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2022 ESG Sustainability Report



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Taisun Enterprise Co., Ltd.



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Report Writing and Editorial Principles

Reporting Enterprise 2-1 2-6

Taisun Enterprise Co., Ltd. (referred to as Taisun) is a publicly traded company (stock code 1218). The company is registered at No. 6, Xinggong Rd., Tianzhong Township, Changhua County. Its main factory is located in Tianzhong Township, Changhua County, and its Taipei head office is situated on the 10th floor, No. 99, Sec. 2, Changan East Road, Taipei City. Taisun's primary business is food processing and manufacturing, encompassing an oils and fats factory and a food factory. These facilities house seven food production lines, including tin cans for snacks, tin and aluminum cans, refrigerated gable top cartons, refrigerated PE bottles, PET bottles, household oils and fats, and business oils and fats. Additionally, Taisun operates an aquafeed plant to cater to aquaculture operators and a ranch in Beidou, specializing in pig farming. The main operational locations and service targets are primarily in the Taiwan region.

Taisun operates several major food-related companies. Pin-Tai Distribution Enterprise Co., Ltd. is primarily responsible for establishing sales channels in Taiwan, selling Taisun's product line, and supporting domestic and international food distribution and agency businesses. Innovative Logistics Co., Ltd. offers food distribution and logistics services within Taiwan. Taisun Ent. (Zhang Zhou) Foods Co. manufactures and sells its own products in Southern China, specializing in the production of Taisun Grass Jelly. Taisun also donated to establish the Taisun Cultural Foundation. This foundation annually provides resources to promote education on parent-child relationships within families and the harmonious development of teachers and students in schools. The aim is to contribute to the creation of a more prosperous society.

The company Central Union Oil Corp. is a joint venture established by three prominent domestic oilseeds companies, namely Taisun, Fwusow, and Formosa. However, it operates independently of the aforementioned three companies. In addition, Taisun reinvested in Taiwan FamilyMart Co., Ltd. Despite Taisun's appointment as a director in 2022, it will not intervene the company's operations. In 2022, none of the other companies, including Taiwan Nikomart Co., Ltd, Taisun Yuan, and Cayman, were involved in the manufacturing or sale of Taisun Foods.



Reporting Boundaries and Publication Information 2-2 2-3 2-4

The information presented in this report pertains to the period spanning from January 1 to December 31, 2022. To ensure the report's comprehensiveness, certain social aspects encompass both pre- and post-2022 periods. Notes contain pertinent figures and calculation formulas. All financial figures in this report are denominated in New Taiwan dollars (NTD) and are subject to disclosure only upon certification by a certified public accountant (CPA).

The timing and boundaries of the Company's financial statements and this report do not align. While the financial statements are consolidated, this report only presents "individual" information due to the lack of synchronization of ESG-related intelligence and management models of the subsidiaries. Hence, the financial and Task Force on Climate-related Financial Disclosures (TCFD) information in this report are presented solely as "individual" figures for Taisun Enterprise Co., Ltd. In addition to Taisun, other non-financial information includes the performance of subsidiaries Pin-Tai Distribution Enterprise Co., Ltd. and Taisun Culture Foundation. This report focuses on the operating activities in Taiwan for disclosure purposes.

This report covers food safety and environmental management at Taisun Tianzhong Food Plant, Taisun Tianzhong Oil Plant, Taisun Tianzhong Aquafeed Plant (Feed Plant), and Taisun Livestock Ranch (Beidou Ranch for short). The report focuses solely on consumer food products bearing the Taisun logo, excluding OEM products and feed products. There are no significant differences in the boundaries between this year's report and the report from the previous year, and no explanation is provided for any significant restatement of data in the previous report.

This report has been published annually since the CSR Report of 2014, which was released in December 2015. The most recent issue was published in June 2022. The CSR section of Taisun's official website contains the pertinent content from each issue, which is accessible for online reading and downloading. The unit responsible for publishing is as follows:

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Website: http://www.taisun.com.tw



Reporting Principles

This report is structured in accordance with the GRI Guidelines established by the Global Sustainability Standards Board (GSSB). As of the conclusion of 2022, the food industry standards have not yet been released. Therefore, the report only adheres to the GRI Universal Standards and Topic Standards, with reference to the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies issued on September 22, 2022, and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies issued by the Taiwan Stock Exchange Corporation on December 23 of the same year. The management results are reported based on the criteria, methods, and comparisons outlined in the Sustainability Accounting Standards Board's (SASB) standard for the Processed Foods indicator and the United Nations' Sustainable Development Goals (SDGs). Please refer to Appendix I: GRI Content Index Table, Appendix II: SASB Content Index Table, Appendix III: SDGs Content Index Table, and Appendix IV: Sustainability Disclosure Indicators - Food Industry and Food and Beverage Revenues Accounting for 50% or More of Their Total Operating Revenues for corresponding information.

