

2021 Sustainability Report

TAISUN Enterprise Co., Ltd



Establishment of the Foundation for Sustainability to Improve Management

After surviving the global COVID-19 pandemic in 2020 and 2021, we are thinking more actively about sustainability issues in the environmental, governance, food safety, and social aspects related to Taisun. We take a prudent approach to setting goals. In 2021, we offered the Taisun ISO14064-1 carbon inventory education and training and determined to conduct the 2020-2021 carbon inventory, while identifying the control points for environment protection that could be improved during education and training. Taisun has set up a wish list for implementation in the food safety, talent management, and social fields related to the public and enhanced our efforts in reducing additives, strengthening food safety control, improving talent development, and giving back to society. In respect of corporate governance, we take the corporate governance evaluation actively and seek areas for advanced management. We sorted the basic information and data throughout 2021, so that we could set ESG targets for Taisun in 2022.

2021 ESG

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About This Report

Report writing and editorial principles

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This report is compiled in accordance with the criteria, regulations, and comparison contents specified in the core option of the GRI Standards published by the Global Reporting Initiative (GRI) (the standards include those amended by GRI in 2018) as well as the GRI G4 Food Processing Sector Disclosures, United Nations Sustainable Development Goals (SDGs), Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, and Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, to report to the public on our performance on various indicators that have been completed. Please refer to Appendix I for the relevant GRI indicators and corresponding information.

Reporting period and data boundaries

102-45 102-46 102-48 102-49 102-50

The information disclosed in this report covers the period from January 1, 2021 to December 31, 2021. To ensure the completeness of the report, some of the contents cover supplementary information before and after 2021. Financial information is reported on the basis of “parent company only” (Taisun Enterprise Co., Ltd.), and other non-financial social, economic, and environmental information is not limited to Taisun but includes the performance of subsidiaries Pin-Tai Distribution Enterprise Co., Ltd. and Taisun Culture Foundation. The operating activities in Taiwan are adopted as the basis for disclosure in this report. Relevant figures or calculation formulas are provided in notes. All financial figures in this report are in New Taiwan dollars (NTD) and can only be disclosed after being certified by a certified public accountant (CPA).

The content of this report on food safety and environmental management covers Taisun Tianzhong Food Plant, Taisun Tianzhong Oil Plant, Taisun Tianzhong Aqua Feed mill , and Taisun Livestock Farm (“Beidou Hog Farm”). The relevant reports on food safety products are limited to the consumer goods with the “Taisun” logo and do not include OEM products and feed products. There are no major differences in the boundaries between the 2020 CSR Report and this (2021) report, nor is there explanation for any significant restatement of any data in the previous report.

Assurance 102-56 102-49 102-50

This report has been verified by Taisun's ESG Committee (formerly known as CSR Committee) and sent to KPMG Taiwan to conduct limited assurance for the information in this report and issue an opinion as detailed in Appendix III in accordance with the Assurance Engagements Other than Audits or Reviews of Historical Financial Information under the Standards on Assurance Engagements (SAE) 1.

Publication information 102-51 102-52 102-53

This report has been published annually since the 2014 CSR Report in December 2015. The previous issue was published in June 2021. The relevant content of each issue is placed under the CSR section of Taisun's official website and available for online reading and download.

Happy to Help

Taisun ESG OFFICE

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ESG Sustainability Committee

Chairperson	Fred Chan.
Member	Jason Tsai, Max Lei, Fred Sung, George Chiang, Tai-An Shih, Tseng-Kun Wang, Arthur Lin, David Chan, Kai-Ming Chan, En-Hui Liu, Richter Chen, Kai-Tse Hsiao, Steven Chen, Sunny Tsai.
ESG Excutive Office	Jessie Peng, Ginger Liu, Tsao-Chin Huang, Joey Yu, Ashley Tsai, Arthur Lin, Karl Liu, Ivy Yu.
Environmental Protection Group	George Chan, Ning-Kun Hsieh, Mingshine Sun.
Corporate Commitment Group	Sophia Chen, Ezio Yen, Loria Kai.
Customer Safety and Health Group	Li-Kai Lin, Wan-Ling Hsiao, Yi-Ling Chen,Sally Wu, Chase Wang,
Enhanced Governance Group	Michelle Chang, Li-Hsueh Chen, Eddie Chen.

Company Profile

Commercial areas

Taisun Enterprise Co., Ltd. maintained stable operations in 2021 without new plants being set up. With the existing four main production lines, the existing plants produced canned snacks, bottled beverages, refrigerated beverages, and oil products to serve Taiwan's general retail consumers and restaurants.

In 2021, in addition to the existing tetra pak beverages, we added a new PE line to launch the Nuts Effect beverages. Meanwhile, we built a third food plant to launch a new production line (IA line) for trial operation. It is expected to be put into production in 2022.

In addition to consumer goods, Taisun Aqua Feed mill and Beidou Hog Farm's hog farming business still satisfied domestic farmers' needs without a plan for plant expansion. Please refer to “About Taisun” on the official website for the introduction to Taisun Enterprise.

The contents of this report are mainly on the basis of the operations in Taiwan, excluding subsidiary Taisun Enterprise (Zhangzhou) Foods Co., Ltd. This report mainly covers the material topics, including corporate governance, food safety, environmental protection, and corporate commitment, on Taiwan's production side (Taisun Enterprise) and sales side (subsidiary Pin-Tai Distribution Enterprise Co., Ltd., or Pin-Tai).

Taisun Enterprise Co., Ltd.

Financial Performance

Date of incorporation

10 / 26 / 1950

Total assets -Individual financial-

NT$ 10.23 billion

Total sales -Individual financial-

NT$ 8.62 billion

Total capital

NT$ 5 billion

Number of employees	Number of shareholders
654	58,068

Location of headquarters

10F, No. 99, Section 2, Chang'an East Road, Taipei

Data period: January 1, 2021- December 31, 2021.

December 31, 2021 as the last date for statistics.

The main items produced by each production line of Taisun

This table is limited to those with “Taisun” logo, excluding OEM products.

Others, due to our plants' limited production capacity, we worked with suitable and high-quality OEMs to assist with production.

The products include Cha Chi Chu, Taisun Fruit Water, Bing Jeon (1250ML, 980ML, and those in retort pouch), Taisun Pure Water, Twist Water,Taisun Cheers series, Pure Water, Taisun Mesona Tea, Woo Tang, and BUFF.

Canned Snack Line	Cooking Oil Line	IP Line - Refrigerated carton -	PET Line	PE Line
Domestic sales: Taisun Honey Herbal Jelly, Healthy Dessert series, Taisun Peanuts, Taisun Red Beans Soup with Black Glutinous Rice Soup, Taisun Pearl Barleys, Taisun Green Beans Soup with Coconut Jelly, Taisun Milk Red Beans Soup, etc. Export: Taisun Honey Herbal Jelly, Taisun Mixed Congee, Taisun Oatmeal with Chestnut, etc.	Household oil (ChefOil and Taisun Omega 369 Blended Oil) and commercial oil (Taisun Good Oil).	Taisun Honey Herbal Jell series, Bing Jeon series, Big Straw series, and Cha Street	Bing Jeon series and Taisun Fruit Water	Nuts Effect



Annual Events

January

Food Safety
We established the Food Safety Center and the Occupational Safety and Health Management Committee to strengthen the group's occupational safety.

March

Bing Jeon grape iced tea
was successfully promoted to the Korean market, creating heated discussions in the market and becoming popular in Taiwan.

The material recycling research project for waste
such as tea waste and sludge, and the waste was converted into raw materials for other business purposes.

April

Sub-brand Cheers+
The first Cheers+ Fruit Vinegar Sparkling Drink, to step into the field of flavored sparkling water and it a new high in revenue.

Taisun Phytol Sunflower Oil
which was the first domestic pure oil with health certification in Taiwan

Taisun Honey Herbal Jelly
We re-launched ittheis in PP bottles, in both 500ML and 960ML

Carrefour's food transformation program
reduced plastic packaging, with downstream partner (Shang Lee Food Co., Ltd.) workeding with strictly selected hog farms (including Beidou Hog Farm) to reduce disposable plastic products and adopt the alternative high-density vacuum packaging method.

Big Straw series
We updated the packaging design of itthis, which has successfully attractinged the consumers' attention.

May



Nuts Effect
We launched the first product of the new PE line, Nuts Effect, to expand our share in the refrigerated food market.

COVID-19
As the COVID-19 pandemic worsened, the back office started to work in different areas and work from home, and we purchased anti-pandemic insurance for our sales personnel and distribution personnel.

June

TAF Certification
On June 2, the certification laboratory of the Quality Assurance Department of Taisun Enterprise Co., Ltd. obtained the Taiwan Accreditation Foundation's (TAF's) certification (certification No. 3836; certificate No. L3836-210602).

July



Salt Supply
We launched the new product Salt Supply to step into the all-round sports drinks market with the flavor of salt lychee.

Taisun Honey Herbal Jelly
We exported Taisun Honey Herbal Jelly to Costco in the United States, to introduce the classic flavor to the international market.

Integrity and Sustainable Development Commitment
We started to review the group's partners and communicated with them to sign the Integrity and Sustainable Development Commitment. As of the end of December, more than 90% of the partners have signed the commitment.

August

The annual general meeting of shareholders
was held on August 18 to resolve the 2020 annual earnings distribution proposal to pay out a cash dividend of NT$1.4 per share.

September

Air pollution license
the annual odor inspection and management was removed from the livestock feed plant's air pollution license.

GHG emissions inventory
We conducted the 2020-2021 GHG emissions inventory and planned to obtain ISO14064-1 in 2022.



Jenguyi
won Eatender's recognition in 2021, an elder-friendly food certification system.

IA line
The new food plant 3 (IA line) obtained an official letter from the Changhua County Government on September 22, 2021 approvinge its plant registration.

October

The sunflower oil line worked with Ukrainian high-quality oil plants
The sunflower oil was also certified as halal and kosher, so the raw materials could be sent from the place of origin directly to Taiwan, reducing the transit mileage in the UK and helping to reduce transportation fuels and carbon emissions.

November

Taiwan i Sports.
On November 9, we were certified with Taiwan i Sports.

Bing Jeon
was named the Best Taiwan Global Brands of 2021 Marketing Communications Awards, and we sponsored CTBC Brothers in the Chinese Professional Baseball League, which won the league championship in 2021.

The Commonwealth Learning Center's system
We adopted the online system for education and training to quickly respond to the changes in learning patterns caused by the COVID-19 pandemic.

December

Ito En
The export volume of our OEM products for Ito En, Limited hit a record high.

The extraordinary shareholders' meeting
We held the 2021 extraordinary shareholders' meeting on December 16, to complete the election of new directors and supervisors.

Employee Structure

Structure of manpower in 2021

Male

395

Female

259

As of the end of 2021, Taisun has 654 employees, including 117 managers, 291 production personnel, 123 sales personnel, and 123 administrative personnel. Due to the routine nature of the work, our full-time employees account for 98.3% of all employees, and major positions are held by full-time employees. We prioritize the employment of domestic workers, so we employ only a few foreign workers for positions that have been vacant for a long time. Therefore, the foreign workers employed account for 2.6% of all full-time employees. All top-level managerial positions are held by domestic workers.

Due to the characteristics of the manufacturing industry and the employment market, the Company's management team and technical personnel are mostly male. Overall, male employees account for 60.40% of the total number of employees, while female counterparts account for 39.60%. As for managerial positions, male managers account for 76.07%, while female ones account for 23.93%. We continue to improve female employees' employment and job security to balance the gender composition of employees.

Our employees are mostly young adults aged 31 to 40 (accounting for 28.90%), followed by those aged 41 to 50 (accounting for 26.76%). More than 90% of our employees are located in Taiwan, our main operating site, and a small number of Taiwanese employees are expatriates in mainland China. Employees are from diverse cultural backgrounds at different operating sites.



Category	Group	Male		Female		total	
		Number	%	Number	%	Number	%
Position	Management	89	76.1%	28	23.9%	117	18.2%
	Production	163	57.6%	120	42.4%	283	44.0%
	Sales	87	70.7%	36	29.3%	123	19.1%
	Administrator	52	43.3%	68	56.7%	120	18.7%
Location	Northern Taiwan	97	58.1%	70	41.9%	167	26.0%
	Central Taiwan	278	61.5%	174	38.5%	452	70.3%
	Southern Taiwan	12	66.7%	6	33.3%	18	2.8%
	China	4	66.7%	2	33.3%	6	0.9%
Age	18-20	0	0.0%	0	0.0%	0	0.0%
	21-30	49	60.5%	32	39.5%	81	12.6%
	31-40	121	64.4%	67	35.6%	188	29.2%
	41-50	105	60.3%	69	39.7%	174	27.1%
	51-60	92	56.1%	72	43.9%	164	25.5%
	Over 60	24	66.7%	12	33.3%	36	5.6%
Education	Doctoral degree	0	0.0%	0	0.0%	0	0.0%
	Master's degree	38	62.3%	23	37.7%	61	9.5%
	College	218	62.8%	129	37.2%	347	54.0%
	Senior high school	117	60.9%	75	39.1%	192	29.9%
	Below senior high school	18	41.9%	25	58.1%	43	6.7%
Employment type	Full-time	391	60.8%	252	39.2%	643	98.3%
	Non-full-time	4	36.4%	7	63.6%	11	1.7%

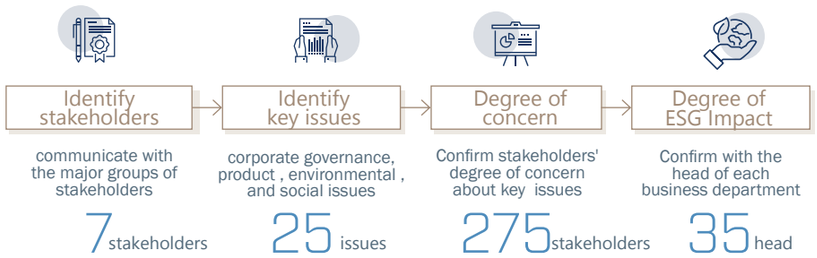
Note1 Non-full-time personnel refer to consultants, contract workers, and part-time workers

Note2 The data on position, location, age, and education exclude non-full-time employees

Issue Materiality Management

Stakeholder identification process

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The Main Categories

Investment and loans
Shareholders
Banker

Sales and purchases
Distributors
Clients
Consumers

Operations management
Governance group
Employees

Process and supply
Suppliers
OEM

Interaction with community
Residents around plants
Nonprofit or environmental groups

Compliance
Government agencies
Evaluation entities
Experts
Scholars

Public opinions
Media or reporters
Advertising agencies
PR agencies
Netizens



Review of the materiality of the issue

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In the process of preparing this annual report, we followed the GRI Standards for 25issues and re-examined the material topics of the GRI Standards and the content of this report from the perspectives of stakeholders' tolerance, business sustainability, materiality, and integrity, and identified that eight issues out of the 25 material issues corresponded to various topics in the GRI Standards. The economic, social, and environmental aspects and food safety management are the basis for preparing this report.



Ranking of issues - high concern		Issues - moderate concern		Issues - low concern	
2 Financial performance	1 Enhanced corporate governance	21 Occupational safety	22 Personnel training	19 Water management	24 Human rights protection
11 Customer safety and health	20 Harmonious labor-management relations	3 Market presence	8 Ethical management	18 Emissions management	17 Energy management
6 Internationally certified raw materials	5 Procurement management	7 OEM evaluation management	4 Indirect economy	23 Employee diversity and equality	
10 Compliance		12 Marketing and labeling	16 Waste management	15 Material recycling	
13 Tracking and tracing		9 Customer privacy	14 Laboratory capability	25 Community relations	

Scope of the report and analysis of the materiality of sorted issues

Boundaries of impact

Investment and loans · Sales and purchases · Operations management · Process and supply · Interaction with community · Compliance · Public opinions

	Issues	Governance	Environmental	Social	GRI Standards	Inside the organization	Outside the organization
Major Impact issues	Financial performance	✓			201		
	Customer safety and health			✓	416		
	Internationally certified raw materials	✓			204		
	Compliance	✓	✓	✓	307, 419		
	Tracking and tracing			✓	416		
	Enhanced corporate governance	✓			201		
	Harmonious labor-management relations			✓	401		
	Procurement management	✓		✓	416		
Other major issues	Occupational safety			✓	403		
	Market presence			✓	202		
	OEM evaluation management			✓	414, 416		
	Marketing and labeling			✓	417		
	Customer privacy			✓	418		
	Personnel training	✓			404		
	Ethical management	✓		✓	205		
	Indirect economy	✓	✓	✓	203		
	Waste management		✓		306		
	Laboratory capability			✓	416		

Stakeholders' issues of concern 102-43 102-44

	Investment and loans	Sales and purchases	Operations management	Process and supply	Community	Compliance	Public opinion
	Shareholders / Banker	*Distributors / Clients / Consumers*	*Governance group / Employees*	*Suppliers / OEM*	*Residents around plants /Nonprofit or environmental groups*	*Government agencies /Evaluation entities/ Experts / Scholars*	*Media or reporters / Advertising agencies / PR agencies / Netizens*
Major Care Issues	• Financial performance • Enhanced corporate governance • Compliance • Customer safety and health • Internationally certified raw materials	• Customer safety and health • Internationally certified raw materials • Compliance • Tracking and tracing	• Financial performance • Harmonious labor-management relations • Market presence • Personnel training • Enhanced corporate governance	• Procurement management • Internationally certified raw materials • OEM evaluation management • Ethical management • Customer safety and health	• Customer safety and health • Waste management • Market presence • Community relations	• Internationally certified raw materials • Customer safety and health • Market presence	• Financial performance • Enhanced corporate governance • Compliance
Communication method/channel	• Annual general meeting of shareholders • Announcement of material information on the day • Dedicated person for handling emails or messages from shareholders every day • Finance Office/ Manager Liu 02-2506-4152#9350	• Irregularly visit to various distributors and consumer market survey • Daily customer service hotline • Online announcement of products and company information • Marketing event：Ms. Wu 02-2506-4152#9318 • consumer service hotline: 0800-079-080	• Regular communication: Weekly departmental meeting, monthly managerial meeting, or monthly business meeting • Setup of employee complaint mailboxes • Irregular events or activities or satisfaction surveys • HR Management Group/ Assistant Manager Tsai, 02-2506-4152#9527	• Regularly visit to evaluate suppliers. • Incoming inspection of the quality of raw materials one by one. • Irregular meetings to discuss product quality. • Quality Assurance Department /Manager Lin, 04-874-2211#315	• Irregular sponsorship/ improvement to needs for charity • Irregular mobilization of volunteers to be dedicated to charity • Irregular participation in non-profit events or activities • Irregular reception for visits for dialogues • PR Section / Mr. Yan, 04-874-2211#564	• Irregular cooperation with government agencies' audits • Irregular participation in government agencies' policies or development meetings • Quality Assurance Department /Manager Lin, 04-874-2211#315	• Irregular release of media news • Response to any material information on the official website on the day • Irregular briefings or gatherings with the media • Interaction through the official website or Facebook fanpage • PR Section / Ms. Liu, 02-2506-4152#9203
Important matters communicated in 2021	• We were invited to hold an investor conference on April 19. • The 2021 annual general meeting of shareholders was held on August 18 to resolve the 2020 annual earnings distribution proposal to pay out a cash dividend of NT$1.4 per share. • We held the 2021 extraordinary shareholders' meeting on December 16, to complete the election of new directors and supervisors. • We responded to several interviews with financial institutions and institutional investors.	• We carried out 19 market surveys with a total of 3,395 participants for product feedback. • The system received feedback from consumers with a total of 350 cases processed: we investigated and improved the anomalies in 177 cases and responded to customers. • There was a case of violation of TV commerce laws, and we were fined NT$100,000. • A total of 306 product packaging labels were reviewed. • We performed a total of 17 simulated recycling tests, covering all product types, with a recycling rate of 100%, and tracked raw materials to finished goods four times to ensure correct production records.	• The total amount of 2021 employee remuneration distributed from the Company's earnings amounted to NT$34.5 million. • To take anti-pandemic actions, we suspended business trips and worked in different areas and worked from home to contain the spread of the pandemic in May. • The Company mainly employs local workers, of which 97.3% are Taiwanese workers and 2.7% are foreigners. • A total of 8,581 people completed 10,043.8 hours of training in 2021.	• We evaluated 60 suppliers, accounting for 23% of the total purchase amount of raw materials. The qualified rate of incoming inspections was 99.5%, and qualified raw materials would be checked again before production, The qualified rate of materials used was 99.8%. • The percentage of suppliers obtaining food safety quality management system certification reached 63%. • More than 90% of suppliers signed the Integrity and Sustainable Management Commitment.	• Our plants had zero cases of violation of environmental protection and laws were not fined. • We still supported at least six major sports events during Covid-19 in 2021 • We have sponsored the Taiwan Rice Heaven-Tianzhong Marathon for 10 consecutive years • We launched a donation event to financially support the need for products during the pandemic by offering 800 boxes of products to hospitals and social service groups.	• We randomly sampled products and raw materials and sent them to a third-party verification entity, with a total of 632 pieces inspected. • We underwent four mandatory audits by the government and entities commissioned by the government, passing allof them. We underwent a total of 12 food safety and quality audits by an impartial third-party entity. Taisun can quickly make improvements to defects, if any, and pass all the audits.	• We released 12 pieces of media news and held two media conference gatherings. • A total of 250,000 people learned about Taisun's information on the website. Taiwanese netizens also participated in Taisun's activities. Among them, 60% were women and 40% men. • We enhanced the management of our Facebook fan page, with about 55,000 fans (41% male and 59% female). We released 153 posts per year, with the total number of exposures of 46,799,575, reaching 2,519,614 viewers (53%), and 196,807 comments left.

