance	
201 Economic Performance	201-1 Direct economic value generated and distributed	1.1.3 Financial Performance 4.2.1 Employee Remuneration and Welfare	
	201-2 Financial implications and other risks and opportunities due to climate change	3.2.2 Climate Change Management Strategy and Goals	
	201-3 Defined benefit plan obligations and other retirement plans	4.2.1 Employee Remuneration and Welfare	
	201-4 Financial assistance received from government	-	Financial Subsidies from the Government of ROC: In 2022, NYPCB received a subsidy of NT\$2,849 thousand under the 'Youth Employment Program.' Additionally, the company benefited from tax incentives, including 'R&D Investment Deduction,' '5G and Smart Machinery Investment Deduction,' and other tax advantages, totaling NT\$296,584 thousand.
<b>Material Issues: Product Innovation and Research &amp; Development</b>			
Management Guideline	3-3 Management of Material Issues	1.2.3 Green product design	
<b>Material Issues: Ethical Business Operation</b>			
Management Guideline	3-3 Management of Material Issues	2.1.3 Business Integrity and Compliance	
205 Anti-corruption	205-1 Operations assessed for risks related to corruption	2.1.3 Business Integrity and Compliance	
	205-2 Communication and training about anti-corruption policies and procedures	2.1.3 Business Integrity and Compliance	
	205-3 Confirmed incidents of corruption and actions taken	2.1.3 Business Integrity and Compliance	
<b>Material Issues: Operating Risk Management</b>			
Management Guideline	3-3 Management of Material Issues	2.2 Operating Risk Management	



Topics	Global Reporting Initiative Index	Report Inde	Note
<b>Material Issues:Sustainable Supply Chain Management</b>			
Management Guideline	3-3 Management of Material Issues	2.5Supplier and Contractor Management	
308 Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	2.5.2 Supplier(or Contractor) Evaluation and Classification	
	308-2 Negative environmental impacts in the supply chain and actions taken	2.5.2 Supplier(or Contractor) Evaluation and Classification	
414 Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	2.5.2 Supplier(or Contractor) Evaluation and Classification	
	414-2 Negative social impacts in the supply chain and actions taken	2.5.2 Supplier(or Contractor) Evaluation and Classification	
<b>Material Issues: Greenhouse Gas Management and Air Pollution Management</b>			
Management Guideline	3-3 Management of Material Issues	3.2.3 Greenhouse Gas and Energy Management 3.4 Air Pollution Manage	
305 Emissions	305-1 Direct (Scope 1) GHG emissions	3.2.3 Greenhouse Gas and Energy Management	
	305-2Energy indirect (Scope 2) GHG emissions	3.2.3 Greenhouse Gas and Energy Management	
	305-3 Other indirect (Scope 3) GHG emissions	3.2.3 Greenhouse Gas and Energy Management	
	305-4 GHG emissions intensity	3.2.3 Greenhouse Gas and Energy Management	
	305-5 Reduction of GHG emissions	3.2.3 Greenhouse Gas and Energy Management	
	305-6 Emissions of ozone-depleting substances (ODS)	-	Regulatory Constraints: NYP adheres to the emission standards set by the ROC government regulations and refrains from using materials or equipment that could harm the ozone layer during the manufacturing process.
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	3.4 Air Pollution Management	