Assurance 2-5

This report has been reviewed by Taisun's ESG Sustainability Committee and forwarded to KPMG Taiwan for limited assurance. KPMG will assess the information in this report and provide an opinion, as outlined in Appendix V, in accordance with the TWSAE3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information".



Sustainability Committee

Building sustainability and boldly facing challenges

In 2022, Taisun encountered various economic challenges, including the pandemic, high inflation in the domestic market, ongoing interest rate hikes, global supply chain issues, the international energy crisis resulting from the Russo-Ukrainian War, and soaring raw material prices. These challenges put the company's corporate governance to the test. However, through strong teamwork and effective operational management, Taisun was able to generate tens of billions of dollars in revenue, successfully overcoming the pressure.

The controversy surrounding the sale of Taiwan FamilyMart shares by Taisun's board of directors has resulted in a decline of two levels in Taisun's corporate governance evaluation score, which had previously been consistently strong, since December 2022. Following the management team update in June 2023, there will be a proactive effort to conduct a review and enhance corporate governance.

In addition to upholding our commitment to food safety, Taisun has actively collaborated with our key suppliers to fulfill our social and environmental responsibilities. We have signed a letter of commitment regarding ethical corporate management and sustainability, and have focused on developing healthier new products with reduced sugar and additives. Furthermore, we are pleased to announce the successful launch of four new products in 2022. On December 1st, Taisun commenced large-scale production of rPET (Bottle to Bottle recycling technology) bottle packaging for tea, and successfully exported it to the United States after the new year. Moving forward, we will enhance our efforts to address environmental concerns related to plastic bottle packaging materials intended for single-use, in accordance with domestic laws and regulations.

This year, Taisun began counseling and learning about TCFD climate-related financial information. Additionally, we initiated project evaluations for water recycling and reuse, solar energy construction at the Tianzhong plant, energy-saving and consumption reduction at the plant, and a waste liquid recycling program at theranch. The waste liquid recycling project has commenced at the Beidou Pig Ranch. Additionally, the food factory plans to convert its oil boiler to a cleaner gas boiler by 2023. The discussion will also cover the ten-year effectiveness of the biomass boiler and the disposal program. The water consumption fee for water resources has been implemented, and we are prioritizing the conservation action plan. We are actively addressing the equipment and technical challenges associated with the water recycling plan.

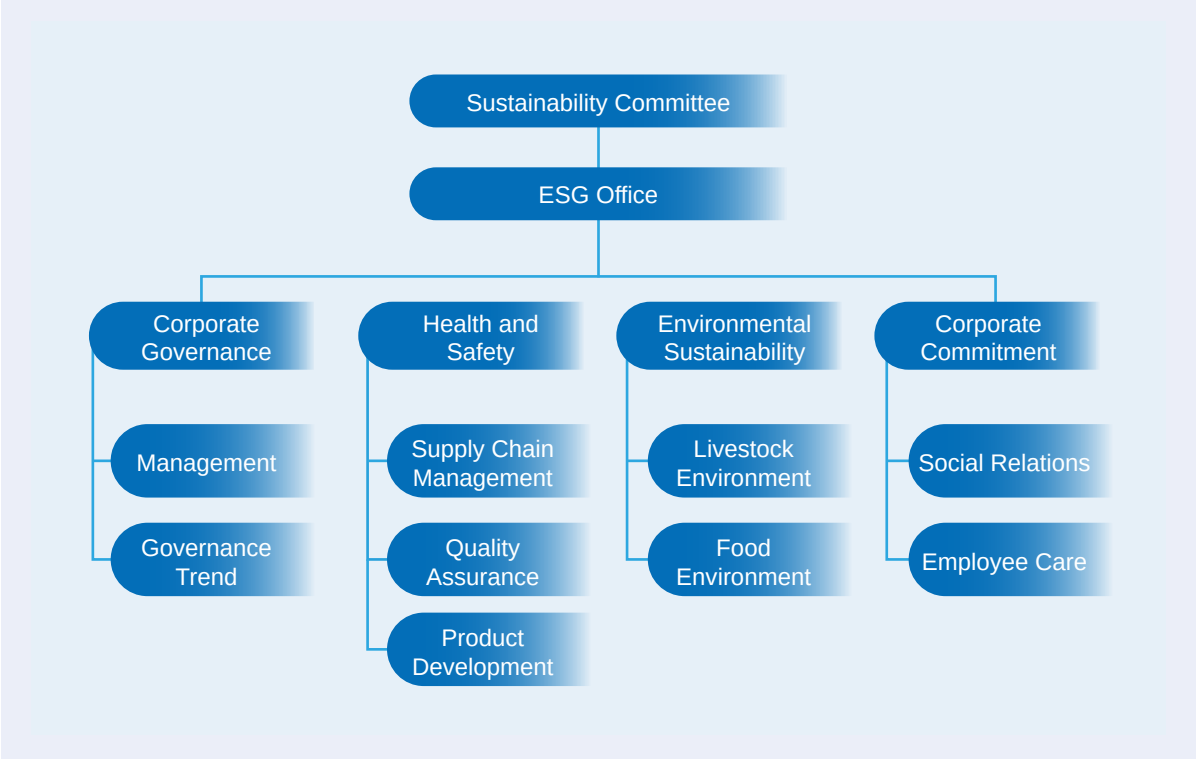
Taisun offers one of the highest salary and benefits packages in the domestic food industry. Despite the challenges posed by the pandemic, Taisun effectively navigated the operational test by implementing agile management strategies for employee healthcare and welfare. Furthermore, our dedication to fostering a thriving society is exemplified through our support of health initiatives, as evidenced by our sponsorship of prominent events like the Tianzhong Marathon. Taisun is committed to fostering a sustainable culture and addressing diverse challenges. Our focus extends beyond safeguarding public health and producing high-quality food. We aim to align with global management trends and collaborate towards the realization of a sustainable and prosperous Taisun.