Message from the Chairman

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"Three News" to Seize Business Opportunities

and Facilitate ESG Corporate Culture

Taisun converted CSR to ESG in 2021 and defined the tasks, goals, and division of labor of each team more specifically to facilitate ESG management and an ESG corporate culture. We deeply feel that challenges in the outside world are changing rapidly, from climate change to effects of the pandemic on various economic activities and the supply of raw materials around the world. Taisun aims to be more capable and more ambitious in taking on such challenges. Taisun has re-examined and restructured its organization, and we will strive to fulfill our commitments more prudently in the future to meet the requirements of the Board of Directors, shareholders, consumers, supply chain, employees, and society.

Despite the challenges of the COVID-19 pandemic, Taisun still set high targets and strove for transformation, and we reached 99% of these targets in 2021 as a result. Now we are working hard in the three directions of "activation of new production lines, new product development, and new business breakthroughs" to cope with external changes and opportunities. As Taisun's employees have worked hard to achieve the targets over the past few years and persevered to reach where we are today, I believe that we have the ability to face the changes in the competitive environment after the pandemic, and we will continue to develop value-oriented products, improve consumer experiences, and develop products in alignment with the ESG concept to cope with the future.

Looking back on 2021, Taisun still lived up to shareholders' expectations and has continued to pay out as we have dividends every year since 2018. We also paid out year-end bonuses and annual dividends as a token of our appreciation for our employees' hard work. In terms of environmental management, we conducted carbon inventory at various plants in Tianzhong and the back offices in the middle of the year. We expect to obtain ISO14064-1 certification in 2022, to respond to carbon management issues. As for supply chain management, Taisun communicates ethical management and social responsibility management issues with partners to facilitate the positive development of upstream and downstream supply chains. To provide better products, we continue to improve production lines and equipment and reorganize plants to develop new iron or aluminum canned drink lines (IA lines) to develop products that consumers need. We hope that our stakeholders can feel our determination.

Taisun needs to pass on skills to diverse talents to stabilize the development of the core business and create different profitability methods. We have the courage to face the rising costs of raw materials in the post-pandemic era and the changes in the food industry environment. We will continue to strive to meet shareholders' expectations, balance the development of the supply chain, and create friendly plants and communities, while doing charity within a feasible scope as a responsible enterprise. In the future, we will continue to facilitate and improve our ESG corporate culture to attract more talents in order to ensure the sustainable development of Taisun.

Chairman ***Fred Chan***

Message from the President



Build a Unified Team to Meet Challenges

I took over this position as the President on December 16 last year. In the face of Taisun's busy daily business, I aim to seek a strategic direction for the Company's steady growth, to stabilize Taisun's future operations with sustained growth momentum. I believe that this is also the expectations of the Chairman, the Board of Directors, and our shareholders.

Due to changes in domestic and international situations, Taisun is facing daunting challenges in all aspects. Profit is the top priority for business operations, and achieving performance and profit targets is the Company's primary goal. As a publicly listed company, we have an unavoidable responsibility to our shareholders and investors. In recent years, our performance has fluctuated due to external factors. For example, in the following year after the China-US trade war, the profit or loss of bulk oil groups was outstanding. To be honest, that was caused by structural imbalance. As the cost of raw materials became lower and the need was stronger, profit surged. However, these excess profits were caused by external opportunities. I have often stated that stable growth in profit (fluctuation should be avoided) is what we pursue, and I still believe so. This requires overall improved competitiveness to achieve. In the process of building a profit model for stable growth in the future, we need the entire company to discuss and plan our future strategic direction together.

Taisun has many challenges ahead, but we are fortunate to have a solid foundation which has developed over more than 70 years. It is crucial to continue to innovate and enhance product competitiveness as well as seize market opportunities. In addition, Taisun has excellent, diligent, and down-to-earth employees as well as a valuable brand developed over seven decades. These are valuable assets. In the future, in addition to following each professional role's opinions and improving professional capabilities, we more importantly need to enhance teamwork and horizontal integration. Integration lies in “teamwork” and “unity”. With such a consensus and mentality established, we can overcome difficulties. I encourage our employees to communicate proactively to build a unified team.

The brand and human assets developed by Taisun over the years have laid a solid foundation for us to enhance our competitiveness. With a united team working hard for Taisun, I believe that we can make a breakthrough and innovate, while enhancing Taisun's values.

President *Jason Tsai*

Environmental

友善環境

Protection

We began to conduct carbon inventory in 2021, with Taisun's 70th anniversary in 2020 as the base year. Building on this foundation, we mainly manage and control water, electricity, fuels, and waste and implement carbon reduction, plastic reduction, recycling, and other environmental sustainability measures to achieve the goal of being friendly to the local community and achieving common good with the global community.

ISSUE OF MODERATE CONCERN:
WASTE MANAGEMENT APPROACHES



Waste management

Materiality

Waste management at the production end is crucial to environmental sustainability and friendliness to the local community. The country has become more stringent with the control of waste with harmful substances that pollute the environment. With plants' improvement measures for raw materials, manufacturing processes, or operating methods, we have reduced waste to a certain extent. In terms of environmental protection and economic viewpoint, waste reduction is more economical than waste treatment, and “reduction from source” is generally more effective than “recycling”.

Actions

1. Plant-wide waste was divided according to categories and treatment methods, and we have strengthened classification and recycling, to reduce treatment costs. 306-2
2. Serious leakage of plant-wide waste was controlled. 306-3
3. The plant-wide management of waste collection and transportation was legal and compliant. 306-4
4. Our Aqua feed mill continueds to encourage clients to use bulk feed to reduce feed bags and plastic packaging materials. We continued to put forth special offers to subsidize the installation of new bulk bins to help clients save manpower and time in the breeding stage, while indirectly reducing the use of plastic packaging raw materials. We aimed to reduce annual plastics by more than 2,500kg.

Achievements

Total annual output of business waste was

1,384 mt

recycled and reused

1,355 mt

recycling rate

97.9 %

1. Food & Oil Plant

In 2021, the total output of non-resource waste (domestic waste) from food plants was 29 metric tons, a decrease of 13 metric tons, or 31%, compared with 2020.

Category	2020		2021		+ or −	
	mt	%	mt	%	mt	%
Non-resource	42	3.5%	29	2.1%	-13	-1.4%
Resource	1,162	96.5%	1,355	97.9%	193	1.4%

Category	Recyclable								Waste
	Tea waste	Carton	Sludge	Scrap iron	Shrinkable film	Steel drum	PET bottle	Plastic drum	
mt	790	249	151	70	42	35	11	6	29
%	57.1%	18.0%	10.9%	5.1%	3.1%	2.5%	0.8%	0.4%	2.1%
%	97.9%								2.1%

Total annual output of business waste was

68.99 mt

recycled and reused

66.55 mt

recycling rate

96.46 %

- There is no waste with a potential for serious leakage in the plant, and no such a case has ever occurred.
- We follow and investigate the waste disposal vehicles from time to time to confirm that their treatment methods are legal and compliant, to avoid troubles to the local community and environmental fines due to illegal disposal.

2. Aqua Feed Mill and Beidou Hog Farm

Category		Product reused	Ratio of waste	resources recycled
Resource	Feed waste Dried hog manure or sludge	Organic fertilizer	86.24%	96.46%
	Scrap iron, waste paper, or waste plastics	Iron materials, recycled paper, or plastics	10.22%	
Non-resource	General waste		3.54%	3.54%

Category		2020		2021		+ or −	
		mt	%	mt	%	mt	%
Resource	Dried hog manure	25.00	39.42%	33.00	47.83%	8.00	32.00%
	Feed waste	6.58	10.38%	26.50	38.41%	19.92	302.74%
	Scrap iron	12.11	19.09%	0	0.00%	-12.11	
	Waste wood	17.33	27.33%	7.05	10.22%	-10.28	-59.32%
Non-resource	General waste	2.40	3.78%	2.44	3.54%	0.04	1.67%
Total		63.42	100.00%	68.99	100.00%	5.57	8.78%

Reduced plastics in a total of

15,971.5 kg

which was equivalent to a reduction of

50,150.5 kg

of carbon emissions

3. Aqua Feed Mill reduced plastics

Measure	Plastic reduction(kg)	CO_2(kg) reduction
Reduction of the use of plastic bags for raw materials and purchase of bulk raw materials in barrels	2,854.7	8,963.8
Use of automatic inkjet date printer to reduce the use of plastic label stickers	182.2	572.2
Customers encouraged to use drums instead of bags (plastic packaging)	12,934.6	40,614.5
Total	15,971.5	50,150.5

Food and Oil plants :
The waste output and treatment costs are controlled year by year in terms of volume and freight.

Beidou Hog Farm :
mainly focuses on the prevention of environmental pollution and waste treatment.

4. Waste Treatment Cost Control

General waste treastment		2017	2018	2019	2020	2021
Food and Oil plants	mt	70	27	30	43	29
	expenses (NTD)	522,900	245,610	267,660	382,460	290,900
Beidou Hog Farm	expenses (NTD ex..Waster water	24,600	24,600	24,600	24,600	24,600

Energy Management

Materiality

Energy is the lifeblood of business operations. Energy control and use are directly related to operating profits. Direct energy and backup power are enterprises' primary concern. We need to continuously plan, do, check, and act in the management and technical aspects to continuously improve and optimize energy management, reduce energy consumption, improve energy efficiency, help reduce greenhouse gas emissions, and alleviate the impact on the global environment. With reduced energy costs, we can improve the Company's competitive advantage and, in turn, achieve the goal of sustainable development and environmental friendliness

Actions

1. Managed energy consumption within the organization, improved process efficiency, and reduced energy consumption per unit, to reduce the annual electricity consumption per unit by more than 3% (90 kWh/ton within the effective control range). 302-1
2. Reduced fuel consumption and replaced outdated equipment, to reduce the annual fuel consumption of boilers by more than 3%. 302-4
3. Reduced energy needs from products and services, to control total energy consumption. 302-5

Achievements

1. Food Plant

The food plant reduced annual electricity consumption per unit by 190,200 kWh compared with the previous year. Fuel consumption decreased by 35 kiloliters, or 5.5%, compared with the previous year, with carbon emissions reduced by 109 metric tons.

Per unit decreased

7.0 %

Fuel consumption decreased

5.5 %

Electricity bill

Year	kWh	Number of boxes produced	Average (kWh/box)	+ or −
2020	9,438,400	7,449,573	1.27	
2021	9,248,200	7,852,238	1.18	-7.0%
+ or -	-190,200	402,665	-0.09	

Plant's fuel consumption

1 metric ton of fuel = 3.111 metric tons of CO_2

Unit	2020	2021	+ or −	Carbon reduction (mt)
Fuel(kl)	639	604	-35	-109

2. Aqua Feed Mill

The Aqua Feed mill annual electricity consumption per unit increased by 3.26 kWh/ton compared with 2020. Due to the pandemic, clients' feeding capacity plummeted, so concentrated farming was not possible, resulting in a 4.34% increase in electricity consumption (still within the control range of 90 kWh/ton).

Per unit increased

3.26 kWh/mt

Fuel consumption increased

66.55 mt

Electricity bill

Year	kWh	produced（mt）	Average (kWh/mt)
2020	1,756,512	23,371	75.16
2021	1,696,032	21,627	78.42

Plant's fuel consumption

1 metric ton of fuel = 3.111 metric tons of CO2

	2018	2019	2020	2021	+ or −
Oil quantity of boilers	181	179.9	189.23	198.0	+8.72 (KL)
Total production	18,466	21,874	26,212	24,407	-1,805 (mt)
oil/ton	9.802	8.222	7.219	8.111	+0.891 (liter/mt)
CO2 (mt)	563.09	559.53	588.68	615.83	+27.15 (mt)

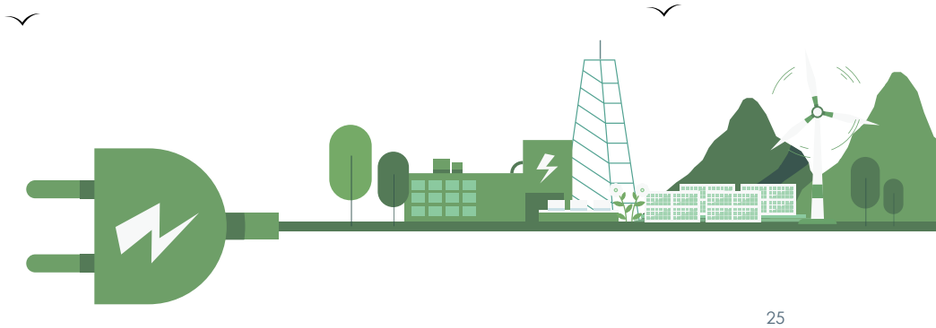
3. Beidou Hog Farm

Per unit increased

0.419 kWh/Pig

Electricity bill

Year	kWh	Number of pigs	Average (kWh/pig)
2020	397,360	48,039	8.272
2021	526,380	60,566	8.691



Carbon Inventory 305-1 305-5

Materiality

As the global trend of carbon governance is becoming more developed, carbon management is one of the pathways for the slowdown of extreme climate caused by global warming, while avoiding changes to and destruction of natural ecological resources and the supply of raw materials. Carbon management is one of an enterprise's critical responsibilities. Data on carbon emissions can be used as a basis for us to reduce our dependence on fossil fuels, reduce energy consumption, and improve the value of energy use. Such data is also the foundation for future carbon trading and carbon credits.

Actions

1. Offered carbon inventory education and training.
2. Calculated the number of carbon activities in categories 1 to 5.
3. Formulate a carbon management plan in 2022 based on the figures for 2020 and 2021.

Achievements

We offered GHG inventory training at all plants and the Administration Building in Taipei, to conduct inventory from raw material supply management, plants' direct and indirect emissions, personnel travel, finished goods transportation to waste and finished goods. It is estimated that we will disclose the 2020 and 2021 carbon emission values of five locations of the entire food plant, the entire oil plant, the entire Aqua feed mill, the Administration Building in Taipei, and the Administration Building in Tianzhong in mid-2022. Meanwhile, we will strive to obtain ISO14064-1 certification.

Direct GHG emissions increase

6.35 %

Indirect GHG emissions from purchased energy decrease

1.37 %

Carbon inventory

unit：tonnes CO_2e

Year	Category	Taipei office	Food plant	Oil plant	Aqua Feed mill	Tianzhong office
2020	Category 1	42.59	2,172.41	8.98	677.55	11.40
	Category 2	116.63	5,163.55	250.74	881.76	75.49
2021	Category 1	46.41	2,328.86	8.39	701.99	11.52
	Category 2	120.99	5,102.69	250.98	851.40	68.33

Note Category 1：Direct GHG emissions
Category 2：Indirect GHG emissions from purchased energy

Other Gas Emissions 305-7

Materiality

Gas emissions from operations may result in global warming or regional environmental degradation. We need to control emissions and monitor the figures regularly to achieve the common good for the local environment and sustain the local operations of our plants.

Actions

1. Use biomass boilers and seek safe alternative energy sources for fuel boilers, while managing fuel quality and suppliers.
2. Improve process efficiency, reduce energy and fuel consumption, and reduce restricted substances from combustion.
3. Reduce the weight of plastic packaging materials and increase the proportion of metal packaging materials.
4. Invest in environmental protection facilities to reduce environmental damage.

Achievements

1. Food Plant

Biomass boilers of food plant

As per the 2021 air pollution emission test report , the results of suspended particulates, sulfur oxides, nitrogen oxides, heavy metals (lead, cadmium, and mercury), and dioxin are all in compliance with the existing environmental protection regulations.

Target	Item	Unit	Regulatory standards	2021
Biomass boilers	Co (first half)	mg/Nm^3	30	1
	Sox (first half)	ppm	50	11
	Nox (first half)	ppm	100	76
	Co (second half)	mg/Nm^3	30	2
	Sox (second half)	ppm	50	<3
	Nox (second half)	ppm	100	71
	Heavy metal - lead	mg/Nm^3	0.5	<0.0165
	Heavy metal - cadmium	mg/Nm^3	0.04	<0.00171
	Heavy metal - mercury	mg/Nm^3	0.05	<0.00079
	dioxin	$mg\text{-}TEQ/Nm^3$	0.5	0.098

Food plant fuel boilers

As per the 2021 air pollution emission test results, suspended particulates, sulfur oxides, and nitrogen oxides are all in compliance with the existing environmental protection regulations.

Target	Item	Unit	Regulatory standards	2021
fuel boiler 800	Co	mg/Nm^3	30	16
	Sox	ppm	50	30
	Nox	ppm	100	89
fuel boiler 700	Co	mg/Nm^3	30	6
	Sox	ppm	50	24
	Nox	ppm	100	94
Natural gas boiler	Co	mg/Nm^3	30	No need to test
	Sox	ppm	50	
	Nox	ppm	100	

Spent on air pollution prevention

NT$ 3.7 million

Prevention and treatment costs

unit: NTD

Equipment	Substance	2017	2018	2019	2020	2021
Bag type dust collector	Dust	1,764,120	1,678,860	2,680,300	4,040,500	3,700,000
Fly ash collector						
Scrubber						
Activated carbon injection system	Odor					

2. Aqua Feed Mill

As per the 2021 air pollution emission test report on the fuel boilers of our Aqua feed mill, the results of suspended particulates, sulfur oxides, and nitrogen oxides are all in compliance with the existing environmental protection regulations. Formosa Plastics' pyrolysis oils are being used to replace CPC's low-sulfur fuels to reduce air pollution values.

Test numbers

Item	Regulatory standards	2019	2020	2021
PSS	30Nm³	9	11	13
Sox	50ppm	36	20	18
Nox	100ppm	57	50	47

Spent on air pollution prevention

NT$ 374,649

Prevention and treatment costs

Unit : NTD

Equipment	2017	2018	2019	2020	2021
Total cost of equipment replace-ment / environmental protection/maintenance (dust, pollution, or odor)	1,070,700	995,500	509,700	292,277	374,649



Diversion and Drainage Control

Materiality

Water is the lifeblood for the operation of a food plant and is the key to maintaining positive relations between the plant and the local community. Making good use of local water resources is an important issue for business administration and sustainable development.

Actions

1. Use shared water resources and comply with laws for water use and water quality. 303-1
2. Alleviate impact related to drainage. 303-2
3. Recycle process water through the RO system, recover cooling water in two stages of the production lines, and establish a cooling water recovery system at new production lines to reduce water consumption per unit of production capacity. 303-3
4. Comply with environmental wastewater treatment standards and have wastewater discharge tested regularly for compliance.

Achievements

Total water consumption in 2021 decreased

2,429 mt

1. Food Plant

	2020	2021	+ or −	
Water consumption	610,865mt	608,436mt	-2,429	-0.4%
Production(boxes)	7,449,573	7,852,238	402,665	5.4%
per box	0.082mt	0.077mt	-0.005	-5.5%

Filed reports on wastewater discharge tests

in 2021 three times, and all test results showed compliance.

Item	Regulatory standards	Q1	Q2	Q3	Q4	Average
BOD	<30mg/L	7.5	12.4	--	12.8	10.9
COD	<100mg/L	22.1	50.2	--	40.0	37.4
SS	<30mg/L	12.0	20.4	--	12.8	15.1

According to Environmental Protection Administration Statistics for Convenient Measures during the Anti-Pandemic Period dated June 3, 2021, the tests for Q2 and Q3 in 2021 were cancelled, so the test was not carried out in Q3.

2. Beidou Hog Farm

Filed reports on wastewater discharge tests

in 2021 two times, and all test results showed compliance.

Item	Regulatory standards	Year	First half year	Second half year	Average
BOD	<80mg/L	2020	61.6	60.6	61.1
		2021	67.4	69.6	68.5
COD	<600mg/L	2020	531	466	498.5
		2021	562	513	537.5
SS	<150mg/L	2020	112	118	115
		2021	127	100	113.5

Source: Water quality analysis report of Czech Environmental Technologies Co., Ltd.