Topics	Global Reporting Initiative Index	Report Inde	Note
<b>Material Issues: Energy Management</b>			
Management Guideline	3-3 Management of Material Issues	3.2.3 Greenhouse Gas and Energy Management	
302 Energy	302-1 Energy consumption within the organization	3.2.3 Greenhouse Gas and Energy Management	
	302-2 Energy consumption outside of the organization	-	Information unavailable (or incomplete) for external energy consumption statistics inventory.
	302-3 Energy intensity	3.2.3 Greenhouse Gas and Energy Management	
	302-4 Reduction of energy consumption	3.2.3 Greenhouse Gas and Energy Management	
	302-5 Reductions in energy requirements of products and services	3.2.3 Greenhouse Gas and Energy Management	
<b>Material Issues: Management of Effluents and Waste</b>			
Management Guideline	3-3 Management of Material Issues	3.5.1 Waste Management	
306 Effluents and Waste	306-1 Waste generation and significant waste-related impacts	3.5.1 Waste Management	
	306-2 Management of significant waste-related impacts	3.5.1 Waste Management	
	306-3 Waste generated	3.5.1 Waste Management	
	306-4 Waste diverted from disposal	3.5.1 Waste Management	
	306-5 Waste directed to disposal	3.5.1 Waste Management	
<b>Material Issues: Chemical Safety</b>			
Management Guideline	3-3 Management of Material Issues	3.5.2 Chemical Safety	
<b>Material Issues: Employee Benefits and Salaries</b>			
Management Guideline	3-3 Management of Material Issues	4.2 Compensation and Benefits	
401 Employment	401-1 New employee hires and employee turnover	4.1.1 Diverse Employee Structure 4.2.2 Staff Evaluation and Job Security	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2.1 Employee Remuneration and Welfare	
	401-3 Parental leave	4.2.1 Employee Remuneration and Welfare	
405 Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	2.1.1 Professional board operation 4.1.1 Diverse Employee Structure	
	405-2 Ratio of basic salary and remuneration of women to men	4.2.1 Employee Remuneration and Welfare	

Topics	Global Reporting Initiative Index	Report Inde	Note
<b>Material Issues: Occupational Health and Safety</b>			
Management Guideline	3-3 Management of Material Issues	4.5.1 Occupational Health and Safety	
403 Occupational Health and Safety	403-1 Occupational health and safety management system	4.5.1 Occupational Health and Safety	
	403-2 Hazard identification, risk assessment, and incident investigation	4.5.1 Occupational Health and Safety	
	403-3 Occupational health services	4.5.1 Occupational Health and Safety	
	403-4 Worker participation, consultation, and communication on occupational health and safety	4.5.1 Occupational Health and Safety	
	403-5 Worker training on occupational health and safety	4.5.2 Factory public safety	
	403-6 Promotion of worker health	4.5.1 Occupational Health and Safety	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.5.2 Factory public safety	
	403-8 Workers covered by an occupational health and safety management system	4.5.1 Occupational Health and Safety	The data collection is incomplete due to inconsistent units. In the future, adjustments will be made to ensure comparability using the same units.
	403-9 Work-related injuries	4.5.1 Occupational Health and Safety	
	403-10 Work-related ill health	4.5.1 Occupational Health and Safety	
<b>Material Issues: Factory public safety</b>			
Management Guideline	3-3 Management of Material Issues	4.5.2 Factory public safety	

## Appendix 2. Sustainability Accounting Standards Board (SASB) Comparison Table

### Topic of Disclosure: Product Security

Indicator code	Disclosure Indicators	Corresponding Disclosures				Corresponding Chapters
		2019	2020	2021	2022	
TC-HW-230a.1	Description of how to identify and resolve data security risks in products	Products from NYP PCB are not final products, and are designed and produced in accordance with customer product design specifications, therefore there is no product data risks				2.2.3 Information Security

### Topic of Disclosure: Employee Diversity & Inclusion

Indicator code	Disclosure Indicators	Corresponding Disclosures				Corresponding Chapters	
		2022					
		Foreign Nationality		Foreign Nationality			
		Male	Female	Male	Female		
TC-HW-330a.1	The percentage of gender and ethnic group representation of employees (unit: %)	Management Level	4.1	0.5	0.0	0.0	4.1 Employment
		Technician	11.7	2.4	0.0	0.0	
		All other Employees	42.4	21.4	8.4	9.1	

**Topic of Disclosure: Product Lifecycle Management**

Indicator code	Disclosure Indicators	Corresponding Disclosures				Corresponding Chapters	
		2019	2020	2021	2022		
TC-HW-410a.1	The percentage of revenue that includes products containing IEC 62474 declaration substances (Unit: %)	ABFS	40%	44%	50%	60%	1.2 Product innovation and research & development(R&D)
		PPS	29%	31%	30%	26%	
		PCB	31%	26%	20%	16%	
TC-HW-410a.2	Percentage of products that meet the requirements for EPEAT or equivalent, in terms of revenue (unit: %)	Not Applicable	Not Applicable	Not Applicable	Not Applicable		
TC-HW-410a.3	The percentage of qualified products that meet the requirements of applying for Energy Star or equivalent, in terms of revenue (Unit: %)	Not Applicable	Not Applicable	Not Applicable	Not Applicable		
TC-HW-410a.4	The percentage of qualified products that meet the requirements of applying for Energy Star or equivalent, in terms of revenue (Unit: %)	Products from NYPCB are not final products, products are not subject to recycling operations; hence, no information regarding product recycling is disclosed.					