Sustainability Committee



Organizational profile 2-13 2-14

On February 25, 2022, Taisun formally announced the establishment of the Sustainability Committee, which was reorganized from the previous CSR Committee. The Committee has established the ESG Office and implemented four teams focused on Corporate Governance, Health and Safety, Environmental Sustainability, and Corporate Commitments. All project collaborations and decision-making actions are reported to the board of directors and are under their management responsibility.



The Chairman serves as the leader of the Sustainability Committee, which includes the President, their immediate supervisors, a spokesperson, and is responsible for managing the objectives, accomplishments, commitments, and strategies related to sustainable management and social responsibility. The Chairman also ensures the fulfillment of long-term commitments with stakeholders, as well as the public disclosure of information and internal auditing.

The ESG Office is responsible for coordinating and implementing ESG strategic goals, plans, and actions. It holds regular meetings to support the Committee in ensuring timely fulfillment of all commitments. The office also gathers communication information from relevant stakeholders in each group and regularly discloses the results of its work.

The Office regularly convenes management meetings to report on the work of the four major teams: Corporate Governance, Health and Safety, Environmental Sustainability, and Corporate Commitment. These teams' work is then submitted to the Sustainability Committee for guidance. All implementation plans are agreed upon by the Committee members and subsequently put into action. In 2022, the Sustainability Committee convened two meetings and provided two reports on key actions to the Board of Directors. The ESG Office organized 16 meetings to track and refine progress, as well as conducted eight educational trainings and counseling sessions. These included two carbon management educational trainings, four on-site counseling sessions on carbon inventory, and two courses on TCFD+SASB.

ESG Commitments 2-22 2-23 2-24 416-1

ESG Strategy: Creating Corporate Trusted Value and Promoting Healthy and Better Lives

Working Group	Short-term strategic goals	Mid-term strategic goals	Long-term strategic goals
Corporate Governance	Top 10 in Corporate Governance Evaluation	Top 5 in Corporate Governance Evaluation	Top 3 in Corporate Governance Evaluation
Health and Safety	Development of health-conscious products (Low-sugar products with few additives) Zero violations of food safety regulations Improve supply chain management quality and resilience	Development of health-conscious products (High Fiber/Low Fat/Low Sugar Appeal) Professional food safety assurance	We will collaborate with the industry to establish a robust food safety culture and further enhance our ESG product portfolio.
Environmental Sustainability	Phasing out 50% of equipment over 20 years old Water conservation (2% reduction over 3 years) Reduced plastic and waste with the recycling rate reaching 95% Establishment of carbon management methodology and monitoring system	Phasing out 90% of equipment over 20 years old Year-on-year increased conservation of water resources Reduced plastic and waste with a 97% recycling rate Carbon management outperforming our peers in the industry	Establishment of environmentally friendly factories Becoming a Leader in Management
Corporate Commitment	1. Talent attraction and retention • Attract like-minded partners (Over 80% report rate for new recruits) • Improve talent retention (Year-on-year decrease in turnover rate) 2. Safe and healthy workplace • Promote of safety culture (0 major disasters) • Comprehensive health care (0 occupational diseases) 3. Promote a friendly environment with the power of food • Promoting the "Good Food Knowledge+" program	1. Best employee experience • Continuous improvement of employee satisfaction • Build a quality workplace and enhance employer branding 2. Safe and healthy workplace • Establish the ISO45001 system • Obtain certifications related to healthy workplace and happy enterprise 3. Promote a friendly environment with the power of food • "Good Food Knowledge+" network deployment across Taiwan • Build a healthy town	People-oriented Create a healthy life Establish a happy future together