Environmental Compliance 307

Materiality

Laws and regulations are the moral baseline of environmental protection. When the local community is affected, it may be subject to legal constraints. Therefore, it is inevitable to comply with laws and regulations, promote environmental protection strategy, and take necessary actions.

Actions

1. Regularly reviewed environmental laws and regulations.
2. Voluntarily tested the sources of emissions and discharge in the plants as required by various laws and regulations.
3. Cooperated with irregular environmental audits to regulate emissions at the plants.

Achievements

1. The food plant performed 31 tests on wastewater, filed regular test result reports three times and regular air pollution discharge test result reports seven times, and cooperated with an environmental protection unit's irregular audits five times.
2. Beidou Hog Farm performed two tests on wastewater and filed regular test result reports twice; the Aqua feed mill filed regular air pollution discharge test result report once and cooperated with an environmental protection unit's irregular audits twice.
3. We did not receive any fines for violation.



Social

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People Oriented

Creating the best employee experience and providing a healthy and safe workplace is our responsibility to all employees. The escalation of the COVID-19 pandemic in 2021 made everyone feel uncertain about their health and safety at work and in daily life. In addition to taking anti-pandemic measures to reassure our employees while at work, we made adjustments in terms of workplace safety, talent development and learning, remuneration, benefits, and social participation to respond to the changes in the macro environment and effectively maintain normal operations.

ISSUE OF HIGH CONCERN:
LABOR-MANAGEMENT RELATIONS

ISSUES OF MODERATE CONCERN:
OCCUPATIONAL SAFETY, MARKET PRESENCE, AND PERSONNEL TRAINING



Harmonious Labor-Management Relations

Materiality

Taisun is committed to creating harmonious labor-management relations, providing a variety of communication channels, benefits, and an environment where people can work with peace of mind. Harmonious labor-management relations allow employees to work without worries, increase their recognition of the Company, reduce the revenue rate, and stabilize the organization's human resources and intellectual capital, improving production efficiency and facilitating operational development.

Taisun manages labor-management relations based on the timeliness of announcement of material information, the number of labor disputes, the percentage of benefits used, reinstatement and retention after parental leave, and new employee percentage and revenue rate to keep abreast of the harmony of labor-management relations.

Actions

1. Diverse communication channels and human rights protection

402-1 406-1 407-1 408-1 409-1 410-1

Regular labor-management meetings

We hold such meetings every three months and held a total of four in 2021, June, September, and December in 2021. With more than half of the representatives from both sides on the meetings, several proposals were addressed, including the amendment to the attendance management regulations (maternity leave was amended to seven days), reduction of a shift to eight hours during the level 3 pandemic alert period, and the 2022 annual schedule, on which both sides reached a consensus and adopted the resolutions, and the Ministry of Labor's major policies to be implemented from January 2022 were announced (e.g., the monthly minimum wage was adjusted to NT$25,250, and the minimum wage was adjusted to NT$168).

Regular meetings of the Employee Welfare Committee

We hold such meetings once every three months and held a total of four such meetings to discuss New Year gifts, increase of birthday cash gifts, additional cash gifts of NT$1,000 on Mid-Autumn Festival, and the use of departmental team building funds during the pandemic, as well as adopting Pin-Tai's proposals for election of members of its employee welfare committee and the annual cultural and recreational activities.

Employee care mailbox

Report to the head of HR through employee care mailbox and email directly: Three complaints were received and three were resolved.

2. Employee benefits and health promotion 401-2

I. The Employee Welfare Committee was not able to hold large cultural and recreational activities due to the impact of the pandemic, so we simplified the use of the departmental team building funds by increasing the amount of Mid-Autumn Festival cash gifts to maintain 79.16% of the funds used and an average benefit amount per employee of NT$9,194.

II. 13 people were accommodated in the Tianzhong dormitory and two in the Yuanlin dormitory. After the dormitories were occupied, we provided rental subsidies.

III. We appoint visually impaired masseurs to provide massage services. The massage services were suspended from May to mid-October due to the pandemic and restarted in November. 555 people enjoyed this service.

IV. We make a contribution equal to 30% of employees' contributions to the employee stock ownership trust. Employees who have served for two years can apply for membership, and our contribution was equal to 100% of employees' contributions in 2021.

V. The EAP provides a channel for employees to seek assistance and support. Through the information cards, referrals by occupational nurses, supervisors' encouragement, and newsletters, there were 191 people getting help in 2021.

39 persons	22 persons	106 persons	14 persons	10 persons
0800 hotline	email	LINE	psychological management seminar	medical, legal, and financial consultation services

3. Carefree parental leave and reinstatement 401-3

We offer maternity leave, parental leave, and other rights to leave as required by law regardless of gender and support and encourage employees to apply for unpaid parental leave to take care of their children. Before the end of their leave, we take the initiative to contact such employees to see if they will be reinstated. In 2021, a total of three people were on parental leave and two were reinstated, and two were still employed one year after reinstatement.



4. Balance between new and resigned employees 401-1

We recruit local employees in different ways based on regional and job requirements to effectively reduce the revenue rate. We have formulated a complete pre-employment training plan for new employees, and HR assigns personnel to offer pre-employment training to new employees. We regularly have interviews with new employees to check upon and provide counseling services to them to help them adapt quickly. Meanwhile, we have interviews with resigned employees to learn about the cause and provide immediate feedback to supervisors, while incorporating their suggestions about the Company into the overall improvement plan. In 2021, the percentage of new employees was 12.15%, and the revenue rate was 9.63%, declining for a third consecutive year.

5. Revitalization of the retirement system 401-2

We make a full contribution to the old pension scheme in accordance with the Labor Standards Act and the Labor Pension Act. For those the new scheme applies to, we make a contribution equal to 6% of employees' contributions to the individual labor pension accounts established by the Bureau of Labor Insurance. Those who meet the qualifications will apply for retirement according to the above-mentioned regulations and pension standard, and we hold a farewell party for retirees, presenting the “Contribution to Taisun” medal to them to express our gratitude and best wishes to them. Since 2020, we have adjusted the insured salaries every three months, which is better than at least twice a year as required by law, to ensure that the employee labor insurance rate is more aligned with their salary. The current account balance of the old pension scheme far exceeds need, but we still make a contribution equal to 2% of total salary to the retirement reserve account with the Bank of Taiwan every month. To revitalize the pension fund, taking into account operational needs, manpower needs, and business sustainability, we inquired with employees who have served for more than 30 years under the old scheme and settled their pension accounts, reappointing them under the new scheme so that they can use their pensions in advance, while continuing to work and enjoying the new scheme. In 2021, 16 people applied for retirement.

Achievements

1. The number of labor disputes was zero.
2. Employee Welfare Committee Expenditures

Benefit	2017	2018	2019	2020	2021	Content
Subsidy and allowance	3.48%	4.46%	4.44%	3.70%	6.44%	Wedding allowance, funeral condolence money, home purchase subsidy, hospitalization allowance, natural disaster condolence money, maternity allowance
Education grant	13.83%	12.5%	12.3%	12.06%	11.75%	Child's scholarship
Leisure and recreation	52.08%	60.44%	47.2%	40.81%	29.69%	Departmental team building, cultural, and recreational activities, and club activities
Other benefits	20.88%	19.18%	25.25%	22.43%	31.28%	Gifts for Double Ninth Festival and Lu-nar New Year
Total	89.03%	96.58%	90.20%	78.99%	79.16%	
Average/ Person	11,312	12,173	9,424	9,107	9,194	The funds were used in both 2017 and 2018.

The sources of funding for the Employee Welfare Committee are from 0.05% of the Company's monthly revenue and 0.015% of the employee's monthly salaries.

3. Employees on unpaid parental leave and reinstatement and retention rates

Reinstatement rate = (total number of employees who are reinstated after parental leave/total number of employees who should be reinstated after parental leave) X100

Retention rate= (total number of employees who are still employed 12 months after reinstatement/total number of employees who are reinstated after parental leave in 2020) X100

Gender/Year	Male				Female			
	2018	2019	2020	2021	2018	2019	2020	2021
Total number of employees with parental leave	6	10	7	9	2	5	6	8
Total number of employees actually on parental leave	0	1	0	0	0	3	5	3
Number of employees who should be reinstated after parental leave (A)	0	1	0	0	1	2	3	3
Total number of employees reinstated after parental leave (B)	0	1	0	0	1	2	3	2
Total number of employees who are still employed 12 months after reinstatement (C)	0	0	1	0	0	1	2	3
Reinstatement rate (B/A)	0%	100%	0%	-	100%	100%	100%	67%
Retention rate (C/B)	0%	0%	0%	-	0%	50%	67%	150%

4. The total number and percentage of new and resigned employees by age group, gender, and region

	Group	New				Resigned			
		Male		Female		Male		Female	
		PER	%	PER	%	PER	%	PER	%
Age	18-20	1	50.00%	1	50.00%	1	50.00%	1	50.00%
	21-30	12	54.55%	10	45.45%	11	64.71%	6	35.29%
	31-40	26	65.00%	14	35.00%	9	56.25%	7	43.75%
	41-50	9	90.00%	1	10.00%	12	85.71%	2	14.29%
	51-60	1	33.33%	2	66.67%	2	40.00%	3	60.00%
	over60	0	0.00%	0	0.00%	4	57.14%	3	42.86%
Region	Northern	8	50.00%	8	50.00%	1	10.00%	9	90.00%
	Central	40	66.67%	20	33.33%	38	74.51%	13	25.49%
	Southern	1	100.00%	0	0.00%	0	0.00%	0	0.00%

Percentage of new employees and revenue rate

Category	2017	2018	2019	2020	2021
New	115	113	132	84	77
Resigned	101	105	103	72	61
PER at the beginning of the year	576	590	603	613	624
PER at the end of the year	590	603	613	624	643
New employees rate	19.73%	18.94%	21.71%	13.58%	12.15%
Revenue rate	17.32%	17.60%	16.94%	11.64%	9.63%

Occupational Safety and Health

Materiality

We provide a healthy and safe workplace for employees, facilitate a safety culture, provide health care in all aspects, and achieve the goal of zero severe accidents, to allow them to have peace of mind so that they can stay fit physically and psychologically and work whole-heartedly. Particularly, the prevention of occupational safety hazards and the promotion of health are crucial for the food plant and the oil plant. Safety and health are important for protection of an enterprises' human resources, key to ensuring production and quality, a guarantee of sustainable development, and the trend of the times. With the development of international safety and health trends, occupational safety and health work has also become a necessity for trade and is key to success in sustainable development and operations.

Taisun strives to have zero occupational accidents and zero severe occupational injuries as an important indicator for our annual management.

Actions

1. Prevention of severe occupational injuries with the occupational safety and health management system. 403-1 403-8 403-9 403-10

Occupational Safety and Health Committee meetings	Regularly hold meetings; we held 4 such meetings in total to review 5 defects and carry out 8 investigations.
6S performance was included in each unit's performance evaluation	A safety and health contact list was established; 366 defects were immediately improved, cases were set up for 78 defects, and 76 of them were improved and cases were closed, with an improvement rate of 97%.
Annual employee health checkup	General health checkup and health check-up for catering personnel (245 people in the food plant, 74 in the oil plant); 4 in ionizing radiation work; 8 in dust operations, and 39 supervisors (plus ABI).
Notification and tracking of dangerous abnormal values and health management levels	1 person was above level 3 and a notice was sent. 17 people were tracked for abnormal values. Catering personnel above level 2 were tracked: 14 people in the food plant and 4 in the oil plant, and a total of 18 underwent secondary health check.

2. Hazard identification, risk assessment, and accident investigation. 403-2

Personal protective equipment	A total of 8 cases were improved for fire safety, falling protection, anti-collision protection, personal protective equipment.
Four major emerging hazards and investigated	A total of 279 people were in the anthropogenic hazard prevention program, and a list of 28 people with injuries and illnesses was established. A total of 14 moderate- and high-risk employees were identified in the abnormal workload-triggered disease prevention program and prioritized for medical services by on-site physicians. We provided maternal health protection and education for a total of 4 people.

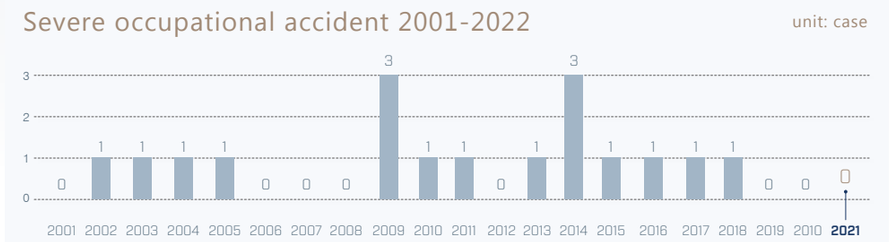
3. Provision of occupational health services and training to facilitate a healthy work environment. 403-3 403-4 403-5 403-6

Employees' safety awareness	We raised 339 employees' safety awareness once and the safety awareness of 18 contractors' personnel six times.
Emergency response exercises	A total of 237 people participated in two fire safety exercises, and a total of 246 people participated in one emergency response exercises.
Health training to new recruits	We offered occupational safety and health training to 51 new recruits and 20 person-time workers for a total of 107 hours.
In-plant medical assistance	Physicians served 85 employees on site and plant nurses provided consultation services to 277 employees. There are a total of 12 first aid kits assigned to units.

Achievements

1. In 2021, there was one fire accident (spontaneous combustion of waste) in the plant, without loss of lives and property.
2. The incidence of occupational illness was zero, and the severe occupational injury was zero.

3. There were no severe occupational accident notifications in the production plant, and the cumulative number of consecutive days without severe occupational accident reached 1,442.



From	To	Number of days	Records	Remarks
2005/04/08	2009/01/08	1,371	Number of consecutive days without severe occupational accident	Old record
2018/01/19	2021/12/31	1,442		New record

4. Occupational accident report for Taisun's full-time employees in 2021.

Category	Northern Taiwan		Central Taiwan		Southern Taiwan		China		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Total accidents	2	0	4	1	0	0	0	0	7
Total hours	194,000	140,000	556,000	348,000	24,000	12,000	8,000	4,000	1,286,000
Rate (IR)	2	0	1.44	1	0	0	0	0	1.09
Total hours of occupational injury incidence	0	0	0	0	0	0	0	0	0
Total hours	194,000	140,000	556,000	348,000	24,000	12,000	8,000	4,000	1,286,000
Rate (ODR)	0	0	0	0	0	0	0	0	0
Absence days	53.9	173.6	301.1	290.4	0	0	0	0	819.0
Working days	24,056	17,360	68,944	43,152	2,976	1,488	1,000	500	159,476
Rate (AR)	55.99	249.95	109.19	168.26	0.00	0.00	0.00	0.00	128.39
Days lost	3.3	6.4	107.5	3	0	0	0	0	120.2
Working days	24,056	17,360	68,944	43,152	2,976	1,488	1,000	500	159,476
Rate (LDR)	3.38	9.27	38.98	1.74	0.00	0.00	0.00	0.00	18.84
Deaths	0	0	0	0	0	0	0	0	0

Note1 GRI IR = total injury incidents/ total working hours × 200,000
Note2 GRI ODR = total hours of occupational injury incidence / total working hours × 200,000
Note3 GRI AR = absence days / total working days × 25,000
Note4 GRI LDR = Number of days lost / total working days × 25,000
Note5 The number of deaths refers to the number of deaths due to occupational injuries

Competitive Market Presence

Materiality

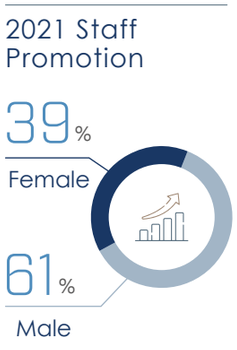
Salary levels directly affect individuals, organizations, and the national economy. We provide wages higher than the minimum standard, which is beneficial to the workers in the organization. Gender equality in terms of pay and the ratio of managerial positions are indicators for the organization's implementation of equal opportunities in the workplace. It allows all employees to focus on their work and create better operating performance for the Company.

Taisun's management goals are focused on the percentage of national workers, the salary of full-time employees in non-managerial positions, the overall ratio of female employees' remuneration to that of male employees, and the percentage of national top-level managers. We strive to promote Taiwan's social development and long-term stable business operation through employment of local talents.

Actions

1. Salary system and equal promotion 202-1

Based on the linkage between the Company's business performance and employee salary, we have designed a salary system on the basis of internal balance and industry standards and review promotion and salary adjustment impartially and reasonably based on performance. In addition to the salary adjustment, as the Company's operating profit in 2020 was excellent, the average salary adjustment of all employees was at least 3.5% in 2021.



Our promotion system does not differ due to gender, and employees enjoy equal opportunities for promotion. In 2021, a total of 72 employees were promoted, with female employees accounting for about 39% (28 people) and male counterparts about 61% (44 people). After promotion, we offer education and training at different levels and with different systems depending on different competencies, to enhance managerial personnel's knowledge and skills and non-managerial personnel's professional knowledge and skills.

2. Diversity and equal employment 406-1 411-1

We encourage and help socially disadvantaged groups adapt to society. In 2021, we hired a total of 4 disadvantaged people (such as members of Taiwan's indigenous peoples) for a total of 9 employed. Taisun employs disadvantaged people to ensure equal opportunities for everyone and lower barriers for disadvantaged groups to secure their livelihood. There were no complaints about rights infringements in 2021.

3. Local employment 202-2

   In 2021, there were no massive layoffs due to operations or dissolution. We prioritize the employment of domestic workers, so we employ only a few foreign workers for positions that have been vacant for a long time. Therefore, foreign workers employed account for 2.6% of all full-time employees. All top-level managerial positions are held by domestic workers.

Achievements

1. Salary of full-time non-managerial employees

Item	2020	2021	Difference
Full-time employees	497	522	29
Average salary	747,973	737,408	-10,565
Median salary	641,010	633,505	-7,505

Note Our information in 2020 and 2021 was audited by the CPA at KPMG Taiwan as per Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.

2. The ratio of the average salary of female employees to that of male employees was 0.81 to 1.
3. All our top-level managers are from Taiwan.



Training and Commendation 404-1 404-2

Materiality

Employee training and commendation help employees identify with the Company and enable us to retain talents. We support the improvement to their professional capabilities, to leverage their expertise and make contribution to the Company. Particularly, in the enterprise's key development strategy, we enhance our corporate culture and reinforce employees' competencies to enhance teamwork.

Actions

1. Education and training during the anti-pandemic period

   Affected by the COVID-19 pandemic, in response to the changes in workplace, such as moves to remote work and mobile offices due to the pandemic, we increased the number of online learning articles and adopted digital learning resources not constrained by physical locations (CWLC) to help managers to learn at any time and any place. The courses cover trend insights, general competencies, professional skills, leadership and management, and digital transformation to improve the management competencies of managers at all levels and cultivate their ability to learn and think from an interdisciplinary perspective.

2. Training on corporate strategy and culture development

Educational advocacy

We offer education and training on the Procedures for Ethical Management and Guidelines for Conduct and the Procedures for Insider Trading Prevention, to prevent employees from violating relevant laws and regulations whether due to misunderstandings or intentionally, resulting in lawsuits or damage to the Company's reputation.

Strategic courses

We offered a strategic course on Carbon Inventory Education and Training, invited experts to guide carbon inventory, and trained our personnel's basic abilities to calculate carbon emissions, to facilitate effective carbon reduction management and obtain ISO 14064-1 international standard certification.

Effective communication

We held a course on In-depth Communication and Expression Skills, to help employees think positively, establish shared values, and reach common ground while enabling them to communicate vertically within the department and horizontally across departments and engage in effective communication at critical moments of interpersonal interaction and coordination.

Safety education

We offer occupational health and safety education and training, including occupational safety and health courses for new employees, workplace safety protection education and training, and all-round muscle strength training, to increase employees' awareness of workplace safety and participation in health activities.

3. Launch of Taisun Star to recognize employees' continuous improvement and achievements
Taisun Star was launched in 2007. With limited openings and awards, a total of 25 teams and individuals representing various groups and departments participated in the selection. The recommendees shared the key factors to success at the Human Resources Committee meetings, while the President and committee members learned about all these outstanding recommendees in person. We promoted the STAR stories and adopted an incentive system to convey the Company's expectations for employees, thereby influencing their way of doing things and attitude.