**Topic of Disclosure: Supply Chain Management**

Indicator code	Disclosure Indicators	Corresponding Disclosures					Corresponding Chapters	
		2022						
TC-HW-430a.1	Tier 1 suppliers are suppliers subjected to RBA Validated Audit Process (VAP) or equivalent audits	(a) The Overall Audit Ratio of Manufacturers (Unit: %)	100%					2.5 Supplier and Contractor Management
		(b) Proportion of high-risk suppliers (Unit: %)	None					
TC-HW-430a.2	Tier 1 suppliers are suppliers subjected to RBA Validated Audit Process (VAP) or equivalent audits	Audit Orientation	Labor	Health and Safety	Environmental	Morals	Management	
		Percentage that failed to pass the audit (Unit: %)	0%	0%	0%	0%	0%	
		Improvement rate of major mishaps	NA	NA	NA	NA	NA	
		Other mishap improvement rates	100%	100%	100%	100%	100%	

Topic of Disclosure: Materials Sourcing

Indicator code	Disclosure Indicators	Corresponding Disclosures				Corresponding Chapters
		2019	2020	2021	2022	
TC-HW-440a.1	Describe the risk management approach to the use of key raw materials	The sole supplier of the top 20 key suppliers in annual purchases must establish and update a business continuity plan (BCP) every year. The Company manages and controls the emergency response plan, and requires suppliers to conduct self-assess their risks every year.				2.5 Supplier and Contractor Management

Operational indicators: Number of units produced by product category

Indicator code	Disclosure Indicators	Corresponding Disclosures				Corresponding Chapters
		2019	2020	2021	2022	
TC-HW-000.A	Explain the production quantity of different types products(Unit: quantity)	It will not be disclosed due to trade secrets				-

Operational indicators: Area of manufacturing facilities

Indicator code	Disclosure Indicators	Corresponding Disclosures				Corresponding Chapters
		2019	2020	2021	2022	
TC-HW-000.B	Plant area (Unit: square feet)	It will not be disclosed due to trade secrets				-

Operational indicators: Percentage of production from owned facilities

Indicator code	Disclosure Indicators	Corresponding Disclosures				Corresponding Chapters
		2019	2020	2021	2022	
TC-HW-000.C	Percentage of production from self-owned facilities (Unit: %)	It will not be disclosed due to trade secrets				-



## Appendix 3. Corporate Governance Evaluation

- ESG Disclosure Topics

### Environmental Issues

Topic	Indicator Topics	Explanations	2022 Outcome data results	Additional Notes
GHG Emissions	Direct (Scope 1) GHG Emissions	Ton CO <sub>2</sub> e	11,686.98	Due to the fact that the verification data from 2022 will receive a verification statement in August 2023, this report discloses the data for 2021.
	Indirect Energy (Scope 2) GHG Emissions	Ton CO <sub>2</sub> e	421,396.31	
	Other indirect (Scope 3) GHG emissions	Ton CO <sub>2</sub> e	447,136.79	
	GHG emissions intensity	Ton CO <sub>2</sub> e/ turnover	0.0083	
	Strategies, methods and goals of GHG management	Qualitative Narrative	Unit greenhouse gas emissions must be reduced by 2% compared to the previous year, per unit of output.	
Energy Management	Usage of Renewable energy	Renewable Energy/Total Energy	0	Our company did not consume any renewable energy for electricity usage in 2022.
	Energy Efficiency	Qualitative Narrative	The energy intensity of energy consumption within the organization is 0.027(GJ/ thousand NT\$)	The energy intensity has shown a declining trend over the past four years.
	Policy of the Usage of Recycled Materials	Qualitative Narrative	-	This indicator does not apply to non-final product merchants.
Water Resources	Water Consumption	Metric tons	4,512,000	
	Water usage density	Water consumption per unit of product, service or turnover	6.98*10 <sup>-5</sup>	
	Water Resources Management or Reduction Targets	Qualitative Narrative	Unit water consumption reduced by 2%	
Waste	Volume of Hazardous Waste	Metric tons	16,355	
	Volume of Non-Hazardous Waste	Metric tons	5,352	
	Total weight (hazardous + non-hazardous)	Metric tons	21,707	
	Waste Density	Amount of waste per unit of product, service or turnover	1.56*10 <sup>-5</sup>	
	Waste management or reduction targets	Qualitative Narrative	The total amount of unrecovered waste decreased by 1% compared to the previous year.	