The Corporate Governance Team offers insights on prevailing governance trends and government priorities to support the Sustainability Committee in enhancing its governance performance. The 2022 carbon management plan aligns with the Sustainable Development Roadmap issued by the Financial Supervisory Commission in January. On June 10 of the same year, we acquired ISO 14064-1 certification, acknowledging the carbon management outcomes in 2020 and 2021, and presenting the 2022 Corporate Governance Assessment Indicators for each department to bolster their management practices in line with the governance trend.

The Health and Safety Team places great importance on the company's influence on both the upstream and downstream supply chain, as well as the well-being of consumers. We are dedicated to staying current with advancements in raw materials, manufacturing processes, packaging, and finished products. Our goal is to safeguard the integrity of food safety management and foster innovation. In order to mitigate the adverse effects on our operations, we implemented flexible adjustments to freight rates and addressed raw material shortages in 2022, which were a result of the COVID-19 pandemic and the Russo-Ukrainian War . To prioritize the well-being and safety of our customers, we have introduced four new products that have obtained 100% quality and safety certifications. These products are specifically designed to reduce sugar content and minimize the use of additives. Environmental issues have been incorporated into the criteria for supplier evaluations, and a number of the suppliers being evaluated have completed and signed the Integrity and Sustainable Development Commitment. The signing rate for the Integrity and Sustainable Development Commitment has surpassed 89% among suppliers with transaction amounts of NT$100,000 or more in 2022. Going forward, all suppliers will be gradually included as signatories, beginning with the selection of new suppliers and the promotion of social and environmental responsibility.

In 2022, the Environmental Sustainability Team implemented various energy improvement initiatives at the factory. To achieve this, the Food Factory established an Energy Saving and Consumption Reduction Task Force. The task force's objective is to assess and replace outdated equipment with energy-efficient alternatives. In December, we successfully installed and tested new air compressors for the packaging line and the IP line. Additionally, we are currently evaluating the feasibility and benefits of implementing a cooling water recycling project for the Eight Treasure Line. However, due to considerations related to the production system, we are still in the process of discussing this project. In order to address the necessity of updating our outdated boilers, a dedicated Boiler Update Team has been established. This team is responsible for conducting assessments to determine the most suitable new boiler options, taking into account factors such as safety, environmental protection, and efficiency. The evaluation and negotiation processes were successfully concluded in 2022. Furthermore, Taisun has undertaken a green energy survey and established the Tianzhong Solar Energy Evaluation and Research Project. This project aims to provide recommendations regarding the optimal location and potential benefits of utilizing solar energy at the Tianzhong factory. We have identified a suitable pilot site and are currently engaged in discussions regarding the implementation plan.