Achievements

1. A total of 8,581 people completed the training courses totaling 10,043.8 hours in 2021.
2. Average training hours by employee job category in 2021

Gender	Number	Person/Hour	Director	Production	Sales	Administration	Total
Male	391	Visit	2,559	1,812	559	365	5,295
		%	77.1%	59.0%	34.9%	61.9%	61.7%
		Hours	2,146.8	2,463.6	753.1	547.5	5,911.0
		%	71.2%	61.0%	36.6%	58.6%	58.9%
Female	252	Visit	761	1,257	1,043	225	3,286
		%	22.9%	41.0%	65.1%	38.1%	38.3%
		Hours	866.3	1,577.0	1,302.5	387.0	4,132.8
		%	26.1%	51.4%	81.3%	65.6%	48.2%
Total	643	Visit	3,320	3,069	1,602	590	8,581

Training hours per male employee
15.1 hours

Training hours per female employee
16.4 hours

3. Number of training hours and percentage per training system

Category		Self-directed learning	Professional competencies	General education	Strategic	New employee training	Management competencies	Total
M	Visit	205	311	4,394	48	225	112	5,295
	%	35.0%	15.0%	73.0%	19.5%	61.6%	14.6%	52.7%
	Hours	205.0	1,202.5	3,551.0	143.5	226.0	583.0	5,911.0
	%	35.0%	58.2%	59.0%	58.3%	61.9%	76.2%	58.9%
F	Visit	380	210	2,458	34	139	65	3,286
	%	65.0%	40.3%	35.9%	41.5%	38.2%	36.7%	38.3%
	Hours	380.0	864.5	2,464.8	102.5	139.0	182.0	4,132.8
	%	65.0%	41.8%	41.0%	41.7%	38.1%	23.8%	41.1%
Total	Visit	585	521	6,852	82	364	177	8,581
	Hours	585.0	2,067.0	6,015.8	246.0	365.0	765.0	10,043.8

4. Taisun Star:
After an impartial and open selection, there were 2 best new employees, 5 best individuals, 1 best coach, and 6 best teams (1 additional team added); a total of 110 employees have been recognized.

Actions for Symbiosis and Common Good

Materiality

The only way to ensure corporate sustainable development is symbiosis between an enterprise and its local community. We try our best to participate in the local community's health activities with the plants and aim to drive the positive development of society through the enterprise's influence. We manage to satisfy the nutritional needs of the disadvantaged through the food plant and give full play to the social values of our products, thereby supporting and facilitating the prosperity of our plants and local communities, while enhancing positive thinking and creating a positive social atmosphere.

In 2020, the negative growth of Taiwan's population, together with population outflow, accelerated the decrease of the population in local communities. Taisun's plants are located in Tianzhong Township, Changhua County. We have long supported local activities to allow the local community to further develop and prosper and enhance the local residents' sense of identity with their hometown and Taisun, thereby alleviating the brain drain and sharing the common good with the local community.

Actions

1. Control over operations with significant or potential negative impacts on local communities. 413-2
In 2021, Taisun did not expand plants, nor carry out significant operational changes in the local community, and there were no relevant negative impacts.

2. Sponsorship of local community with PR gifts for charity purposes
We have sponsored the Taiwan Rice Heaven-Tianzhong Marathon for 10 years and we have long supported local activities to facilitate local development.

3. Support for activities with a significant practical or positive influence on society

Support for the front-line anti-pandemic efforts

In 2021, we launched an internal donation event within the Company. As long as an employee donated a snack bottle, the Company would donate another bottle accordingly, to send love to the front-line medical care and social workers.

Gathering Food and Doing Charity program for schoolchildren in rural areas

In 2019,we worked with the Zhang Jin Luan Foundation to provide after-school snacks to supplement schoolchildren's nutrition.

Participation in Dajia Mazu cultural festival

Taisun continues to support the largest religious event in Taiwan, works with Dajia Jenn Lann Temple to put the cartoon version of Dajia Mazu on the packages of Taisun's products, and participates in charity events by setting up a stall in the events.

4. Support for the Taisun Foundation and creation of a better life by staying fit psychologically

I. We inspire the public to develop inner strength and promote the concept and methods of physical and psychological health.

In 2021, with “Changes and Opportunities” as the main theme, we worked with Beautiful Life Television and the Taipei Municipal Library to hold online “Mind Illumination” lectures online (due to the pandemic) through services such as Zoom or YouTube, holding a total of 9 online lectures.

We continued to co-organize with the Changhua County Cultural Affairs Bureau “Cultural Changhua - An Appointment with a Master,” which was held in nine townships, covering a wide range of topics to improve people's cultural literacy and increase the reading population. We held a total of 12 physical lectures.

We published the 100th-103rd issues of the Taisun Family Quarterly, sent 55 newsletters regarding physical and psychological growth, and sent 203 social media messages.



No.100



No.101



No.102



No.103

II. Promotion of the concept of high-quality education and change of parents' concepts to cultivate the next outstanding generation.

We held a total of 16 physical and online parenting seminars on “Character and Upbringing”, “Career Navigation”, and “True Love Family”.

In response to the pandemic, we held two online lectures on “Self-Care During the Pandemic” to talk about health and happiness as well as love and care.

We offered the 17th and 18th “Soul Garden - Parents' Reading Club” courses with ten weeks of classes per course.

III. Promotion of life education to cultivate students' resilience in the face of setbacks and enable teachers to see children's potential.

We held the “Life Fighters' Stories” seminar and invited four life fighters to share their stories. And we held two online Summer Life Education Workshops to pass on and share life education concepts and practical experiences.

III. Development of the exercise and reading habits to enhance cultural and physical education.

We continued to hold “Run for Reading” at previous schools and a new school; exercise and reading appeared even more important during the pandemic period.

V. Scholarships for the disadvantaged to alleviate their financial pressure.

The amount of the Little Taisun Scholarship was doubled in response to the pandemic.

Achievements

1. We did not carry out plant expansion, so no negative impact was caused.
2. Local PR Sponsoring Action:

   We donated 230 boxes of products to support 14 activities or events held by nine entities. In addition, we have sponsored the Taiwan Rice Heaven-Tianzhong Marathon for ten years, donated more than 25,000 boxes of products, mobilized more than 1,000 volunteers, and invested more than NT$16 million.

3. Supported front-line pandemic prevention efforts:

   Our employees donated 396 boxes of products, and the Company donated another 404 boxes to seven local medical support entities. We have implemented the Gathering Food and Doing Charity program for two years to reach 96 schools in remote areas and donated 1,043 boxes of products.

4. Supported the cultural activities of Dajia Mazu:

   We gave away 180 boxes of products at a temporary stall with 94 employees participating. The Company donated 61 boxes of products to disadvantaged groups for a charity event.

5. Increased influence of Taisun Foundation

5,568 Visits attended the “Mind Illumination” lectures online

3,282 Visits Lectures of “Cultural Changhua - An Appointment with a Master”

1,530,323 Visits The reach of newsletters and the operation of social media

58 Parents participated in the Soul Garden - Parents' Reading Club course

428 Teachers actively participated in the Summer Life Education Workshops

320 Visits participated in the lectures on “Self-Care During the Pandemic”

555 Visits participated in the “Life Fighters' Stories” seminar

201 Students Little Taisun Scholarship

247,405 Laps Accumulated by two schools on “Run for Reading” for a reading promotion fund

3,254 Parents Parenting seminars learned and tracks

Social

×

Environmental

安全與健康

Customer Safety and Health

It is the responsibility of the food safety gate-keeper to create a healthy, safe, and beautiful day for consumers, and it is also our common goal to ensure safety in every stage from procurement, quality control, production, quality assurance, delivery to shelves.



ISSUES OF HIGH CONCERN:
CUSTOMER SAFETY AND HEALTH
PROCUREMENT OF INTERNATIONALLY CERTIFIED RAW MATERIALS
TRACKING AND TRACING / PROCUREMENT MANAGEMENT

ISSUES OF MODERATE CONCERN:
OEM MANAGEMENT/MARKETING AND LABELING
LABORATORY CAPABILITY

Focus on Customer Safety and Health

416-1 416-2 FP5

Materiality

To meet the requirements for health, we focus on reducing sugar and additives during research and development of new products and the improvement of existing products. We strictly manage expiration dates to ensure the public's health and adopt safe packaging materials that are easy to use and recycle. We inspect all products from R&D to quality management to ensure product safety, confirm nutrition, and earn public trust. To reduce the risk of damage to quality and safety after products leave the plant, and thus to maintain our credibility, we have established a toll-free hotline to accept complaints about use or health issues.

Actions

1. Created healthy and low-sugar products with few additives:

Developed the Nuts Effect healthy almond milk with nutrients



This includes vitamin E and high calcium levels needed for one day. A bottle of original flavor contains only 88 kcal, while sugar-free one contains as little as 71 kcal. With one bottle, people can quickly replenish key nutrients. The entire bottle is lactose-free, gluten-free, and cholesterol-free and rich in calcium and vitamin E.

developed healthy camellia seed oil



We have developed healthy camellia seed oil products using ingredients from the local community.
We launched a healthy phytol sunflower oil that has received National Health Food Certification to reduce the absorption of cholesterol through phytol.

Taisun Honey Herbal Jelly



We aim to allow consumers to reduce sugar intake while satisfying their appetite, so we launched a reduced sugar version of Taisun Honey Herbal Jelly, a classic, long-standing popular drink.

Jenguyi

This pumpkin quinoa porridge has obtained Eatender certification as it is easy to chew, ensuring the elderly can eat it easily.

2. Improved the food safety testing ability with 100% of products passing the tests to take care of public health. Article4.1.1.7

   I. Voluntarily sent products for testing by external entities to confirm compliance with the Sanitation Standard for Microorganisms in Foods

   II. Regularly tested and applied for certification to confirm product quality and specifications.

   III. Strictly implemented the quality control process.

   IV. Ensured safety and quality and sample products and raw materials fare submitted for testing by third-party verification entities every year, including local health bureaus, the Food Industry Research and Development Institute, and third-party verification entities such as SGS or Intertek Testing Services Taiwan Ltd. We sent a total of 632 items for testing in 2021. We had water sources and water quality tested 18 times, passing all tests. To ensure the safety of oil and tea, we sent a total of 238 oil and 79 tea products for testing, passing all the tests. We sent beverages for testing 33 times, bottled tea beverages 51 times, canned food 66 times, packaged drinking water 19 times, and snacks 21 times, passing all tests.

3. Worked with an impartial third-party entity to audit products. Article4.1.1.1

   In addition to sampling products for testing, Taisun food and oil plants received a total of four mandatory audits by the government and entities commissioned by the government in 2021 for food safety management, passing all audits. To make continuous progress and continue to obtain food safety quality certification, Taisun received a total of 12 food safety quality audits from the third-party impartial entities in 2021. If an audit finds any deficiencies, Taisun can quickly make improvements and pass the audit.

4. Removed high-risk abnormal products preventively from the shelves through the toll-free hotline management mechanism:

   From April to July 2021, the customer service personnel found an excessively high percentage of complaints about “unusual texture” in the same refrigerated product in the IP line. As the number of complaints about products in the same batch exceeded three, the personnel first issued an internal food safety warning. Also, there were 60 such complaints in four months. After discussion by managers at an inter-departmental meeting, the supply of this product in 450g and 630g sizes was suspended from July 14 through October 5, and we checked the entire production line to avoid public health hazards.



5. Confirm the use experience and ensure product quality and safety through the toll-free hotline management mechanism:

I. The toll-free hotline customer service personnel received a total of 350 cases of feedback registered in the system, including 178 cases of well-intentioned suggestions for improvement, zero cases of injury, and zero major cases(excluding questions about product conditions, product safety explanations, or dietary content confirmation).

II. In 2021, the production headquarters distributed 99 copies of electronic questionnaires for customer satisfaction to distributors, with 82 copies returned and a response rate of 82.8%.

Achievements

1. There was no violation of the health and safety regulations of products and services in product development and production.
2. To ensure people's health, the Green Beans Soup with Coconut Jelly products were removed from the shelves as a preventive measure. Although an uncertain amount of losses were incurred, consumers' health and safety were prioritized.
3. We got 98.5 points in the product satisfaction survey among the distributors. For the four major topics of the survey, we scored 99.3 points for image, 99 points for service, 98 points for delivery, and 97.6 points for quality.
4. The toll-free customer service system handled cases and randomly checked 38 cases. The total average satisfaction score was 20.97 points (out of 25 points). The items surveyed include attitude, response speed, feedback about reasons, and improvement in the aftermath.
5. The sampled products and raw materials were sent to third-party verification entities for testing, and we passed all the tests.
6. The list of annual product certifications is as follows: Article4.1.1.4

Product category	International certification	International certification	Domestic certification	HALAL certification
Canned snacks	100%	100%	94.12%◆	98.82%◆
Snacks & beverages in the IP line	100%	90.93%◆	83.49%◆	68.29%◆
Bottled tea beverages	73.23%◆	80.41%◆	90.92%◆	72.38%◆
Tetra pak beverage	--	100%	92.37%◆	--
Packaged water	--	--	100%	--
Oil products	74.44%◆	100%	48.52%◆	74.44%◆
Carbonated beverages	--	5.61%◆	67.12%◆	--

◆ Due to business considerations, OEM plants did not apply for such certifications for products.

◆ Imported oil products are not produced in Taisun Tianzhong Plant.

Compliance with Food Safety Regulations

416-2

Materiality

1. The food manufacturing industry needs to earn consumers' trust. Regular review of food management laws and regulations to protect public health is the key to ensuring continuous support from consumers.
2. Laws and regulations are the basis for public health protection, and compliance with the law is the bottom line of the food industry. Complying with standards in alignment with or stricter than national laws and regulations is the foundation for Taisun's safe, healthy, and delicious products.
3. Management goals: Zero violations, zero complaints, and zero fines.

Actions

1. Confirmed the need for improvement or update of raw materials before entering the plant or production line technique before new laws take effect.
2. Notified relevant departments to avoid violating laws.
3. Regularly reviewed draft laws or regulations and dates of promulgation to keep abreast of update of laws and regulations:

Date of promulgation	New law/regulation	New principle/approach
1/26	The principle of fines and penalties. For violations of Article 47, subparagraphs 8 and 10 of the Act Governing Food Safety and Sanitation were formulated and took effect immediately.	Violations of labeling regulations and penalties in the Act Governing Food Safety and Sanitation is handled in accordance with the new principles.
2/22	Amendments to Article 4, Table 1 of Article 2, and Table 2 of Article 3 of the Standards for Specification, Scope, Application and Limitation of Food Additives were promulgated.	The Company complies with laws and regulations to transfer carbon dioxide from health standards to the management of food additives.
6/2	The Method for Testing Microorganisms in Foods - Testing for Enterobacteriaceae was formulated, which came into effect on July 1, 2021.	The Company has established relevant standards for en terobacteriaceae to comply with the new standards.
9/28	Amendment to the Food Businesses Shall Take Out Product Liability Insurance was promulgated.	We re-examined the Company's product liability insurance and updated the product name to make it more compliant.



4. To ensure that the food safety and health regulations and standards are up to standard, we take seven corresponding actions in total:

Food safety and health regulations to be followed	Our approach
Good Hygiene Practice (GHP)	In 2021, our plants received a GHP audit by an entity commissioned by the competent, and we passed the audit. • Assign personnel to each production line to manage sanitation. There are four sanitation management personnel with professional backgrounds in food in the plant, and they are dispatched to participate in government sanitation seminars overseas every year, with the number of training hours compliant with the requirements. • Obtain a qualified sterilization report for hot filling and low acidity of PET bottles as required by law. • Continue to maintain SQF and FSSC22000 quality system certification.
Sanitation Standard for Food Utensils, Containers and Packages	Require packaging material suppliers to provide a total of 53 heavy metals, plasticizers, and dissolution testing reports on packaging materials, tested by third-party verification entities.
Standards for Pesticide Residue Limits in Foods (grains, tea, and fruit juice)	Require raw material suppliers to provide 140 testing reports on 373 pesticide residues, tested by third-party verification entities.
Sanitation Standard for Contaminants and Toxins in Food	Require suppliers of rice raw materials (such as glutinous rice and black rice) to provide a total of 21 testing reports* on heavy metals (mercury, cadmium, and lead), tested by third-party verification entities Require vegetable and fruit juice suppliers to provide a total of 29 testing reports* on heavy metals (cadmium and lead), tested by third-party verification entities.
Sanitation Standard for Microorganisms in Foods	In addition to internal testing, beverage products are tested by third-party verification entities every year to test microorganisms (bacteria count, coliform group, and Escherichia coli), and we sent 47 products for testing in 2021 and passed the tests. In addition to internal testing (inspection of appearance, seaming testing, leakage, inner walls of cans, content quality, pressure test, and thermal insulation testing), canned products are tested every year by third-party verification entities for microorganisms, and we sent 22 products for testing in 2021 and passed the tests.

Including the test reports for those sent in 2021 and those still valid in 2021.

Achievements

Article 4.1.1.2

In 2021, the Company complied with the Act Governing Food Safety and Sanitation; Standards for Specification, Scope, Application and Limitation of Food Additives; Method for Testing Microorganisms in Foods; Food Businesses Shall Take Out Product Liability Insurance; Good Hygiene Practice (GHP); Sanitation Standard for Food Utensils, Containers and Packages; Standards for Pesticide Residue Limits in Foods; Sanitation Standard for Contaminants and Toxins in Food, and the Sanitation Standard for Microorganisms in Foods, and neither was reported for violations nor violated such laws and received fined as a result.

Product Tracking and Tracing

416-1 | Article4.1.1.6

Materiality

When a major product anomaly occurs, to quickly reduce losses, it is necessary to quickly trace the raw material supplier's information for the problematic product or quickly trace the flow of the problematic product, and then quickly and accurately remove the problematic products from the shelves, to protect consumer health and reduce losses. We ensure the rapid recall of problematic products through the daily tracking and traceability testing and investigate the real causes, to prevent the recurrence of anomalies. Therefore, we need to duly implement a tracking system, keep abreast of the flow of problematic products within 24 hours, and quickly establish a network to recall such products .

Actions

1. We established the Product Identification and Traceability Management Operating Standard.
2. We performed a total of 17 simulated recall tests in 2021, covering all product types (including OEM products commissioned by clients).
3. As per government regulations, we ensure the traceability of product flows and sources of raw materials by uploading the information on each batch of products by oil manufacturers, tea beverage manufacturers, and soybean, oil, or tea importers onto the Tracebook electronic platform.

Achievements

1. The recall rates of the 17 tests reached 100%, with tracing from raw materials to finished goods in 4 tests to ensure that production records could be accurately traced.
2. In 2021, we uploaded a total of 246 products in the manufacturing industry and 20 products in the import industry 100% to the Food and Drug Administration's Food Traceability System.



Procurement of Raw Materials in Alignment with International Standards

204-1 FP1 FP2 Article 4.1.1.3

Materiality

The international procurement and management of soybean and vegetable oils are important to Taisun. Raw materials procurement is controlled in terms of quality and quantity to ensure compliance with contract specifications and standards and protect the Company's profits and food safety. Meanwhile, we support sustainable agricultural production through practical procurement actions. However, the national output of raw materials is insufficient, and 100% of raw materials are imported from other countries. Therefore, in terms of management, Taisun strictly reviews suppliers and controls the compliance of raw materials from procurement to arrival. In particular, we need to implement supplier evaluation and management and require suppliers to provide official certification, quality testing certificates, or sustainable production certification related to raw materials.

Actions

1. Choose a large international grain company or a well-known trader as the raw material supplier. Before purchasing, we need to investigate the supplier's basic information, the official registration of its plant, and whether it has obtained the relevant food quality system certification. After purchasing, we need to conduct product quality management assessment to retain the best suppliers.
2. Each batch of imported raw materials should have a certificate of origin, a quarantine certificate, a quality certificate from a third-party verification entity, or a sustainable production certification to ensure that the quality of the materials is aligned with the contract standards.

Achievements

Item	Place of origin	Number of suppliers
Soybeans	U.S.55.83% | Brazil43.04% | Canada1.13%	11
Palm oil	Malaysia100%	1
Rapeseed Oil	Australia100%	1
Sunflower oil	U.K.100%	1
Olive oil	Spain100%	1
Rice bran oil	Spain35% | Thailand65%	2
Grapeseed oil	Spain100%	1

Cherish the Earth

Taisun purchased soybeans that have met the U.S. Soybean Sustainability Assurance Protocol

The United States and Brazil are well-known global soybean exporters. Taisun continues to purchase U.S. soybeans that meet the U.S. Soybean Sustainability Assurance Protocol. The quantity of soybeans purchased in 2021 that met the U.S. Soybean Sustainability Assurance Protocol accounted for 26.34% of the total (46.44% in 2020). According to statistics from the U.S. Soybean Export Council analyzing the data on soybean production in the U.S. from 1980 to 2015, soybeans that have met the US



The certificate was issued by US Soy Sustainability Assurance Protocol (SSAP)

Soybean Sustainability Assurance Protocol can reduce irrigation water by 32%, energy and fuel consumption by 35%, and land resource use by 40% during the farming process, achieving the goal of sustainable use of global environmental resources.





Raw Material Procurement Management

Materiality

Raw materials are the sources of food safety. Only by carefully selecting suppliers can we ensure stable quality, reduce food safety risks and threats, and ensure reputation and sustainable development. Therefore, regularly auditing suppliers, retaining the good one and eliminating the bad, and checking the qualifying rate of their raw materials are the major tasks of the incoming management.