Social Topics

Topic	Indicator Topics	Explanations	2022 Outcome data results	Additional Notes
Manpower Development	Average salary of employees	NT\$/Person	1,165	
	Average number of employee benefits	NT\$/Person	1.4	
	Average salary of full-time employees who are not in supervisory positions	NT\$/Person	1,190	
	Median salary of full-time employees in non supervisory positions	NT\$/Person	1,131	
	Proportion of female supervisors in management positions	Ratio	2.9	
	Number of Occupational Accidents	Number of employees	0	
	Occupational Hazard Rate	Ratio	0	

Governance issues

Topic	Indicator Topics	Explanations	2022 Outcome data results	Additional Notes
Board of Directors Meeting	Board Seats	Number	9	
	Number of Independent Directors	Number	3	
	Proportion of female directors	Ratio	0	
	Attendance rate of directors attending the Board of Director meeting	Ratio	100	including actual attendance 98.4% and entrusted attendance
	The number of training hours for directors and supervisors is in line with the ratio of training specifications	Ratio	100	
Communication with Investors	Number of annual legal meetings held by the Company	Sessions	5	

- Newly added indicators for this year's corporate governance evaluation

### 1. Protecting Shareholders' Rights and Equal Treatment of Shareholders

NO.	Evaluation indicators	Status		Notes
		Achieved	Not Achieved	
1.11	Upload the English version of the annual report 16 days before the commencement of the shareholders' meeting.	V		
1.17	The company does not have any government, juristic person, or their representatives serving as directors.		V	

### 2. Enhancing the Board of Directors' structure and operations.

NO.	Evaluation indicators	Status		Notes
		Achieved	Not Achieved	
2.6	At least one-third of the members of the Board of Directors are from each gender.		V	
2.7	At least half of the members of the Board of Directors are independent directors.		V	
2.21	The person in charge of corporate governance is not concurrently holding other positions within the company.		V	
2.22	The company has established risk management policies and procedures approved by the Board of Directors, disclosing the scope, organizational structure, and operation of risk management, and reports to the Board of Directors at least once a year.	V		
2.23	The company conducts an external evaluation of the Board of Directors' performance at least once every three years to enhance the effectiveness of the Board of Directors.		V	
2.24	The company has established an information security risk management framework and obtained third-party verification if adopting ISO 27001, CNS 27001, or other equivalent information security management system standards, or similar systems or standards with equivalent effectiveness.		V	The company has established an information security risk management framework.
2.25	All independent directors of the company have completed the required training according to the "Guidelines for Continuing Education of Directors and Supervisors of Listed and OTC Companies.	V		
2.27	The company has developed an intellectual property management plan linked to its operational objectives and has implemented the Taiwan Intellectual Property Management System (TIPS), ISO 56005, or similar intellectual property management system standards, and obtained third-party verification or audit. The company discloses the implementation status on its website or in the annual report and reports to the Board of Directors at least once a year.		V	The company has developed an intellectual property management plan linked to its operational objectives and reports the execution status to the Board of Directors

### 3. Enhancing Information Transparency

NO.	Evaluation indicators	Status		Notes
		Achieved	Not Achieved	
3.4	The company publishes the audited annual financial report within two months after the end of the accounting year.	V		
3.5	The company uploads the annual financial report in English 16 days before the commencement of the shareholders' meeting.	V		
3.6	Within two months after the deadline for submitting the Chinese version of the interim financial report, the company discloses the interim financial report in English.	V		
3.13	The company voluntarily discloses the individual remuneration of directors and supervisors in the annual report.		V	
3.20	The company holds at least one corporate briefing or holds a corporate briefing on the operating status for each quarter.	V		