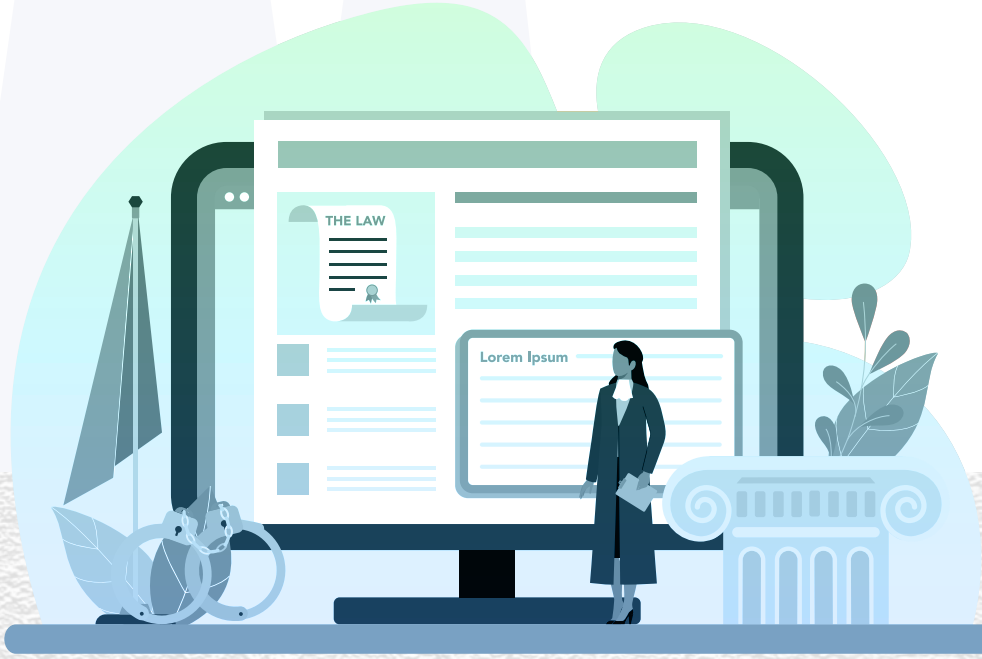
The Corporate Commitment Team is dedicated to fostering a people-oriented culture, implementing occupational safety management, supporting employee growth and career development, ensuring workplace safety, prohibiting forced labor, promoting gender equality, preventing workplace violence, and prohibiting any form of discrimination. Recruit all talents in a fair manner and strictly prohibit the use of child labor, in accordance with human rights principles. Ensure that no discrimination occurs based on race, color, sex, religion, politics, nationality, family origin, or physical or mental disabilities. In response to the COVID-19 impact in 2022, Taisun implemented measures to control personnel access and activated an alternate working mechanism. These actions were taken to ensure that Taisun would not be adversely affected by the pandemic and could continue to effectively manage production and sales activities. In addition to supporting the organization of health activities, the company also promoted the "Good Food Knowledge+" program, which aimed to enhance basic food knowledge in daily life in remote villages.

Communication and Grievance Channels 2-25 2-26

Stakeholders from all parties in Taisun can address their needs or safeguard public rights by utilizing the official website or Taisun fan page.

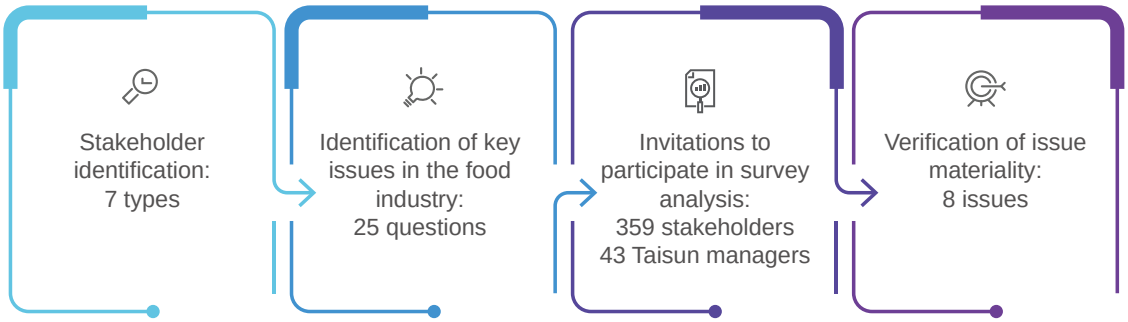
1	Various Taisun contact windows	https://www.taisun.com.tw/contact-staff
2	Complaint mailbox regarding business ethics	https://www.taisun.com.tw/ethics-mailbox/
3	Company mailbox	taisun1@taisun.com.tw
4	Employee complaint mailbox regarding business ethics	taisunhr1999@taisun.com.tw
5	Taisun Fanpage (Can communicate via private messaging)	https://www.facebook.com/TaisunGP/
6	Customer and consumer service hotline	0800-079-080

Taisun has implemented a standardized operating procedure for receiving and conducting reports and investigations. This procedure covers the acceptance of reports, the investigation process, the findings of the investigation, and the documentation of relevant records. The identity and information provided by whistleblowers are treated as confidential and kept securely. In 2022, there were no reported cases concerning labor rights violations. However, there were 368 customer complaints regarding product conditions. These complaints included 107 cases related to factors unrelated to production and 261 cases involving the investigation of anomalies. All of these cases were addressed appropriately, with a focus on improving our response to such issues.