Actions

1. Supplier management strategy

   To avoid the risk of a surge in cost or abnormal supply, we work with diverse suppliers for procurement. With reasonable prices, we establish long-term partnerships with suppliers to maintain prices and quality, stabilize the supply of goods and reduce the risk of raw material supply management. In addition to maintaining positive and trustworthy partnerships with existing suppliers, we are constantly developing new suppliers and developing suppliers that meet our needs.

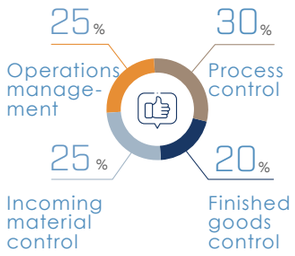
   The selection of raw material suppliers is subject to strict review. Our suppliers should operate legally, and the products or services provided should meet our production requirements, with reasonable prices. They should be highly cooperative. The entire process of raw material procurement has been reviewed and confirmed by our R&D and quality assurance units, and suppliers with food certifications are prioritized to improve our quality management standards.

2. Supplier evaluations

   We bring together relevant personnel to review our suppliers every year, draw up a supplier evaluation plan, and conduct evaluations in writing or on-site evaluations as per the plan. We require suppliers to put forth improvement measures or plans to address defects to ensure delivery quality. The evaluation results are used as a reference for subsequent collaboration.

   In 2021, our evaluation was still focused on quality. In the future, we will include safety, health, and environmental protection in the evaluation in the hope that suppliers will pay more attention to their social responsibility and comply with social ethics, laws, environmental and public requirements and standards. We strive to maintain sustainable partnerships with our suppliers through a pragmatic management approach.

Supplier Evaluation Program



Supplier Evaluation Process



3. Inspection of incoming raw materials

   The quality assurance personnel inspect the incoming raw materials according to the specifications.If acceptance criteria are not met, the supplier will be notified and the material returned. The raw materials that have been accepted will be screened again during production to control quality.

Achievements

1. Supplier management:

The rate of suppliers obtained relevant certifications.

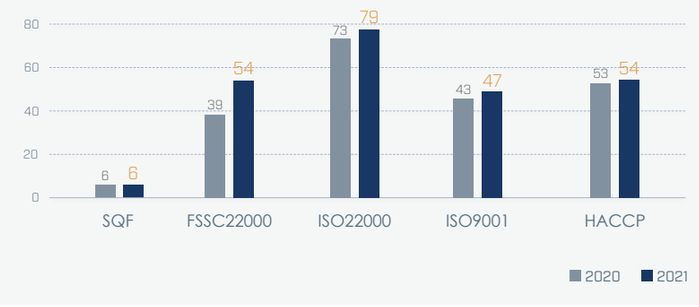
63%

Get certified



Suppliers' Certification

unit: number of suppliers



On-site evaluation

60 suppliers

The achievement rate of on-site evaluations was

97.8%

Accounting for

23%

of the purchase amount of raw materials for 2021.

2. Supplier evaluation results

Level	Score	Management method	Evaluation results
A	90-100	Prioritized for inquiry and purchase	14
B	80-89	Price inquiry, and purchase	45
C	70-79	Encouraged to improve quality management standards	1
D	60-69	Reduce purchases and provide guidance about quality if needed	0
E	<60	Eliminated	0

3. Acceptance of raw materials

	Agricultural products	Carton	Packaging containers	Concentrated juice	Oils	Others	Average
Qualifying rate of incoming materials	99.4%	99.2%	99.5%	100%	99.7%	99.9%	99.5%
Qualifying rate of materials used	99.0%	100%	99.9%	100%	100%	99.8%	99.8%

OEM Management

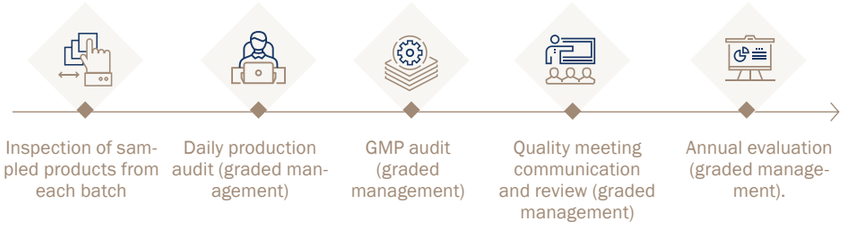
Materiality

Taisun plants have limited spacein which to make safe food, and when the production lines cannot produce various beverages, we need to work with excellent OEMs to complement our functions. As this can have a great influence on our product reputation and image, OEMs are viewed as important partners of Taisun and need to produce products based on Taisun's operating standards. Meanwhile, we aim to facilitate exchanges and learning between both sides, create a good food industry environment and achieve a positive food safety environment in Taiwan.

Actions

1. Selected OEMs as per the OEM evaluation and guidance implementation standards.
2. Engaged with suitable OEMs according to product characteristics. OEMs should meet the specified criteria before they can be included in the list of candidates (HACCP certification, a legal factory registration certificate, and a business registration certificate; water rights certificate for beverage products; no record of violations).
3. Improved OEMs' compliance with international standards to ensure improved production quality and compliance with regulatory requirements.
4. OEMs needed to accept Taisun's visits to factories to evaluate operating environments and perform production quality testing and product verification.

   The items to be verified include:



5. Arranged for quality assurance personnel to visit the OEMs for quality monitoring from time to time. In addition to the OEMs being inspected, the products produced were also sampled and sent back to Taisun for inspection to ensure that they met our requirements and prevent defective products from entering the market and affecting the Company's reputation.
6. Draw up an evaluation plan every year and perform on-site audits at the OEMs, to evaluate six major aspects, namely organization and personnel, plant facilities and plant environment, machinery and equipment, health management, process management, and quality management. The evaluation results are listed as the basis for subsequent partnerships and graded management.

Achievements

We worked with 10 OEMs in 2021 (due to the addition of camellia seed oil, one more OEM was added in 2021), and 100% of our OEMs have obtained food safety certifications. We have continuously encouraged our foundries to obtain food safety and quality certification, and the 10 OEMs have obtained international certification as follows:

The percentage of international certifications

100%

Certified



On-site evaluation

7 OEMs

Accounting for

70 %

of the total OEMs.

Percentage of international certifications

international certifications	2016	2017	2018	2019	2020	2021
HACCP	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
ISO22000	87.5%	90.0%	92.9%	92.0%	100.0%	100.0%
FSSC22000	25.0%	30.0%	50.0%	38.5%	27.0%	30.0%

Evaluation results

Level	Score	OEMs
A	85 points or higher	2
B	70 points (inclusive)-85 points	5
C	60 points (inclusive)-69 points	0
D	59 points or lower	0





Product Labeling Management: Packaging Review 417-1

Materiality

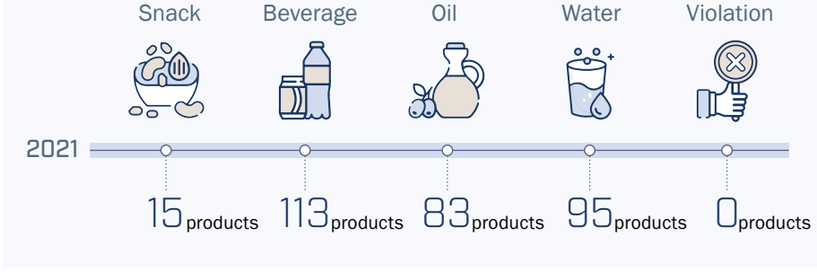
Product packaging and labeling is the main means for consumers to obtain product information, including ingredients, nutrition, allergens, and certification. Adhering to the principle of honesty and transparency in labeling, Taisun takes laws and regulations as the bottom line and designs product labels to provide consumers with correct information. To ensure consistent internal management methods, we require applications to pass through an electronic management system to ensure that each detail is compliant.

Actions

The Marketing Department collected relevant information from various units, and submitted it to designers for product packaging design and layout. The development drawing of product packaging was confirmed at least twice by the marketing, legal, R&D, quality assurance, production, and accounting departments through email and an online sheet to ensure that the packaging labels were in compliance with laws and regulations.

Achievements

We reviewed a total of 306 product packaging labels





Product Marketing Management: Advertising Review 417-2 417-3

Materiality

Product advertising is one of the means through which consumers know about products and decide to make purchases. This includes TV commercials, print ads, digital ads, and outdoor ads, all of which can affect people's product selection and daily lives.

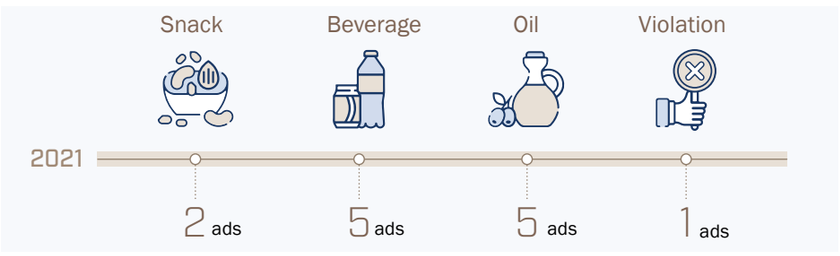
Taisun faithfully displays product features through numerous creative advertising ideas and adopts correct and reasonable marketing approaches to enhance corporate visibility while achieving sales targets and operating profit targets. However, advertisements still need to be in compliance with laws and social morals without false, exaggerated, or misleading information. To avoid spreading misinformation, Taisun checks the suitability of advertisements through an internal review system.

Actions

All product advertisements, including key vision (for print ads), TV commercials, and radio advertisements, went through an internal review mechanism and could only be run after being approved by the manager.

Achievements

We reviewed a total of 12 advertisements



There was a advertising violation on a TV commerce channel.

On February 6, 2021, Pin-Tai aired a food commercial about Taisun's Jenguyi set (48 cans) on Viva Shopping Channel 1. The Taipei City Government Department of Health found that the content did not conform to the regulations and involved violations of Article 28 of the Act Governing Food Safety and Sanitation, sending an official letter (reference: Bei-Shi-Wei-Shi-Yao No. 1103025644) dated April 22, 2021 and transferring the case to the Changhua County Public Health Bureau for processing.

After investigation, it was confirmed that the content of the commercial involved exaggerated information, which was obviously misleading. On June 16, 2021, we received a letter of judgment from the Changhua County Public Health Bureau, with a fine of NT$100,000 imposed on Pin-Tai.

Taking it as a lesson learned, before recording, the advertising content for TV shopping channels must be reviewed and approved by relevant departments, and repeatedly confirmed with the host at the broadcast meeting. Personnel will be assigned to supervise the delivery of content to avoid misunderstandings happening again.

Laboratory Testing Ability

Materiality

Taisun has set up three laboratories (food, microbiology, and oil products). All laboratory equipment is in compliance with the Establishment Standards of Construction and Equipment of a Food Factory announced by the Ministry of Health and Welfare. The laboratories play an influential role in the research and development and quality assurance stages. To enhance our product quality control ability and improve equipment, talent, and experimental capabilities, the Taisun laboratories were established as per CNS17025: 2018. We have also established the Taisun Enterprise Co., Ltd. Certification Laboratory Quality Management System, as a professional food and oil product testing laboratory, to safeguard food health, safety and quality.

Actions

1. Equipment calibration: In 2021, 80 outsourced calibrations were performed, and some equipment was internally calibrated by qualified trained personnel. In 2021, 204 calibrations were performed internally.
2. Ensure daily testing capability and ensure qualified products:

Food and microbiology laboratory
snacks, beverages, and packaged water

Physical testing

Pressure resistance and leak testing of PET bottles, high sugar content testing, soda CO2 gas volume measurement, can seaming testing, can vacuum leak testing, can vacuum measurement, carton sealing leak testing, carton bursting strength, cap torque, micro projection (maximum magnification 200 times), white rice freshness analysis, color lab value, moisture content (oven-drying method and infrared method), T% (transmittance), HOBO temperature monitoring, specific gravity, sugar content, viscosity, weight, environmental monitoring (including HOBO temperature and humidity monitoring), can thermal insulation testing, reliability testing, water quality testing (including effective residual chlorine, turbidity, conductivity, hardness, and salinity), and sensory evaluation

Chemical testing

pH value, total acidity titration, formazan nitrogen, tea polyphenol testing, allergen testing, and pesticide residues (organophosphate and carbamate pesticides)

Microbiological testing

Microbiological testing (including total bacterial count, Escherichia coli, coliform group, Pseudomonas aeruginosa, fecal streptococci, Salmonella, molds/yeasts, Microsporum canis, and Enterobacteriaceae). ATP fluorescent detection and environmental monitoring (RCS air sample testing)

Oil laboratory

Physical testing

Moisture, color, smoke point, absorbance value, container leakage testing, reliability testing, carton burst strength, viscosity weight, bottle cap leakage testing, sensory evaluation, low-temperature property testing, frying testing, cooking testing, rising melting point, deterioration testing, and UV spectrophotometry for olive oil grading

Chemical testing

Acid value, peroxide value, GC of fatty acid content (trans fat, saturated fatty acid, and unsaturated fatty acid), total polar compounds, erucic acid, and iodine value



3. Talent training: There are 35 quality assurance team members in Taisun who are responsible for the quality assurance system; 83% of the quality assurance personnel have backgrounds in food science and 100% affect all products of each production line.

   To ensure food safety and quality, we continue to arrange for personnel to participate in external training courses to improve professional competencies and obtain professional certificates.

Number of people with food safety related certificates in 2021

Testing and analysis licenses		Process control licenses	
ISO/IEC 17025 laboratory accreditation training: 10	+4	Food protection and bioterrorism attack prevention training: 3	
Can seaming quality control training:21	+1	Basic food protection training: 1	
Complete quality control training for can seaming: 10		Food allergen training course: 5	
ISO9001 calibration management training: 4		Can seaming technology: 5	+3
Edible oil quality analysis and testing training: 2		Better Process Control School training (BPCS): 1	
Evaluation personnel selection and sensory evaluation training: 32	+1	HACCP food safety control system training: 18	
Food health test training: 2		Can sterilization technology management training:12	
Rapid microbiological testing training: 2		Aseptic processing and packaging technology management: 4	+1
Packaged water and drinking water quality test training:1		Aseptic sterilization and packaging equipment operation: 5	
Product environmental test and reliability accelerated life test training: 1		Food safety management system training - food fraud prevention training: 2	+2
Measurement instrument calibration practice and management training: 2		US Food Safety Plan (FSP) critical technology practice training: 2	
Instrument calibration and quality management workshop: 5	+4	Equipment cleaning and disinfection practice training: 1	
Food health testing practice seminar: 2	+1	Food defense training: 2	
Equipment smearing, settle plate count, and total plate count testing practice and training : 2	+2	PCQI food safety control measure qualified personnel training: 2	
Microbial culture activation and preservation training: 1	+1	Cross-contamination prevention and control practice training: 1	
Food microorganisms Enterobacter testing method training: 2			

In addition to arranging for personnel to participate in external training sessions to obtain food safety certificates, we continue to train talents to obtain internal instructor licenses and offer relevant food safety courses and internal education and training to improve personnel's awareness of food safety. The information on internal food safety training in 2021 is as follows.



4. Obtained TAF's ISO/IEC17025 certification in 2021.
   I. Laboratory structure and equipment were completed in June 2021.
   II. Established 31 TAF laboratory documents.

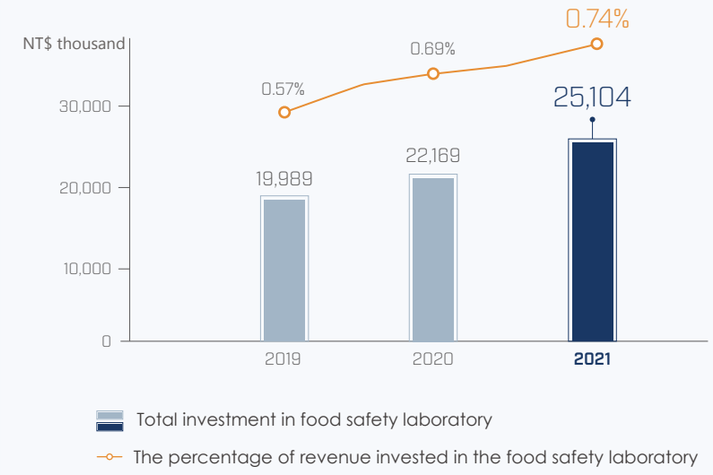
Table of the total certificates obtained by the quality assurance certification laboratory in 2021

Certificate	Obtained certificates	Description
ISO/IEC 17025 laboratory accreditation training	4	2 people(01/13-01/15) 2 people(09/01-09/03)
Test lab manager training	1	1 people(02/04-02/05)
Laboratory internal audit seminar	3	3 people (10/26-10/27)
Measurement uncertainty seminar (basic)	1	1 people (12/02-12/03)

5. Laboratory quality related Investment and Investment to revenue ratio

An increase of
2,935 thousand
over the previous year

An increase of
0.05 %
over the previous year



Note:
The percentage of revenue invested in the food safety laboratory = (accreditation cost + prevention cost + regular testing cost) / revenue of Production Department in Tianzhong * 100

Achievements

1. The laboratory instruments and equipment were sent to an impartial entity for calibration; 100% of them qualified.
2. For quality control, the qualifying rate of self-testing results was as follows:

Manufacturing line	Item	2018	2019	2020	2021
Canned Snack Line	Product thermal insulation test	100%	100%	100%	100%
	CCP&CQP monitoring qualified rate	100%	100%	100%	100%
IP Line	CCP&CQP monitoring qualified rate	100%	100%	100%	100%
PET Line	Product thermal insulation test	100%	100%	100%	100%
	CCP&CQP monitoring qualified rate	100%	100%	100%	100%
Oil Line	CCP&CQP monitoring qualified rate	100%	100%	100%	100%

Note The qualifying rate of CCP&CQP monitoring is calculated according to the results of the items monitored as per the Company's quality plan.

3. We had 20 people participating in external training and raised 1,583 people's awareness of internal quality management, which affected 100% of all products of each production line.
4. The certification laboratory of the Quality Assurance Department of Taisun Enterprise Co., Ltd. obtained TAF certification on June 2, 2021 (certification No. 3836; certificate No. L3836-210602) .





Beidou Hog Farm - Quality Meat Supplier

Materiality

Beidou Hog Farm is the source of our meat products. Its method of farming hogs and the health of hogs are directly related to food safety. Therefore, the farm-to-table management approach and a healthy and safe management model are adopted to take care of the safety of the hogs. We strive for safe management certification as guidelines for personnel management.

Actions

1. Improved the quality of drinking water for hogs and checked the amount of Escherichia coli in drinking water, diarrhea of piglets, and the survival rate.
2. Improved the ventilation quality of growing hogs and boar houses, tested the environment, and the survival rate of finishers (hog farm management weekly report), and observe the breeding rate of sows in the boar house.
3. Upgraded the anti-pandemic measures of the hog farm, maintained the effectiveness of vaccines (constant temperature refrigerator in place), strengthened the disinfection of vehicles, and disinfected entire vehicles, including the chassis. Observed the survival rate in each stage (hog farm management weekly report) and ensured the effectiveness of waterfall-style disinfection at the door.
4. Participated in the new TGAP(Taiwan Good Agriculture Practice) certification as required by the National Animal Industry Foundation. Scope of testing: Certification of the entire breeding process, vaccination and anti-pandemic stage, water quality test reports and water quality improvement actions (records of cleaning water towers), wastewater treatment facilities and testing records, tracking and tracing records, birthing and marking processes, pre-entry disinfection plan and personnel control, wastewater irrigation plan (5% this year), change of clothes and shoes on entry to/exit from the farm, biological control plan implementation, vaccine management confirmation, personnel training and management, establishment of isolation shelters for hogs at various stages, and feed control (animal feed formulation/dosing procedure)
5. Participated in the verification of high-quality hogs by the National Animal Industry Foundation, checked the blood and feed on a quarterly basis, and confirmed that only medium and large hogs eat additive-free feeds (non-medicated feeds), and that no drug contamination was added in production management in the hog farm.

TGAP certification

6. Participated in the Changhua Healthy Meat Competition and ensured that the meats, with farm production management, formula, and nutrition management, and Sulf- medicine-free production management, were qualified before entering the market in terms of blood test, quarantine, body shape, and meat quality.
7. Participated in Carrefour's food transformation program; Shang Lee Food Co., Ltd. worked with strictly selected hog farms (including Beidou Hog Farm) to replace styrofoam packaging materials with alternative high-density vacuum packaging, effectively preventing blood leakage and enhancing sanitation, thereby prolonging meat freshness and reducing food waste.

Achievements

The quality of drinking water has been improved

Survival rate of pigs in the nursery stage has been improved by 2%

After the ventilation equipment is improved

Survival rate of finishers is improved by 2%

The successful breeding rate of sows is more than 80%

The blood of hogs is tested

The blood of hogs is tested once a year (antibodies from various vaccines) and is qualified to protect the health of hogs.