### 4. Promoting Sustainable Development

NO.	Evaluation indicators	Status		Notes
		Achieved	Not Achieved	
4.4	The sustainability report references SASB standards for disclosing relevant ESG information.	V		
4.11	The greenhouse gas emissions, water usage, or total waste weight for the past two years have been externally verified.	V		
4.14	The company regularly discloses the identification of stakeholders, their areas of interest, communication channels, and response methods through its website or annual report. The company also provides periodic reports on stakeholder communication to the Board of Directors.	V		
4.18	The sustainability report references TCFD for disclosing relevant climate-related information.	V		

#### Appendix 4. Comparison Table of Procedures for Preparation and Submission of Corporate Sustainability Reports

- Sustainability Reporting Indicators- Electronic Parts and Components Manufacturing

No.	Indicator	Category of Indicator	Annual Disclosure Status	Unit	Note
1	Total energy consumption	Quantification	1,756,716	Gigajoule (GJ)	
	percentage of purchased electricity	Quantification	0.65	Percentage (%)	
	usage rate of renewable energy	Quantification	0	Percentage (%)	
2	Total water withdrawal	Quantification	4,512	Million liters	
	Total water consumption	Quantification	1,596	Million liters	
3	The weight of hazardous waste generated	Quantification	16,355	Ton (t)	
	The percentage of recovery of hazardous waste generated	Quantification	0	Percentage (%)	
4	Description of Occupational Accident Types	Quantification	0	Quantity	
	Description of Occupational Accident Number of People	Quantification	0	Quantity	
	Description of Occupational Accident Rates	Quantification	0	Ratio (%)	
5	Disclosures of Product Lifecycle Management (PLM): Weight including end-of-life products and electronic waste. (Note 1)	Quantification	463,923	Ton (t)	PCB Scrapped, waste copper-plated board, and trimmings.
	Disclosures of Product Lifecycle Management (PLM): Percentage of recycling including end-of-life products and electronic waste.	Quantification	0	Percentage (%)	0
6	Description of the risk management related to the use of critical raw materials	Qualitative	-	Not applicable	
7	Total pecuniary losses resulting from legal actions relating to anti-competitive behavior regulations	Quantification	0	NT\$	
8	Output of major products by product category	Quantification	-	Differentiated by product type.	

Note 1: Including sales of scrap materials or other recycling methods, relevant explanations should be provided.

## Appendix 5. Statement



 **獨立保證意見聲明書**

**南亞電路板股份有限公司 2022 年永續報告書**

法國標準協會，於1926年成立，作為法國國家標準的主管機關，並擔任「國際標準組織」的常任理事國代表，是全球知名的國際組織之一。本項委託由「法國標準協會」亞太公司「艾法諾國際(股)公司」執行，團隊成員均具有專業背景，並接受AA1000 AS、AFAQ 26000、ISO 9001、ISO 14001、ISO 14064、ISO 45001、ISO 50001等永續性相關之品質、環境、能源、安全與社會責任等國際標準的訓練，而擁有專導核員或查證員之資格。法國標準協會除了本獨立保證聲明書所述內容外，並未涉及介入任何南亞電路板股份有限公司永續報告書之準備過程。

法國標準協會與南亞電路板股份有限公司(以下簡稱南電)為相互獨立之實體，艾法諾國際(股)公司依據AA1000保證標準(v3)及GRI永續報導準則(GRI Standards)，對南電2022年永續報告書進行評估。

**查證範圍**

南亞電路板股份有限公司所宣告之永續報告書涵蓋在臺灣營運據點的經濟、環境與社會面向相關之活動與營運績效。艾法諾國際(股)公司負責：

1. 依照AA1000 保證標準(v3)的第一應明類型評估南電遵循AA1000實質性原則的符合程度，但不包括對於報告揭露的特定永續性績效資訊與數據之可信程度的查證；查證範圍包含相關的永續性議題、回應機制、績效資訊與資料的管理系統，以及重大性評估與利害關係人的參與過程。
2. 依照GRI永續報導準則，查證南電編撰之聲明與重大性之揭露。