Issue Materiality Management

1. Identification Process 2-29 3-1



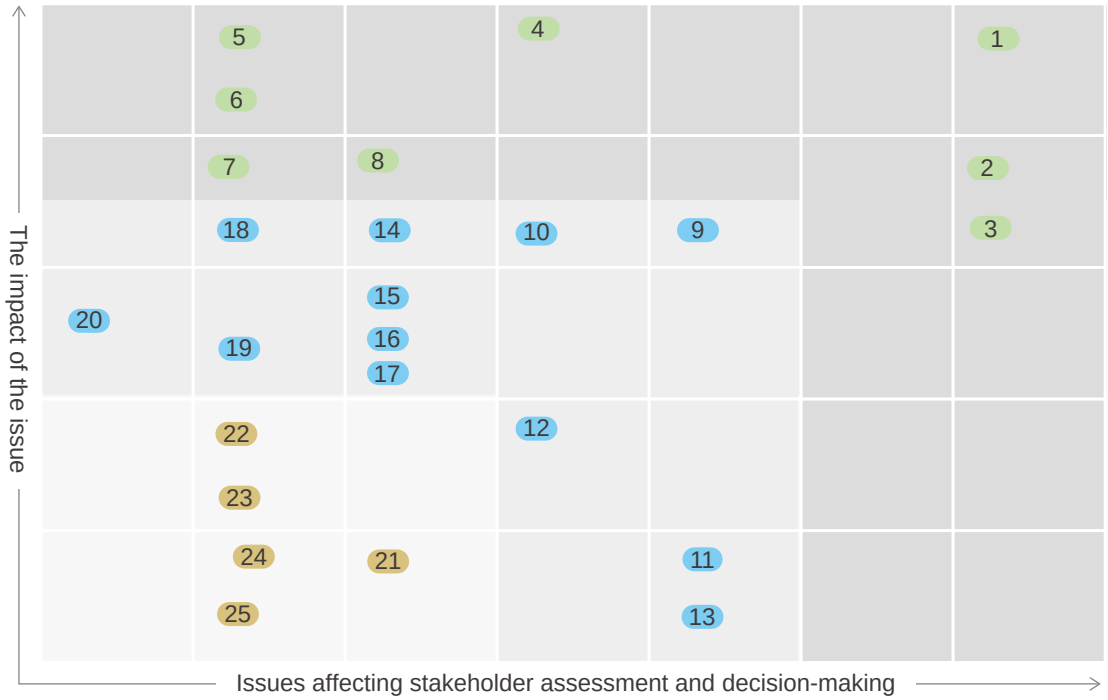
The ESG team has proposed and the Committee has approved the classification of Taisun's stakeholders. In 2022, there were no significant changes in identifying stakeholders who may be impacted by positive and negative factors such as economic benefits, product impacts, labor and human rights, legal relations, and environmental impacts. Taisun will maintain communication with the seven major groups and strive to maintain a balanced relationship. The main classifications are as follows:

A. Investment and loans: Shareholders and a syndicated bank facility
B. Sales and trading: Distributors, clients, and consumers
C. Operations management: Governance group/employees
D. Process and supply: Suppliers and OEM
E. Interaction with community: Residents around plants and charity or environmental protection groups
F. Compliance: Government agencies, evaluation entities, and experts and scholars
G. Public opinion: Media or reporters, advertising agencies, public relations agencies, and netizens

The annual report compilation identified 25 issues within the food industry, considering stakeholders' inclusiveness, responsiveness, impact, and sustainability. We engaged with stakeholders to analyze these issues and identified 8 material topics, which are the main focus of this report. Additional issues were reported voluntarily, taking into account the current state of the food industry.



2.Topic materialitylist 3-2



Material Issues of Concern

Ranked topics of high concern		Ranked topics of moderate concern		Ranked topics of low concern	
1	Tracking and tracing	9	Water management	21	International Procurement Standard
2	Customer safety and health	10	Procurement management	22	Employee diversity and equality
3	Waste management	11	Material recycling	23	Human rights protection
4	Compliance	12	Supplier management	24	Indirect investment
5	Financial performance	13	Carbon management	25	Community relations
6	Corporate governance	14	Harmonious labor-management relations		
7	Occupational safety	15	Integrity management		
8	Marketing and labeling	16	Energy management		
		17	Market presence		
		18	Customer privacy		
		19	Personnel training		
		20	Laboratory		

List of Major Impact Scope and Impact Issues

Scope of stake impact:

A. Investment lending B. Sales and trading C. Operations management D. Process and supply

Classific	Sorting	Issue	GRI Standards	SASB Standards	Subject of Impact	
Material Issues of Concern	1	Tracking and tracing	416	FB-PF-250a.4	BCDFG	
	2	Customer safety and health	416	FB-PF-250a.1	ABCDFG	
	3	Waste management	306		CEFG	
	4	Compliance	2-27		ABCDEFG	
	5	Financial performance	201		ABCDG	
	6	Corporate governance	2-9~2-21		ACFG	
	7	Occupational safety	403		CFG	
	8	Marketing and labeling	417	FB-PF-270a.1 ~FB-PF-270a.4	BCDEFG	

E. Community interactions F. Legal compliance G. Influence of public opinion

	Impact Description	Report Chapter(s)
	Ensuring product safety is of utmost importance. In the event of any abnormalities, it is crucial to promptly trace the product's flow and identify the root cause to halt the sale and distribution of the product.	Tracking and tracing
	The continuous development and promotion of Taisun's safe, reliable, delicious, and healthy products, as well as the maintenance of production quality, are essential for generating revenue and building consumer trust.	2-1 Customer Health and Safety
	Waste poses a significant burden on the environment. The Company actively promotes waste recycling mechanisms and supports research in this area. Our efforts are focused on reducing the volume of waste generated, and we consistently report and manage waste on a regular basis.	3-2 Reducing the Environmental Impact of Waste
	Compliance with the law is of utmost importance, and any deviations from this standard must be promptly reported. (From 2023 onwards, no survey will be conducted on the ranking of material issues.)	1-5 Legal Compliance 2.1.9 Mastering Updated Regulatory Standards
	The financial performance and growth of a company are of utmost importance as a social responsibility. This is crucial for stakeholders and the overall operation of the company.	1-4 Financial Performance
	The decisions made by the Board of Directors and the Functional Committee have a substantial impact on the Company's sustainable operation. Our objective is to achieve stable and sustainable growth.	1-1 Board of Directors and Ethical Corporate Management 1-2 Functional Committee and Internal Control System
	Creating a safe environment is crucial for fostering employee engagement and productivity, as well as maintaining a positive company image and retaining talented professionals in the long run.	4-1 Occupational Safety Hazard Prevention and Health Promotion
	Marketing and product labeling are the initial stages of engaging with consumers prior to making a sale. Accurately disclosing product information and ingredients is crucial in assisting consumers in selecting the appropriate products.	2.1.7 Product Labeling

Classific	Sorting	Issue	GRI Standards	SASB Standards	Subject of Impact	
	9	Water management	303	FB-PF-140a.1 ~FB-PF-140a.3	CEFG	
	10	Procurement management	204	FB-PF-430a.1 FB-PF-430a.2 FB-PF-440a.1 FB-PF-440a.2	BCD	
	11	Material recycling	301		CD	
	12	Supplier management	308/414 /416	FB-PF-250a.2	BCD	
	13	Carbon management	305		ACEF	
 **Topics of Moderate Concern**	14	Harmonious labor-management relations	401		CFG	
	15	Integrity management	205/206		ABCD	
	16	Energy management	302	FB-PF-130a.1	CEF	
	17	Market presence	202		CF	
	18	Customer privacy	418		BF	
	19	Personnel training	404		BCD	
	20	Laboratory	416		BCDFG	