Changhua Healthy Meat Competition

Among 611 hog farms in the county, We won 2nd

TGAP certification

On 10/18, we obtained the new version of the TGAP certification as required by the National Animal Industry Foundation.

Drug contamination testing of hog blood and feeds

We passed the quarterly testing by the National Animal Industry Foundation.

Consumers' acceptance has increased.

44.6% of the pork produced by Beidou Hog Farm for Shang Lee Food Co., Ltd. was sent to Carrefour as strictly selected pork, and we were the pork supplier with 100% trackable and traceable production records.

Affect 100%

The preceding improvement actions affect 100% of all Beidou Hog Farm's products.



Enhanced
Governance
精進治理



In 2021, the impact of the pandemic on Taiwan expanded, making the guidance and management mechanism of our leadership more important. Safeguarding and protecting stakeholders' rights and interests, including shareholders, consumers, employees, and supply chain partners, has become the priority of business management. Balancing all parties' needs, meeting those needs, achieving operational goals for the best interests of the Company and all shareholders, making good use of resources, and improving efficiency are our management priorities.

ISSUES OF HIGH CONCERN:
OPERATIONAL AND FINANCIAL PERFORMANCE
ENHANCED GOVERNANCE

Operational and Financial Performance 203-1

Actions

In 2021, Taisun continued to improve production quality and business operations, to enable revenue to grow steadily every year. Net sales in 2021 reached NT$8,622,713,000, and sales increased by 20.75% compared with 2020. However, as costs were impacted by rising international raw materials prices and international transportation costs, net income after tax decreased by about 30.46% compared with 2020. Please refer to the parent company only financial report of Taisun Enterprise Co., Ltd. on the Market Observation Post System (MOPS) for relevant financial information.

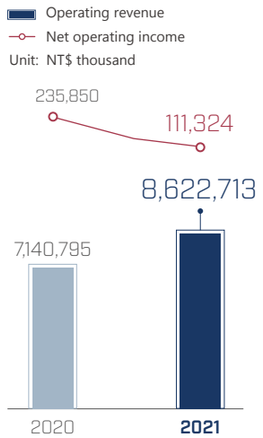
Achievements

Net income after tax
NT$ 591,827 thousand

Earnings per share
NT$ 1.22 Per share

Employee remuneration
NT$ 34,500 thousand

Employee remuneration as a percentage of the annual remuneration
8 %

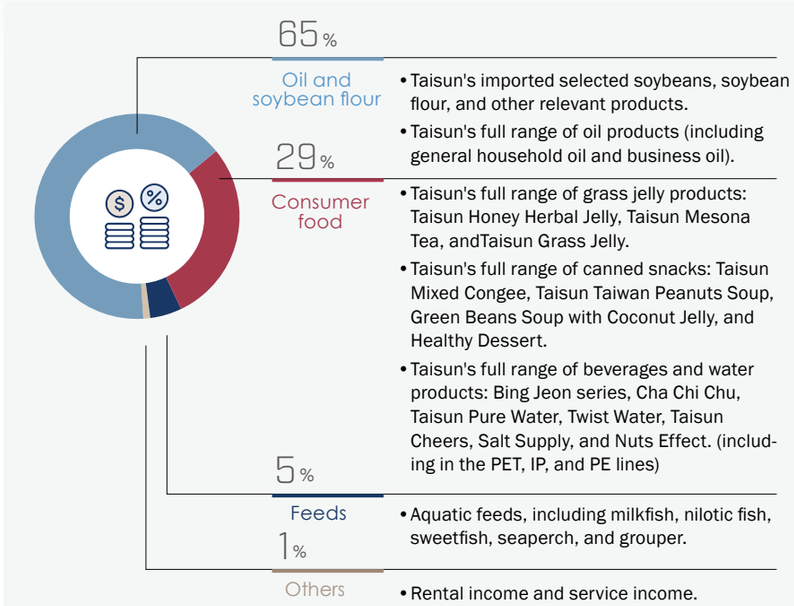


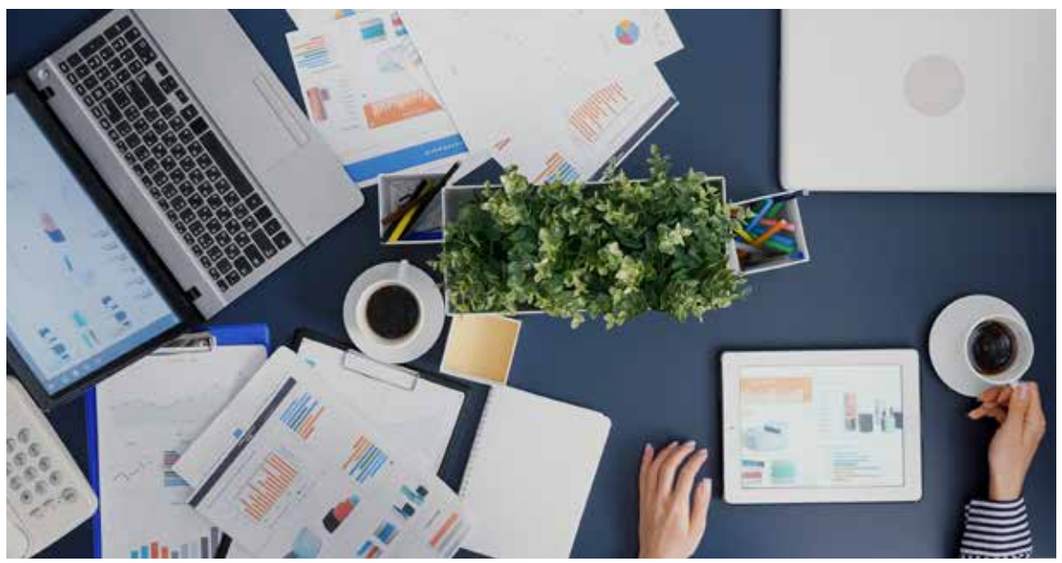
Profitability-Parent company only financial report

Unit: NT$ thousand

Item	2019	2020	2021
Operating revenue	6,837,543	7,140,795	8,622,713
Gross profit	1,008,828	1,157,324	1,015,577
Operating expenses	891,654	921,474	904,253
Net operating income	117,174	235,850	111,324
Non-operating income and expenses	494,545	664,282	516,800
Net income before tax	611,719	900,132	628,124
Income tax expenses	29,646	49,054	36,297
Net income after tax	582,073	851,078	591,827
Earnings per share	1.20	1.75	1.22
Operating margin	8.51	11.92	6.86

Proportion of main operating revenue sources





Productivity Improvement 203-1 203-2

Materiality

In 2021, Taisun did not put forth a plan to purchase land to build a new plant; instead, we focused on installing automation equipment in the plant and adding new production lines and equipment to increase production capacity to meet market demand and enhance the Company's competitiveness. For any construction project, in addition to evaluating the effect of a production line on performance, we balance the resulting impact on the community environment and ecology. We deal with all environmental issues in accordance with laws and regulations and improve the safety of equipment to have a significant positive impact on production capacity, personnel safety, and community environment.

Actions

1. In 2021, we invested a total of NT$310 million in the improvement of plant facilities.
2. We invested NT$24 million in setting up a new PE line: The IP line was only equipped with carton packaging and filling equipment. Due to changes in distributors and convenience after the operation of the line, we added the PE line to take care of the characteristics of the appearance and packaging.
3. We invested NT$280 million to establish a new IA line: The old grass jelly line was completed in 1989 and has been in production for more than 30 years. We set up a new hot-filling IA line to produce sugar-free neutral tea and a new hot-and-cold filling line to produce acidified, sparkling, and alcoholic beverages and other trendy products. The speed of the new line is 400BPM per minute for iron cans and 500BPM per minute for aluminum cans, and the annual output is estimated to be four million boxes.
4. We invested NT$10 million to set up the canned snack line no.1: To provide more diversified services, with Taisun's more than 50 years of canning technology experience, we invested in canned snack line no.1 to produce canned snacks (2 kg each) to meet the needs of catering and households. With our advantages in agricultural product procurement and raw material pretreatment, we can create more added values. This line mainly produces traditional snacks and refreshing beverages. This project began in November 2021, and annual production capacity is estimated to increase by 60,000 boxes.

Influence

1. We added a PE filling machine to the IP line, which can increase the overall refrigerated product production capacity by 750,000 boxes per year after installation. In 2021, the production line was completed and began mass-producing Nuts Effect beverages. It affects 100% of the output of the PE line.
2. The IA line can produce traditional canned beverages, such as Taisun Honey Herbal Jelly and white gourd drinks. The IA line (aluminum cans) can produce tea beverages, carbonated beverages, coffee, sparkling water, sparkling wine, and other products and provide OEM services for marketing and sales all over the world. In 2021, this production line had not yet been put into production and thus had no impact on products.
3. The canned snack line no.1 (2kg iron cans) had not yet been put into production in 2021 and thus had no impact on products.

Stabilization of Domestic Feed Raw Material Price

Materiality

Affected by the continuous impact of the COVID-19 pandemic, the international shipping market has been in chaos since the fourth quarter of 2020. Major international ports around the world experienced labor shortages affecting loading and unloading of goods, and the slowing of logistics on sea and land has resulted in a shortage of containers. Shipments of soybean and corn were delayed, and the delay rate of containers in transit was as high as 80%, causing the price of feed raw materials in Taiwan to soar before the Lunar New Year. Domestic livestock farmers suffered, pork prices gradually rose, and soy-related food factories also planned to raise prices.

To stabilize domestic pork prices ahead of schedule, in addition to urgently releasing available raw materials and pork, the government has actively negotiated with domestic importers through the Council of Agriculture to coordinate the procurement of raw materials to bridge the domestic supply gap. In response to the soybean shortage caused by the pandemic, it was necessary to urgently adjust the supply and demand of feed raw materials in Taiwan, which stabilized the prices for the government, increased Taisun's profit and reduced the cost of feeds for domestic livestock farmers, creating a win-win-win situation.

Actions

1. Implemented management of raw materials, estimated soybean shortages, and avoided material interruption.
2. Maintained close and positive long-term relations, communication, and contact with raw material suppliers to avoidproblems around raw material shortages.
3. Urgently purchased imported soybeans to avoid shortages and cooperated with the government's moves to stabilize prices in advance.
4. Due to the delay in the arrival of most imported soybean containers in Taiwan, we estimated that domestic feed raw materials might be out of stock during and after the Lunar New Year and that various importers might face shortages or event shutdowns, bearing more losses. In the middle of January 2021, we worked with the import partners in central Taiwan to source goods; we inquired and negotiated with suppliers and urgently purchased nearly 60,000 tons of soybeans from the West Coast of the United States together. Taisun purchased 15,000 tons, which arrived at the port in late February to relieve the risk of soybean shortage and avoid shutdown and relevant losses.



Achievements

In alignment with the government's moves to stabilize the supply of raw materials and prices, after the raw materials arrived at port in February, the prices of domestic soybean flour gradually stabilized in April from the high point in February. We worked jointly to relieve the price pressure of feed raw materials for Taiwan.

Financial Risk Control 102-11 102-15

Materiality

Risk identification, risk response, risk monitoring, and prevention.

Actions

1. Reduced procurement risks: Collected domestic and international business information, communicated with competitors, ensured reasonable stock, and purchase insuranced to reduce procurement risks.

Insurance amount

USD

179,380,976

dollars

Marine insurance information in 2021: unit: USD

Product name	Number of policy	Insurance amount
Soybeans	68	165,668,516
Palm oil	1	118,720
Rapeseed Oil	15	9,767,280
Sunflower oil	12	3,826,460

2. Controlled accounts receivable risk: Strengthened interaction with clients and adopted the Overdue Accounts Receivable Collection Management Regulations and Credit Line Management Regulations, to reduce the risk of bad debts and overdue accounts receivable.
3. Reduced inventory risk: Kept abreast of market changes and reduced inventory risk through the Standards for Finished Goods Warehousing as well as the principles of first-in, first-out, and regular inventory. Made corresponding valuation adjustments for relevant accounts based on market conditions at the end of the year.
4. Monitored capital risk: Monitored capital structure, controlled the amount of loans, optimized borrowing conditions, and evaluated investments, while reducing relevant capital risks through management tools such as cash flow, interest or exchange rate risk, and financing risk. During 2021, we held 12 exchange rate risk hedging team meetings to discuss the present foreign exchange market conditions and determine hedging strategies and positions.

Achievements

1. Foreign exchange risk: The exchange gain or loss in the 2021 financial report was NT$12,009,000 (page 40 of the financial report)

Details of other benefits and losses Unit: NT$ thousand

Item	2020	2021
Dividend income	6,222	8,509
Foreign currency exchange gains and losses	-2,349	12,009
Disposal of interests in property, plant and equipment	769	98
Disposal of investment interests	3,755	—
Financial assets and liabilities at fair value through profit or loss	7,627	9,383
Delivery service income	13,539	12,620
Other income and losses	26,429	30,022
Total	55,992	72,641

2. There was no risk occurring during the year nor insurance claims related to accounts receivable.



Honest Taxpayer

207-1 207-2

Materiality & Actions

The operations of Taisun are based in Taiwan, and our business activities are mainly carried out in the Taiwan market. The major tax expenses are income tax and commodity tax. We comply with the relevant tax regulations and file tax returns truthfully. Our Accounting Department is responsible for filing tax returns and ensuring that the Company's taxation is in compliance with relevant laws and regulations, enabling us to fulfill our due social responsibilities and ensure the Company's rights related to taxation.

Achievements

Tax details- Parent company only financial report

unit: NT$ thousand

Item	2020	2021
Commodity tax	60,916	57,953
Net income before tax	900,132	628,124
Income tax payable	29,689	62,323
Income tax expenses	49,054	36,297
Income tax paid	39,087	4,936
Book effective tax rate	5.45%	5.78%
Cash effective tax rate	4.34%	0.79%

Note1 The effective book tax rates in 2021 and 2020 are lower than the income tax rates in Taiwan as investment income using the equity method accounted for about 54.14% and 57.23% of the net income before tax, respectively.

Note2 Book effective tax rate (%) = income tax expense/net income before tax.

Note3 Cash effective tax rate (%) = income tax paid/net income before tax.

Note4 In 2021, we applied for investment tax credits under the Statute for Industrial Innovation to offset income tax expenses.



Board of Directors

102-16 102-18 102-22 102-24 102-25 102-26 102-31

Materiality

The Board of Directors is the Company's highest business decision-making center and highest governing body. It holds meetings at least quarterly to review operating performance, discuss important strategies, and approve strategies for company development, organizational restructuring, corporate strategies and vision, and material issues affecting stakeholders' rights and interests.

According to the Company's Articles of Incorporation, there should be five to 17 directors elected through a candidate nomination system for a term of three years, and they may be re-elected. Among them, there should be three independent directors, all of whom should form the Audit Committee.

As the Board of Directors shoulders the responsibility for major decision-making, when it is discussing relevant proposals with conflicts of interest involved, directors should comply with the code of conduct and recuse themselves from discussion and voting for specific proposals where their personal interests are involved. To improve the corporate governance mechanism and reduce the risks directors and key staff bear in exercising their rights and fulfilling their obligations, we purchase Directors, Supervisors, and Key Staff Liability Insurance every year.

Guiding Principles

1. Formulate and disclose the Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.
2. Safeguard shareholders' rights and interests and treat them equally.
3. Strengthen the structure and operation of the Board of Directors.
4. Increase information transparency.
5. Promote sustainable development.
6. Supervise ESG risk management to enhance corporate sustainable values.

Environmental
Carbon and water management under climate change

Social
Due diligence governance of labor rights and employee care

Governance
Competencies of the Board of Directors and risk governance

Actions

1. In 2021, we held 12 meetings of the 21st Board of Directors, and the average attendance of directors was 99%.(The term ended on December 16, 2021)
2. In 2021, we held one meeting of the 22nd Board of Directors, and the average attendance of directors was100%.(Elected on December 16, 2021)
3. Please refer to the Company's 2021 Annual Report of the Shareholders' Meeting for the board independence and diversity policy and specific management goals and implementation.

4. Please refer to the Company's 2021 Annual Report of the Shareholders' Meeting for the formulation of the board performance evaluation regulations, evaluation method (including functional committees) , and annual performance evaluation and implementation.
5. Regularly assess the independence of the CPAs every year. Assessment results were submitted to the Board of Directors on March 25, 2021.
6. Appointed a corporate governance officer to be responsible for corporate governance affairs.
7. The total number of training hours for board members was 54.

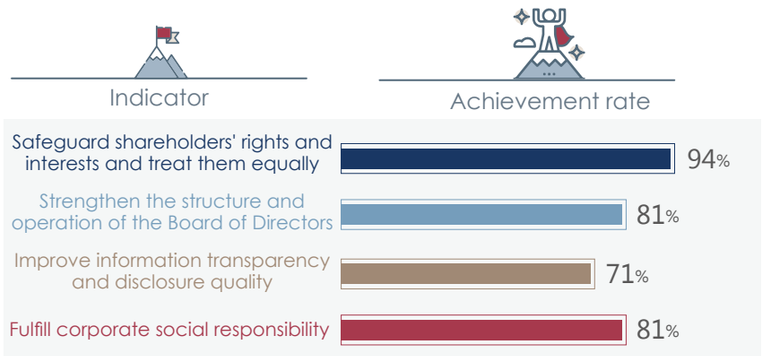
Achievements

1. Please refer to the Company's 2021 Annual Report of the Shareholders' Meeting for the relevant board meeting minutes and resolutions adopted.
2. Shareholders' equity - earnings distribution

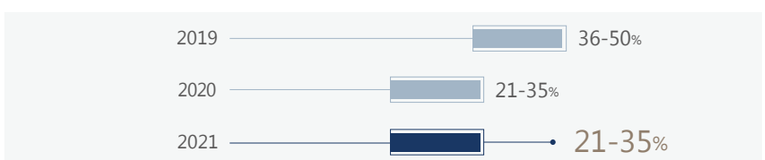
unit: NT$ thousand

Item	2019	2020	2021
Earnings after tax	582,073	851,078	591,827
Earnings per share	NT$1.2	NT$1.75	NT$1.22
Dividend per share	NT$0.9/share	NT$1.4/share	NT$1.0/share

3. Results of 2021 Corporate Governance Evaluation Improvement Plan



Corporate Governance Evaluation rankings in the last three years



Audit Committee 102-22

Materiality

The Audit Committee aims to assist the Board of Directors in fulfilling its oversight obligation and carrying out tasks specified under the Company Act, Securities and Exchange Act, and other applicable laws and regulations to ensure quality and integrity in accounting, auditing, and financial reporting processes and financial controls. The committee is formed by all independent directors and should hold meetings at least once a quarter.

Important Company proposals should be submitted to the Audit Committee for approval in accordance with the law before being submitted to the Board of Directors for resolution according to the results of the resolutions of the Audit Committee.

Major risk Under Control

The Audit Committee aims to supervise the matters below:

1. Fair presentation of the Company's financial statements.
2. Appointment /dismissal, independence, and performance of CPAs.
3. Effective implementation of the Company's internal controls.
4. Company compliance with applicable laws and regulations.
5. Management and control of the Company's existing or potential risks.

Actions

1. The 2nd Audit Committee held five meetings in 2021, and members' average attendance was 100%. (The term ended on December 16, 2021)
2. The 3rd Audit Committee held one meeting in 2021, and members' average attendance was 100%. (Elected on December 16, 2021)
3. Reviewed financial statements.
4. Appointed CPAs.
5. Evaluated the effectiveness of the internal control system.

Achievements

1. Held at least one meeting every quarter in accordance with laws and regulations. Please refer to the Company's 2021 Annual Report of the Shareholders' Meeting for the Audit Committee's meeting minutes and resolutions adopted.
2. Passed the matters under Article 14-5 of the Securities and Exchange Act without objection as proposed and submitted them to the Board of Directors for resolution.
3. Discussed and resolved the financial statements audited or reviewed by the CPAs and arranged for the CPAs to communicate with the independent directors at least once a year.
4. Discussed and amended the Company's important regulations.

Remuneration Committee 102-22

Materiality

To reinforce corporate governance and improve the remuneration system for the Company's directors and managers, more than half of the committee members are independent directors. The committee assists the Board of Directors in implementing and evaluating the remuneration policies and systems for directors and managers. It holds meetings at least twice a year and may hold one when necessary to make recommendations to the Board of Directors as a reference in its decision-making.

It is responsible for formulating and reviewing the performance evaluation and remuneration policies, systems, standards, and structures and determining directors' and managers' individual remuneration.

Actions

It submits suggestions to the Board of Directors for discussion and regularly adjusts the salary and benefit standards as per the industry and market conditions and employees' needs.

In 2021, the 4th Remuneration Committee held five meetings, and the members' average attendance was 96%.