**查證標準**

保證範圍包括評估績效資訊的來源合理性，以及對以下報導標準遵守情況的評估：

- AA1000 實質性原則(2018)
- GRI 永續報導準則

**查證方法**

- 針對公司報告及其相關 AA1000 保證標準(v3)中所述有關包容性、重大性、回應性與衝擊性原則的流程管理進行查證。
- 該報告採用依據 GRI 永續報導準則進行報導，針對報告內容符合 GRI 準則的一般揭露、行業準則指標及特定主題準則等進行查證。
- 針對管理團隊進行訪談以確認利害關係人的溝通與回應機制，然而，查證小組並不直接接觸外部利害關係人。
- 基於抽樣計畫，查證小組從公司管理報告中所揭露的實質性揭露資訊的流程。
- 藉由訪談南電的永續發展推動小組與各負責人員，檢視報告書相關的文件、資料與資訊。
- 如該與永續發展管理、報告撰寫有關的組織成員，包含各階層與各部門代表。
- 審查報告書內容之支持性資料與證據的充分性與完整性。

**結論**

- AA1000 實質性原則

**忠誠性**

南亞電路板實質地利害關係人參與方案，以達成識別與瞭解利害關係人關注之議題所產生的實質資訊。報告中已公正地報告與揭露經濟、社會和環境的訊息，足以支持適當的計畫與目標達成。未來可持續強化利害關係人識別流程，來配合內外持續的環境變動下，與永續發展相關的利害關係人能按定期識別與評估。

**重大性**

南電公布永續經營相關資訊使利害關係人得以對公司的管理與績效進行判斷，並發展及實施重大性議題決策機制，以廣納來自各方的議題。未來可持續強化重大主題的決策流程且融入公司營運管理中，使重大議題得以及時更新與發展對應策略。

**回應性**

南電已發展且實施利害關係人回應機制，明確宣告相關政策並與利害關係人進行溝通，並執行來自利害關係人的期待與看法之回應。未來可持續以滿足利害關係人的訴求和期望的態度，揭露與永續發展相關資訊之深度、廣度與服務。

**衝擊性**

南電已發展且實施應用理解、量測、評估與管理組織的衝擊性之流程，並提供必要的能力與資源，並致力於將組織對利害關係人及自身的衝擊性的量測與評估，做出全面且平衡的揭露。未來可持續投入資源，參與和導入國際性環境協議與準則，以滿足國際環境管理趨勢的作為，充分展現組織對其營運衝擊的監控、分析與管理。





◆ GRI 永續報導準則

基於審查的結果，我們確認報告書在一般揭露、行業準則與特定主題，包括重大主題管理與揭露指標，符合GRI永續報導準則要求，可持續導入與結合其他國際性揭露要求來凸顯組織對永續發展的積極作為。

**意見聲明**

我們總結「南亞電路板股份有限公司2022年永續報告書」內容，對於南電的相關運作與特定績效提供了一個公平的觀點，我們相信有關南電2022年的經濟、環境及社會等特定績效指標是被正確地呈現。

「法國標準協會」依據AA1000保證標準(v3)的查證指引及GRI永續報導準則，已發展完整的永續性報告保證流程。我們認為南電所提供的足夠證據及現場查證的所見事實，秉持公允的原則，具此聲明其已依據AA1000保證標準(v3)的報告方法及GRI永續報導準則，符合他們遵守全球永續性報告協議準則的自我聲明。

**保證等級**

依據AA1000保證標準(v3)，我們僅依據本聲明書中所描述的範圍與方法，審定本聲明書為中度保證等級。

**責任**

本獨立保證聲明書的意見聲明僅供南亞電路板股份有限公司使用。「法國標準協會」對其它用途負責。我們的責任僅基於所描述的範圍與方法，為提供利害關係人一份獨立的保證意見與聲明。

以上，僅代表「法國標準協會」



Trevor Wilmer  
保證與評核部門 理事  
2023年05月12日

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