Achievements

1. Passed the 2020 year-end bonus proposal.
2. Passed the 2021 comprehensive salary adjustment proposal.
3. Passed the proposal for the corporate governance officer's remuneration.
4. Passed the amendment to the Remuneration Committee Charter of Taisun Enterprise Co., Ltd.
5. Passed the proposal for directors' total remuneration and percentage for payout for 2020.
6. Passed the proposal for the distribution of remuneration to directors and employee remuneration to managers for 2020.
7. Passed the 2021 year-end bonus proposal.



Internal Control and Audit

Materiality

To effectively control corporate risks and achieve sustainable development, the Company has established an internal control system and formulated the internal audit implementation rules to ensure reasonable achievement of the following goals: the effectiveness and efficiency of operations, the reliability of financial reporting, and the compliance with applicable laws and regulations.

Major Risk Under Control

1. Audit planning and execution
2. Internal control self-assessment
3. Education and training required by law

The Company's internal audit unit is directly under the Board of Directors. The appointment and dismissal of the chief auditor should be approved by the Audit Committee and approved by the Board of Directors. Each business unit implements internal control management, and the audit unit is responsible for continuously supervising and evaluating operations, assisting the Board of Directors and managers in checking, reviewing, and reinforcing the implementation of the Company's internal control system to reduce errors, prevent malpractice, and improve operational efficiency, thereby enhancing the Company's overall interests.

To assist the Board of Directors and managers in checking and reviewing the Company's internal control management status with appropriate improvement suggestions, competent and full-time personnel in the audit unit have completed the training hours as required by law and participated in the Company's internal education and training courses, regular meetings held by the Internal Audit Association of the Republic of China, and seminars held by competent authorities, to increase their professional knowledge and risk management awareness.

Actions

1. We planned 30 audits for the 2021 audit plan, which were approved by the Board of Directors, including the items required by laws and regulations and the audits planned after risk assessment. We filed a report on the implementation and followed up on improvements in the first half of the following year.
2. We performed the internal control self-assessment in February 2021 and issued the 2021 Statement of Internal Control System of Taisun Enterprise Co., Ltd. after it was approved by the Board of Directors.
3. The members of the Audit Office received a total of 24 hours of external education and training in 2021, and we filed a report on a list of auditors and the training hours as required by law.
4. We regularly reported internal audits and items audited to the Board of Directors and the Audit Committee.
5. If internal auditors identify violations or the Company may sustain severe damage, they should immediately submit a report to the supervisor.

Achievements

1. We reviewed the 2021 annual audit plan and implementation status, following up on improvement four times and auditing a total of 30 operations, while making seven suggestions for improvement to enhance internal control management.
2. We filed a report on a list of auditors and the training hours as required by law in 2021.

Non-financial Risk Control 102-11 201-2

Materiality

Identify key items to be controlled that contribute to sustainable management in the environmental, social, and governance aspects in addition to evaluating financial statements and key management issues that affect operations and future trends.

Actions

Environmental aspect

We offered carbon inventory education and training on September 16, to train the key skills of carbon inventory management and seek ways for improvement, thereby reducing environmental impact. We offered a total of three carbon inventory education and training sessions and provided five on-site coaching sessions.

Social aspect

- We regularly raise people's awareness of COVID-19 pandemic measures and surveyed personnel risks to prevent infections, avoid infections at production lines and the front lines, and provide rapid testing methods to high-risk personnel.
- We offered one training session to food safety talents to reinforce our food safety culture.
- We regularly reviewed food safety-related laws and regulations and internal management rules to avoid violations.

Governance aspect

- We reviewed the Procedures for Ethical Management and Guidelines for Conduct and the Procedures for Handling Material Inside Information and Managing Insider Trading Prevention. Our human resources management group, as the unit dedicated to ethical management and responsible for formulating and supervising the implementation of ethical management policies and prevention plans, discussed the effectiveness of the implementation with the Board of Directors once.
- To avoid violations of social responsibilities by counterparties, tarnishing the Company's reputation, we require all suppliers to sign the Integrity and Sustainable Management Commitment.

Achievements

1. Taisun (excluding our subsidiaries) takes 2020 as the first year of carbon inventory and the base year for management. With the data for 2020 and 2021 as the basic data before management, we plan to obtain ISO14064-1 certification. We have completed the foundation for carbon emissions calculation, which is conducive to confirming the carbon reduction targets.
2. In 2021, there were no confirmed COVID-19 cases reported by our employees.
3. We were fined once for the violation of the Act Governing Food Safety and Sanitation. This was caused when the host of a TV shopping show asked misleading questions, and it was related to food safety and manufacturing.
4. The number of reports and penalties related to ethical management was zero.
5. More than 90% of our suppliers and partners with close business dealings with Taisun have signed the Integrity and Sustainable Management Commitment.
6. We did not violate the relevant ESG clauses in lending agreements during lending business with banks in 2021.



GRI Standards Index

Appendix I: GRI Standards Index - Core Option

GRI	Disclosure		Corresponding Chapter/Description	Page
GRI 102 Organizational profile	102-1	Name of the organization	Company profile	6
	102-2	Activities, brands, products, and services	Company profile	6-7
	102-3	Location of headquarters	Company profile	6
	102-4	Location of operations	Company profile	6
	102-5	Ownership and legal form	Company profile	6
	102-6	Markets served	Company profile	6
	102-7	Scale of the organization	Company profile	6
	102-8	Information on employees and other workers	Company profile	8-9
	102-9	Supply chain	· Raw material procurement management · OEM management	58-59 60-61
	102-10	Significant changes to the organization and its supply chain	· Raw Material Procurement Management · OEM Management	58-59 60-61
	102-11	Precautionary Principle or approach	· Financial risk control · Non-financial risk control	79-80 86
	102-12	Precautionary Principle or approach	We did not participate in major external initiatives.	—
	102-13	Membership of associations	There is no material detail to be reported.	—
GRI 102 Strategy	102-14	Statement from senior decision-maker	· A message from the Chairman · A message from the President	16-17 18-19
GRI 102 Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	Training and commendation	43

GRI	Disclosure		Corresponding Chapter/Description	Page
GRI 102 Governance	102-18	Governance structure	Advanced corporate governance	81-82
GRI 102 Stakeholder engagement	102-40	List of stakeholder groups	Stakeholder identification process	10
	102-41	Collective bargaining agreements	There is no collective bargaining agreement in place yet.	—
	102-42	Identifying and selecting stakeholders	Stakeholder identification process	10
	102-43	Approach to stakeholder engagement	Stakeholder identification process	14-15
	102-44	Key topics and concerns raised	Stakeholder identification process	14-15
GRI 102 Reporting practice	102-45	Entities included in the consolidated financial statements	Reporting period and data boundaries	4
	102-46	Defining report content and topic Boundaries	Report writing and editorial principles	4
	102-47	List of material topics	Issue materiality management	11
	102-48	Restatements of information	Report writing and editorial principles	4
	102-49	Changes in reporting	Reporting period and data boundaries	4
	102-50	Reporting period	Reporting period and data boundaries	4
	102-51	Date of most recent report	Publication information	4
	102-52	Reporting cycle	Publication information	4
	102-53	Contact point for questions regarding the report	Publication information	5
	102-54	Claims of reporting in accordance with the GRI Standards	Report writing and editorial principles	4
	102-55	GRI content index	Report writing and editorial principles	4
	102-56	External assurance	Assurance	4

Topic-specific disclosures

GRI	Disclosure		Corresponding Chapter/Description	Page
GRI 201 Economic Performance (material issue)	103-1 103-2 103-3	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach	Operating and financial performance	74
	201-1	Direct economic value generated and distributed	Operating and financial performance	74-75
	201-2	Financial implications and other risks and opportunities due to climate change	Stabilization of domestic feed raw material prices	77
	201-3	Defined benefit plan obligations and other retirement plans	Harmonious labor-management relations: · Employee benefits and health promotion · Revitalization of the retirement system	35 36
	201-4	Financial assistance received from government	The Company did not receive government grants in 2021.	—
GRI 202 Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Salary system and equal promotion	41-42
	202-2	Proportion of senior management hired from the local community	· Employee structure · Local appointment	9 41
GRI 203 Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Capacity upgrade	76
	203-2	Significant indirect economic impacts	OEM management	60-61
GRI 204 Procurement Practices (material topic)	103-1 103-2 103-3	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach	· Procurement of raw materials in alignment with International standards · Raw Material procurement management	56 58
	204-1	Proportion of spending on local suppliers	· Procurement of Raw Materials in Alignment with International Standards · Raw Material Procurement Management	56 58
GRI 205 Anti-corruption	205-1	Operations assessed for risks related to corruption	Training on corporate strategy and culture development	43
	205-2	Communication and training about anti-corruption policies and procedures	Training on corporate strategy and culture development	43
	205-3	Confirmed incidents of corruption and actions taken	Training on corporate strategy and culture development	43
GRI 206 Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	The Company did not take any relevant actions.	—
GRI 207 Tax(2019)	207-1	Approach to tax	Honest taxpayer	80
	207-2	Tax governance, control, and risk management	Honest taxpayer	80
	207-3	Stakeholder engagement and management of concerns related to tax	Honest taxpayer	80
	207-4	Country-by-country reporting	Honest taxpayer	80
GRI 302 Energy	302-1	Energy consumption within the organization	Energy management	24-25
	302-4	Reduction of energy consumption	Energy management	24-25
	302-5	Reductions in energy requirements of products and services	Energy management	24-25
GRI 303 Water and Effluents (2018)	303-1	Interactions with water as a shared resource	Diversion and drainage control	29
	303-2	Management of water discharge-related impacts	Diversion and drainage control	29
	303-3	Water withdrawal	Diversion and drainage control	29
GRI 305 Emissions	305-1	Direct (Scope 1) GHG emissions	Carbon inventory	26
	305-5	Reduction of GHG emissions	Carbon inventory	26
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Other gas emissions	27-28

GRI	Disclosure		Corresponding Chapter/ Description	Page
GRI 306 Waste	306-2	Management of significant waste-related impacts	· Waste management diversion and drainage control · Diversion and drainage control	22-23 29
	306-3	Waste generated	No related matters to report	—
	306-4	Waste diverted from disposal	Waste management diversion and drainage control	22-23
GRI 307 Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Environmental compliance	30
GRI 401 Employment (material topic)	103-1 103-2 103-3	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach	Harmonious labor-management relations	34-36
	401-1	New employee hires and employee revenue	Balance between new and resigned employees	36-37
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee benefits and health promotion	35-37
	401-3	Parental leave	Carefree parental leave and reinstatement	35, 37
GRI 402 Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	The company did not publish forecasts for operational changes in 2021.	—
GRI 403 Occupational Health and Safety(2018)	403-1	Occupational health and safety management system	Occupational safety and health	38
	403-2	Hazard identification, risk assessment, and incident investigation	Occupational safety and health	38
	403-3	Occupational health services	Occupational safety and health	39
	403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational safety and health	38-39
	403-5	Worker training on occupational health and safety	Occupational safety and health	39
	403-6	Promotion of worker health	Occupational safety and health	39
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational safety and health	38-39
	403-8	Workers covered by an occupational health and safety management system	Occupational safety and health	38
	403-9	Work-related injuries	Occupational safety and health	38-40
	403-10	Work-related ill health	Occupational safety and health	38

GRI	Disclosure		Corresponding Chapter/Description	Page
GRI 404 Training and Education	404-1	Average hours of training per year per employee	Training and commendation	43-44
	404-2	Programs for upgrading employee skills and transition assistance programs	Training and commendation	43-44
	404-3	Percentage of employees receiving regular performance and career development reviews	Training and commendation	44
GRI 405 Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	· Salary system and equal promotion · Diversity and equal employment	41
	405-2	Ratio of basic salary and remuneration of women to men	Competitive market presence: management results	42
GRI 406 Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	There were no such incidents in 2021.	—
GRI 407 Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	The Company did not receive any applications for collective bargaining or association in 2021.	—
GRI 408 Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	The Company prohibits child labor.	—
GRI 409 Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	There were no compulsory labor incidents in the Company, and the Company handles everything in accordance with the law.	—
GRI 411 Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	There were no relevant labor incidents in 2021.	—
GRI 412 Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	Diverse communication channels and human rights protection	41
	412-2	Diverse communication channels and human rights protection	Diverse communication channels and human rights protection	34
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Diverse communication channels and human rights protection	34
GRI 413 Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Actions for symbiosis and common Good	45-47
	413-2	Operations with significant actual and potential negative impacts on local communities	Actions for symbiosis and common Good	45-47

GRI	Disclosure		Corresponding Chapter/ Description	Page
GRI 416 Customer Health and Safety (material topic)	103-1 103-2 103-3	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach	All topics in the chapter on customer safety and health	50-70
	416-1	Assessment of the health and safety impacts of product and service categories	All topics in the chapter on customer safety and health	50-70
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	· Compliance with food safety · Product labeling management · Product marketing management	53-54 62 63
GRI 417 Marketing and Labeling	417-1	Requirements for product and service information and labeling	· Product labeling management · Product marketing managementt	62 63
	417-2	Incidents of non-compliance concerning product and service information and labeling	· Product labeling management · Product marketing managementt	62 63
	417-3	Incidents of non-compliance concerning marketing communications	· Product labeling management · Product marketing managementt	62 63
GRI 418 Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no such complaints.	—
GRI 419 Socioeconomic Compliance (material topic)	103-1 103-2 103-3	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach	· Compliance with food safety regulations · Non-financial risk control	53-54 86
	419-1	Non-compliance with laws and regulations in the social and economic area	· Compliance with food safety regulations · Non-financial risk control	53-54 86

Voluntary Disclosures (including the GRI G4 Food Processing Sector Disclosures)

Disclosure		Corresponding Chapter/ Description	Page
102-15	Key impacts, risks, and opportunities	Financial risk control Internal control and audit Non-financial risk control	78-79 85 86
102-22	Composition of the highest governance body and its committees	Board of Directors Audit Committee Remuneration Committee Audit Committee	81-82 83 84
102-24	Nominating and selecting the highest governance body	Board of Directors	81
102-25	Conflicts of interest	Board of Directors	81-82
102-26	Role of highest governance body in setting purpose, values, and strategy	Board of Directors	81
102-28	Evaluating the highest governance body's performance	Board of Directors	82
102-29	Identifying and managing economic, environmental, and social impacts	Non-financial risk control	86
102-31	Review of economic, environmental, and social topics	Non-financial risk control	86
FP1	Percentage of purchased volume from suppliers compliant with company's sourcing policy	Procurement of raw materials in alignment with international standards	56
FP2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard	Procurement of raw materials in alignment with international standards	56
FP3	Percentage of working time lost due to industrial disputes, strikes and/or lock-outs, by country	There were no such situations in 2021.	--
FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	· Focus on customer safety and health: management results · OEM management	52 61

SDGs Index

Appendix II: United Nations Sustainable Development Goals Table

SDGs	Indicator/Direction	Topic	GRI	Chapter/ Description	Page
2 ZERO HUNGER	2.1 By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round. 2.2 By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.	- R&D of safe, delicious, and healthy products - Maximize the values of products and make donations to communities around the world	416 413	• Focus on customer safety and health • Actions for symbiosis and common good	50-52 45-47
3 GOOD HEALTH AND WELL-BEING	3.6 By 2030, halve the number of global deaths and injuries from road traffic accidents.	Occupational safety and health care	403	• There was no similar content reported in 2021.	--
	3.9 By 2030 substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination.	Waste management	301 306	• Waste management	24-25
4 QUALITY EDUCATION	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	Train young management trainee for sustainable development	404	• There was no similar content reported in 2021.	--
5 GENDER EQUALITY	5.1 End all forms of discrimination against all women and girls everywhere.	Guarantee equal pay for equal work	405 412	• Diversity and equal employment	41
	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	Guarantee equal pay for equal work	405 412	• Competitive market presence	41-42
6 CLEAN WATER AND SANITATION	6.3 2By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.	- Waste management - Wastewater management	301 303 306	• Waste management • Diversion and drainage control	24-25 29

SDGs	Indicator/Direction	Topic	GRI	Chapter/ Description	Page
7 AFFORDABLE AND CLEAN ENERGY	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix. 7.3 By 2030, double the global rate of improvement in energy efficiency. • By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology. • By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular the least developed countries, small island developing states and landlocked developing countries, in accordance with their respective programmes of support.	- Make the most of energy in production capacity - Assess clean energy investment and development - Cleaner Energy Investment Development Assessment	302	• There was no similar content reported in 2021.	--
8 DECENT WORK AND ECONOMIC GROWTH	8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.	Committed to stabilizing operating results and controlling financial and non-financial risks	201	• Operating and financial performance • Productivity improvement • Stabilization of domestic feed raw material prices • Financial risk control • Non-financial risk control	74-75 76 77 78 86
	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Guarantee equal pay for equal work	405 412	• Diversity and equal employment • Prohibits child labor and forced labor.	41
	8.7 Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms.	Guarantee equal pay for equal work	405 412	• Diversity and equal employment • Prohibits child labor and forced labor.	41
	8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	Guarantee equal pay for equal work	405 412	• Diversity and equal employment • Diverse communication channels and human rights protection	34 41

SDGs	Indicator/Direction	Topic	GRI	Chapter/ Description	Page
	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.	Assess the investment in renewable energy for production lines step by step	302	Productivity improvement We are still improving energy issues.	76
	10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	Guarantee equal pay for equal work	405 412	Diversity and equal employment	41
	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.	- Waste management and control - Wastewater management - Air emissions control	301 303 305 306	• Waste management • Carbon inventory • Other Gas emissions	22-23 26 27-28
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.	Waste recycling	306	Waste management	22-23
	14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.	Waste recycling	306	There was no similar content reported in 2021.	–
	16.5 Substantially reduce corruption and bribery in all their forms. 16.6 Develop effective, accountable and transparent institutions at all levels. 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels.	Control corruption that may occur in the system, or decision-making issues, and provide a fair grievance mechanism.	205 405	Training on corporate strategy and culture development	43

Assurance

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Independent Limited Assurance Report

To Taisun Enterprise Co., Ltd.:

We were engaged by Taisun Enterprise Co., Ltd. ("Taisun") to provide limited assurance over the selected information attached as Appendix I ("the Underlying Subject Matter") on the 2021 Sustainability Report of Taisun ("the Report") for the year ended December 31, 2021.

Reporting Criteria of the Underlying Subject Matter

Taisun shall prepare the Underlying Subject Matter in accordance with reporting criteria required by the Subparagraph 1, Paragraph 1, Article 4 of Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies ("the Regulation") as set forth in Appendix I.

Management's Responsibility for the Report

Taisun is responsible for determining its objectives with respect to sustainable development performance and reporting, including the identification of stakeholders and material aspects, and using the reporting criteria to fairly prepare and present the Underlying Subject Matter. Taisun is also responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Underlying Subject Matter that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We performed our work in accordance with the Standard on Assurance Engagements No. 1 – "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation and to issue a limited assurance conclusion on whether the Underlying Subject Matter is free from material misstatement. Also, we have considered appropriate limited assurance procedures according to the understanding of relevant internal controls in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the internal control over the design or implementation of the Report.

Independence, Professional Standards and Quality Control

We have complied with the independence and other ethical requirements of the Code of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In addition, we applied Statements of Auditing Standard No. 46 – "Quality Control for Public Accounting Firms" in the Republic of China. Accordingly, we maintained a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements and professional standards as well as applicable legal and regulatory requirements.

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Summary of Work Performed

As stated in reporting criteria of the Underlying Subject Matter paragraph, our main work on the selected information included:

- Reading the Report of Taisun;
- Inquiries with responsible management level and non-management level personnel to understand the operational processes and information systems used to collect and process the Underlying Subject Matter.
- On the basis of the understanding obtained mentioned above, perform analytical procedures on the Underlying Subject Matter and if necessary, inspect related documents to gather sufficient and appropriate evidence in a limited assurance engagement.

The work described above based on professional judgment and consideration of the level of assurance and our assessment of the risk of material misstatement of the Underlying Subject Matter, whether due to fraud or error. We believe that the work performed and evidence we have obtained are sufficient and appropriate to provide a basis of our conclusion. However, the work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.

Inherent limitations

The Report for the year ended December 31, 2021 includes the disclosures of non-financial information that involved significant judgments, assumptions and interpretations by the management of Taisun. Therefore, the different stakeholders may have different interpretations of such information.

Conclusion

Based on the work we have performed and the evidence we have obtained, as described above, nothing has come to our attention that causes us to believe that the Underlying Subject Matter has not been properly prepared, in all material aspects, in accordance with the reporting criteria.

Other Matters

The management of Taisun is responsible for the maintenance of its website where includes the Limited Assurance Report, we shall not be responsible for any further changes on the Underlying Subject Matter or its applicable reporting criteria, nor be responsible for reconducting any assurance work after the issuance date of the Limited Assurance Report.

KPMG

Taipei, Taiwan (Republic of China)
June 15, 2022

Notes to reader

The limited assurance report and the accompanying selected information are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language limited assurance report and the selected information, the Chinese version shall prevail.

Appendix I： Summary of the Selected Information

No.	Corresponding Section	Reference Page	Selected Information	Reporting Criteria	The Regulation
1	Customer Safety and Health • Laboratory Testing Ability	65	There are 35 quality assurance team members in Taisun who are responsible for the quality assurance system; 83% of the quality assurance personnel have backgrounds in food science and 100% affect all products of each production line. To ensure food safety and quality, we continue to arrange for personnel to participate in external training courses to improve professional competencies and obtain professional certificates.	■ The evaluation and improvement regarding the company's personnel, to improve food sanitation, safety and quality, as well as the significant product categories and the percentage affected.	Items 1, Subparagraph 1, Paragraph 1, Article 4
	Customer Safety and Health • Laboratory Testing Ability	66、68	·The information on internal food safety training in 2021 is as follows: 1.Introduction to HACCP: 269 visits 2.SQF&FSSC System Introduction: 277 visits 3.Chemical Safety Education and Training: 135 visits 4.Food Defense: 257 visits 5. Food Laws and Regulations: 74 visits 6. Food Law Education and Training: 30 visits 7. Cleanliness and Sanitation & GHP: 264 visits 8. Allergen Education and Training: 277 visits ·We had 20 people participating in external training and raised 1,583 people's awareness of internal quality management, which affected 100% of all products of each production line.		
	Customer Safety and Health • Laboratory Testing Ability	65	·Number of people with testing and analysis licenses in 2021: 1. ISO/IEC 17025 laboratory accreditation training: 10 2. Can seaming quality control training: 21 3. Complete quality control training for can seaming: 10 4. ISO9001 calibration management training: 4 5. Edible oil quality analysis and testing training: 2 6. Evaluation personnel selection and sensory evaluation training: 32 7. Food health test training: 2 8. Rapid microbiological testing training: 2 9. Packaged water and drinking water quality test training: 1 10. Product environmental test and reliability accelerated life test training: 1 11. Measurement instrument calibration practice and management training: 2 12. Instrument calibration and quality management workshop: 5 13. Food health testing practice seminar: 2 14. Equipment smearing, settle plate count, and total plate count testing practice and training: 2 15. Microbial culture activation and preservation training: 1 16. Food microorganisms Enterobacter testing method training: 2		

No.	Corresponding Section	Reference Page	Selected Information	Reporting Criteria	The Regulation
			・Number of people with process control licenses in 2021: 1.Food protection and bioterrorism attack prevention training: 3 2.Basic food protection training: 1 3.Food allergen training course: 5 4.Can seaming technology: 5 5.Better Process Control School Training (BPCS): 1 6.HACCP food safety control system training: 18 7.Can sterilization technology management training: 12 8.Aseptic processing and packaging technology management: 4 9.Aseptic sterilization and packaging equipment operation: 5 10.Food safety management system training - food fraud prevention training: 2 11.US Food Safety Plan (FSP) critical technology practice training: 2 12.Equipment cleaning and disinfection practice training: 1 13.Food defense training: 2 14.PCQI food safety control measure qualified personnel training: 2 15.Cross-contamination prevention and control practice training: 1		
	Customer Safety and Health • Beidou Hog Farm - Quality Meat Supplier	69-70	・Improved the quality of drinking water for hogs and check the amount of Escherichia coli in drinking water, diarrhea of piglets, and the survival rate. ・Improved the ventilation quality of growing hogs and boar houses, tested the environment, and the survival rate of finishers (hog farm management weekly report), and observe the breeding rate of sows in the boar house. ・Upgraded the anti-pandemic measures of the hog farm, maintained the effectiveness of vaccines (constant temperature refrigerator in place), strengthen the disinfection effect of vehicles, and disinfect entire vehicles, including the chassis. Observed the survival rate in each stage (hog farm management weekly report) and ensure the effectiveness of waterfall-style disinfection at the door. ・Participated in the new TGAP (Taiwan Good Agriculture Practice) certification as required by the National Animal Industry Foundation. Scope of testing: Certification of the entire breeding process, vaccination and anti-pandemic stage, water quality test reports and water quality improvement actions (records of cleaning water towers), wastewater treatment facilities and testing records, tracking and tracing records, birthing and marking processes, pre-entry disinfection plan and personnel control,	■The evaluation and improvement regarding the company's work environment, hygiene management of facilities and quality control system to improve food sanitation, safety and quality, as well as the significant product and service categories and the percentage affected.	

No.	Corresponding Section	Reference Page	Selected Information	Reporting Criteria	The Regulation
			wastewater irrigation plan (5% this year), change of clothes and shoes on entry to/exit from the farm, biological control plan implementation, vaccine management confirmation, personnel training and management, establishment of isolation shelters for hogs at various stages, and feed control (animal feed formulation/dosing procedure). ・Participate in the verification of high-quality hogs by the National Animal Industry Foundation, checked the blood and feed on a quarterly basis, and confirmed that only medium and large hogs eat additive-free feeds (non-medicated feeds), and that no drug contamination was added in production management in the hog farm. ・Participated in the Changhua Healthy Meat Competition and ensured that the meats, with farm production management, formula and nutrition management, and Sulf-medicine-free production management, were qualified before entering the market in terms of blood test, quarantine, body shape, and meat quality. ・Participated in Carrefour's food transformation program; Shang Lee Food Co., Ltd. worked with strictly selected hog farms (including Beidou Hog Farm) to replace styrofoam packaging materials with alternative high-density vacuum packaging, effectively preventing blood leakage and enhancing sanitation, thereby prolonging meat freshness and reducing food waste. ・The preceding improvement actions affect 100% of all Beidou Hog Farm's products.		
2	Customer Safety and Health • Compliance with Food Safety Regulations	54	In 2021, the Company complied with the Act Governing Food Safety and Sanitation; Standards for Specification, Scope, Application and Limitation of Food Additives; Method for Testing Microorganisms in Foods; Food Businesses Shall Take Out Product Liability Insurance; Good Hygiene Practice (GHP); Sanitation Standard for Food Utensils, Containers and Packages; Standards for Pesticide Residue Limits in Foods; Sanitation Standard for Contaminants and Toxins in Food, and the Sanitation Standard for Microorganisms in Foods, and neither was reported for violations nor violated such laws and received fined as a result.	■The types and number of incidents of violation against the applicable food safety and sanitation laws	Items 2, Subparagraph 1, Paragraph 1, Article 4
	Customer Safety and Health • Product Labeling Management: Packaging Review	62	Reviewed product packaging labels: 1.Snack: 15 products 2.Beverage: 113 products 3.Oil: 83 products 4.Water: 95 products 5.Violation: 0 products	■The types and number of incidents of noncompliance with product and service information and labeling laws.	

No.	Corresponding Section	Reference Page	Selected Information	Reporting Criteria	The Regulation
	Customer Safety and Health • Product Marketing Management: Advertising Review	63	Reviewed advertisements: 1. Snack: 2 ads 2. Beverage: 5 ads 3. Oil: 5 ads 4. Violation: 1 ads		
	Customer Safety and Health • Product Marketing Management: Advertising Review	63	There was a advertising violation on a TV commerce channel: On February 6, 2021, Pin-Tai aired a food commercial about Taisun's Jenguyi set (48 cans) on Viva Shopping Channel 1. The Taipei City Government Department of Health found that the content did not conform to the regulations and involved violations of Article 28 of the Act Governing Food Safety and Sanitation, sending an official letter (reference: Bei-Shi-Wei-Shi-Yao No. 1103025644) dated April 22, 2021 and transferring the case to the Changhua County Public Health Bureau for processing. After investigation, it was confirmed that the content of the commercial involved exaggerated information, which was obviously misleading. On June 16, 2021, we received a letter of judgment from the Changhua County Public Health Bureau, with a fine of NT$100,000 imposed on Pin-Tai. Taking it as a lesson learned, before recording, the advertising content for TV shopping channels must be reviewed and approved by relevant departments, and repeatedly confirmed with the host at the broadcast meeting. Personnel will be assigned to supervise the delivery of content to avoid misunderstandings happening again.		
3	Customer Safety and Health • Procurement of Raw Materials in Alignment with International Standards	57	The United States and Brazil are well-known global soybean exporters. The quantity of soybeans purchased in 2021 that met the U.S. Soybean Sustainability Assurance Protocol accounted for 26.34% of the total (46.44% in 2020).	■The percentage of soybean purchased volume in accordance with U.S. Soybean Sustainability Assurance Protocol to total soybean purchased.	Items 3, Subparagraph 1, Paragraph 1, Article 4
4	Customer Safety and Health • Focus on Customer Safety and Health	52	Percentage of SQF certification for each product category: 1. Canned snacks: 100% 2. Snacks & beverages in the IP line: 100% 3. Bottled tea beverages: 73.23% 4. Oil products: 74.44% Note 1: Due to business considerations, OEM plants did not apply for such certifications for products.	■The percentage of the output of each product category that has obtained SQF certification to the total output	Items 4, Subparagraph 1, Paragraph 1, Article 4

No.	Corresponding Section	Reference Page	Selected Information	Reporting Criteria	The Regulation
			25%、Process control 30%、Finished goods control 20%		
	Customer Safety and Health • Raw Material Procurement Management	59	・The rate of suppliers obtained relevant certifications: 63% Get certified ・Suppliers' Certification: (Unit: Number of suppliers) 1.SQF: 6 2.FSSC22000: 54 3.ISO22000: 79 4.ISO9001: 47 5.HACCP: 54	■Based on「The qualified supplier evaluation, assessment and guidance to implement operational standards」set by Taisun ■The number of suppliers who have obtained international certification as a percentage of the total number of suppliers	
	Customer Safety and Health • Raw Material Procurement Management	59	・On-site evaluation 60 suppliers ・The achievement rate of on-site evaluations was 97.8% ・Accounting for 23% of the purchase amount of raw materials for 2021. ・Supplier evaluation results: 1. Level A (Score 90-100): Prioritized for inquiry and purchase: 14 suppliers 2. Level B (Score 80-89): Price inquiry, and purchase: 45 suppliers 3. Level C (Score 70-79): Encouraged to improve quality management standards: 1 supplier 4. Level D (Score 60-69): Reduce purchases and provide guidance about quality if needed: 0 supplier 5. Level E (Score <60): Eliminated: 0 supplier	■Based on「The qualified supplier evaluation, assessment and guidance to implement operational standards」set by Taisun ■The number of raw material suppliers who actually perform the evaluation as a percentage of the total number of raw material suppliers	

No.	Corresponding Section	Reference Page	Selected Information	Reporting Criteria	The Regulation
			25%、Process control 30%、Finished goods control 20%		
	Customer Safety and Health • Raw Material Procurement Management	59	・The rate of suppliers obtained relevant certifications: 63% Get certified ・Suppliers' Certification: (Unit: Number of suppliers) 1.SQF: 6 2.FSSC22000: 54 3.ISO22000: 79 4.ISO9001: 47 5.HACCP: 54	■Based on「The qualified supplier evaluation, assessment and guidance to implement operational standards」set by Taisun ■The number of suppliers who have obtained international certification as a percentage of the total number of suppliers	
	Customer Safety and Health • Raw Material Procurement Management	59	・On-site evaluation 60 suppliers ・The achievement rate of on-site evaluations was 97.8% ・Accounting for 23% of the purchase amount of raw materials for 2021. ・Supplier evaluation results: 1. Level A (Score 90-100): Prioritized for inquiry and purchase: 14 suppliers 2. Level B (Score 80-89): Price inquiry, and purchase: 45 suppliers 3. Level C (Score 70-79): Encouraged to improve quality management standards: 1 supplier 4. Level D (Score 60-69): Reduce purchases and provide guidance about quality if needed: 0 supplier 5. Level E (Score <60): Eliminated: 0 supplier	■Based on「The qualified supplier evaluation, assessment and guidance to implement operational standards」set by Taisun ■The number of raw material suppliers who actually perform the evaluation as a percentage of the total number of raw material suppliers	

No.	Corresponding Section	Reference Page	Selected Information	Reporting Criteria	The Regulation
	Customer Safety and Health • OEM Management	60-61	・We worked with 10 OEMs in 2021 (due to the addition of camellia seed oil, one more OEM was added in 2021), and 100% of our OEMs have obtained food safety certifications. We have continuously encouraged our foundries to obtain food safety and quality certification, and the 10 OEMs have obtained international certification as follows: 1. HACCP: 100% 2. ISO22000: 100% 3. FSSC22000: 30% ・The percentage of international certifications: 100% Get certified ・Draw up an evaluation plan every year and perform on-site audits at the OEMs, to evaluate six major aspects, namely organization and personnel, plant facilities and plant environment, machinery and equipment, health management, process management, and quality management. The evaluation results are listed as the basis for subsequent partnerships and graded management. ・On-site evaluation: 7 OEMs ・Accounting for 70% of the total OEMs. ・Evaluation results 1. Level A (85 points or higher): 2 OEMs 2. Level B (70 points (inclusive)-85 points): 5 OEMs 3. Level C (60 points (inclusive)-69 points): 0 OEM 4. Level D (59 points or lower): 0 OEM	■Based on「The OEM evaluation and guidance implementation standards」set by Taisun ■The number of OEMs that have obtained international certification as a percentage of the total number of suppliers ■The number of OEMs who actually perform the evaluation as a percentage of the total number of OEMs	
6	Customer Safety and Health • Product Tracking and Tracing	55	・We performed a total of 17 simulated recall tests in 2021, covering all product types (including OEM products commissioned by clients). -The recall rates of the 17 tests reached 100%, with tracing from raw materials to finished goods in 4 tests to ensure that production records could be accurately traced. ・As per government regulations, we ensure the traceability of product flows and sources of raw materials by uploading the information on each batch of products by oil manufacturers, tea beverage manufacturers, and soybean, oil, or tea importers onto the Tracebook electronic platform. -In 2021, we uploaded a total of 246 products in the manufacturing industry and 20 products in the import industry 100% to the Food and Drug Administration's Food Traceability System (https://ftracebook.fda.gov.tw/).	■Based on the「Product Identification and Traceability Management Operating Standard」set by Taisun ■The percentage of products uploaded to the Food and Drug Administration's Food Traceability System based on the「Food business shall establish traceability system of food products」set by Ministry of	Items 6, Subparagraph 1, Paragraph 1, Article 4

No.	Corresponding Section	Reference Page	Selected Information	Reporting Criteria	The Regulation
				Health and Welfare	
	Customer Safety and Health • Beidou Hog Farm - Quality Meat Supplier	70	Consumers' acceptance has increased: 44.6% of the pork produced by Beidou Hog Farm for Shang Lee Food Co., Ltd. was sent to Carrefour as strictly selected pork, and we were the pork supplier with 100% trackable and traceable production records.	■The percentage of pigs certified by Carrefour CQL to the total number of pigs sales	
7	Customer Safety and Health • Focus on Customer Safety and Health	51	· Ensured safety and quality and sample products and raw materials fare submitted for testing by third-party verification entities every year, including local health bureaus, the Food Industry Research and Development Institute, and third-party verification entities such as SGS or Intertek Testing Services Taiwan Ltd. We sent a total of 632 items for testing in 2021. We had water sources and water quality tested 18 times, passing all tests. To ensure the safety of oil and tea, we sent a total of 238 oil and 79 tea products for testing, passing all tests. We sent beverages for testing 33 times, bottled tea beverages 51 times, canned food 66 times, packaged drinking water 19 times, and snacks 21 times, passing all tests. · In addition to sampling products for testing, Taisun food and oil plants received a total of four mandatory audits by the government and entities commissioned by the government in 2021 for food safety management, passing all audits. To make continuous progress and continue to obtain food safety quality certification, Taisun received a total of 12 food safety quality audits from the third-party impartial entities in 2021. If an audit finds any deficiencies, Taisun can quickly make improvements and pass the audit.	■The percentage of qualified items of each product category to the total number of inspected items	Items 7, Subparagraph 1, Paragraph 1, Article 4
	Customer Safety and Health • Raw Material Procurement Management	59	· The quality assurance personnel inspect the incoming raw materials according to the specifications. If acceptance criteria are not met, the supplier will be notified and the material returned. The raw materials that have been accepted will be screened again during production to control quality. · Acceptance of raw materials: 1. Agricultural products -Qualifying rate of incoming materials: 99.4% - Qualifying rate of materials used: 99.0% 2. Carton -Qualifying rate of incoming materials: 99.2% -Qualifying rate of materials used: 100% 3. Packaging containers -Qualifying rate of incoming materials: 99.5% -Qualifying rate of materials used: 99.9% 4. Concentrated juice -Qualifying rate of incoming materials: 100%	■The percentage of the number of qualified items of incoming and used materials to the total number of inspected items	

No.	Corresponding Section	Reference Page	Selected Information	Reporting Criteria	The Regulation
			-Qualifying rate of materials used: 100% 5. Oils -Qualifying rate of incoming materials: 99.7% -Qualifying rate of materials used: 100% 6. Others -Qualifying rate of incoming materials: 99.9% -Qualifying rate of materials used: 99.8% 7. Average -Qualifying rate of incoming materials: 99.5% -Qualifying rate of materials used: 99.8%		
	Customer Safety and Health • Laboratory Testing Ability	64	· Taisun has set up three laboratories (food, microbiology, and oil products). All laboratory equipment is in compliance with the Establishment Standards of Construction and Equipment of a Food Factory announced by the Ministry of Health and Welfare. The laboratories play an influential role in the research and development and quality assurance stages. To enhance our product quality control ability and improve equipment, talents, and experimental capabilities, the Taisun laboratories were established as per CNS17025: 2018. We have also established the Taisun Enterprise Co., Ltd. Certification Laboratory Quality Management System, as a professional food and oil product testing laboratory, to safeguard food health, safety and quality. · Equipment calibration: In 2021, 80 outsourced calibrations were performed, and some equipment was internally calibrated by qualified trained personnel. In 2021, 204 calibrations were performed internally.	■Circumstances in which a food safety laboratory is set up according to the requirements of the「Act Governing Food Safety and Sanitation」or voluntarily	
	Customer Safety and Health • Laboratory Testing Ability	64、68	· Food and microbiology laboratory (snacks, beverages, and packaged water) 1. Physical testing: Pressure resistance and leak testing of PET bottles, high sugar content testing, soda CO2 gas volume measurement, can seaming testing, can vacuum leak testing, can vacuum measurement, carton sealing leak testing, carton bursting strength, cap torque, micro projection (maximum magnification 200 times), white rice freshness analysis, color lab value, moisture content (oven-drying method and infrared method), T% (transmittance), HOBO temperature monitoring, specific gravity, sugar content, viscosity, weight, environmental monitoring (including HOBO temperature and humidity monitoring), can thermal insulation testing, reliability test, water quality test (including effective residual chlorine, turbidity, conductivity, hardness, and salinity), and sensory evaluation 2. Chemical testing: pH value, total acidity titration, formazan	■Based on the「Company's quality plan」set by Taisun ■The percentage of qualifying items of each product category to the total number of inspected items	

No.	Corresponding Section	Reference Page	Selected Information	Reporting Criteria	The Regulation
			nitrogen, tea polyphenol testing, allergen testing, and pesticide residues (organophosphate and carbamate pesticides) 3. Microbiological testing: Microbiological testing (including total bacterial count, Escherichia coli, coliform group, Pseudomonas aeruginosa, fecal streptococci, Salmonella, molds/yeasts, microsporum canis, and Enterobacteriaceae). ATP fluorescent detection and environmental monitoring (RCS air sample testing) · Oil laboratory 1. Physical testing: Moisture, color, smoke point, absorbance value, container leakage testing, reliability testing, carton burst strength, viscosity weight, bottle cap leakage testing, sensory evaluation, low-temperature property testing, frying test, cooking test, rising melting point, deterioration testing, and UV spectrophotometry for olive oil grading 2. Chemical testing: Acid value, peroxide value, GC of fatty acid content (trans fat, saturated fatty acid, and unsaturated fatty acid), total polar compounds, erucic acid, and iodine value · For quality control, the qualifying rate of self-testing results was as follows: In 2021, the qualifying rate of product thermal insulation test and CCP&CQP monitoring qualified rate in Canned Snack Line, IP Line, PET Line and Oil Line all were 100%.		
	Customer Safety and Health • Laboratory Testing Ability	67	· Laboratory quality related Investment and Investment to revenue ratio: - In 2021, total investment in food safety laboratory: NT$25,104 thousand - In 2021, the percentage of revenue invested in the food safety laboratory: 0.74% · The percentage of revenue invested in the food safety laboratory = (accreditation cost + prevention cost + regular testing cost) / revenue of Production Department in Tianzhong * 100	■ Food safety laboratory related investment ■ The percentage of revenue invested in the food safety laboratory	

泰山

TAISUN Enterprise Co., Ltd.