	Impact Description	Report Chapter(s)
	Water is a crucial resource for the food industry. Ensuring the proper treatment of water resources is essential in maintaining a balance between food safety and production quality.	3-3 Water Management and Effluent Discharge
	Procurement evaluation, selection and establishment of formal contractual agreements, as well as the management of subsequent supplier relationships, are critical to the performance of production and logistics departments and have a significant impact on industry development.	2.1.2 Domestic Procurement Management
	The food industry is subject to stringent regulations regarding the use of recycled materials. However, there is still potential for further development and improvement of materials and packaging that are not utilized in production.	rPET is only exported as an OEM and is not reported due to domestic regulations.
	Taisun conducts rigorous evaluations of its raw material supply sources, consistently urging suppliers to obtain certifications related to food safety. Additionally, Taisun works to enhance suppliers' social responsibility in order to ensure stable product costs and quality, thereby fostering positive development in the food industry.	2.1.2 Domestic Procurement Management
	The international consensus on carbon emission management and charging system is gradually being established. The price-versus-volume scheme will have an impact on operating costs and actively contribute to the improvement of carbon emissions.	3-4 Energy Saving and Carbon Reduction Management
	Taisun offers various communication channels, prioritizes labor rights and welfare planning, and shares annual results to foster effective communication and harmonious relations throughout the organizational hierarchy, ensuring the smooth operation of production and sales.	4-2 Harmonious Labor-Management Relations
	Taisun has implemented a Procedure for Ethical Corporate Management, which is consistently communicated to employees in order to prevent any instances of unfair competition or corruption.	1.1.2 Business Objectives and Long-Term Vision 2.1.2 Domestic Procurement Management
	The effective utilization of energy is crucial for efficient production. Electricity and heat are essential components of production and can significantly impact its progress.	3-4 Energy Saving and Carbon Reduction Management
	Currently, there is a shortage of labor in the manufacturing industry. However, Taisun maintains its commitment to prioritize domestic and local workers, with foreign workers only being utilized to fill the production gap. Over 95% of our workforce consists of local employees.	4.3.1 Management Actions to Build Market Presence
	Customer information and business conditions are essential for cooperation, and it is crucial for Taisun to prioritize honest collaboration and secure management.	1-5 Legal Compliance
	Taisun offers employees an environment conducive to professional growth and personal development. This includes on-the-job education, skills training, and pre-retirement planning arrangements. We strive to create an optimal working environment for each individual, maximizing their professional value.	4.2.5 Excellent Retirement System 4.4.4 Implementation Results of Annual Training Courses 4.3.1 Management Actions to Build Market Presence
	Taisun operates three laboratories that are at the forefront of ensuring food safety and protecting public health.	2.1.1 New Health-Oriented Products 2.1.5 Laboratory Management

Overview of the Annual List of Topics of Concern

	Topics for 2022	Listing for 2021	With 2021 ✛ –	Impact assessment negative (positive ⊕ / negative ⊖)	E	S	G
1	Tracking and tracing	5	+4	⊕		✔	
2	Customer safety and health	2	--	⊕		✔	
3	Waste management	17	+14	⊕	✔		
4	Compliance	4	--	⊕	✔	✔	✔
5	Financial performance	1	-4	⊕			✔
6	Corporate Governance	6	--	⊖			✔
7	Occupational safety	9	+2	⊕		✔	
8	Marketing and labeling	12	+4	⊖		✔	
9	Water management	19	+10	⊕	✔		
10	Procurement management	8	-2	⊕		✔	✔
11	Material recycling	22	+11	⊖		✔	
12	Supplier management	11	-1	⊕		✔	
13	Carbon management	20	+7	⊕	✔		
14	Harmonious labor-management relations	7	-7	⊕		✔	
15	Integrity management	15	--	⊕		✔	✔

Topics for 2022		Listing for 2021	With 2021 ✛ –	Impact assessment negative (positive ⊕ / negative ⊖)	E	S	G
16	Energy management	25	+9	⊕	✔		
17	Market presence	10	-7	⊕		✔	✔
18	Customer privacy	13	-5	⊕			✔
19	Personnel training	14	-5	⊕		✔	
20	Laboratory	18	-2	⊖		✔	
21	International Procurement Standard	3	-18	⊕	✔	✔	
22	Employee diversity and equality	21	-1	⊕		✔	
23	Human rights protection	24	+1	⊕		✔	
24	Indirect investment	16	-8	⊖		✔	
25	Community relations	23	-2	⊕		✔	



List of Stakeholders' Issues of Concern

Types of Major Stakeholders	Major Stakeholders Meaning to the Company	Issues of Concern in 2022	
 **Investment lending** Shareholders Syndicated bank facility	The shareholders are the investors of the company, and it is crucial to fully protect their rights and interests. They should also have the authority to participate in and make decisions regarding significant events. The syndicated bank facility plays a crucial role in safeguarding the Company's financial operations, and it is imperative that both parties fulfill their obligations of good governance.	1. Waste management 2. Tracking and tracing 3. Customer safety and health 4. Financial performance 5. Corporate governance	
 **Sales & Trading** Distributor Customer Consumer	The Company can achieve stable revenue only through the long-term support of customers and consumers. To maintain customer confidence and high satisfaction, the Company should protect the brand value, provide quality and safe products, and plan after-sales services.	1. Customer safety and health 2. Tracking and tracing 3. Waste management	
 **Operations management** Governance Group Employees	Employees are an essential component of the company's operations, and the company is dedicated to creating a safe and diverse work environment that allows them to work without concerns.	1. Harmonious labor-management relations 2. Employee diversity and equality 3. Market presence 4. Financial performance	
 **Process and supply** Supplier OEM Factory	The Company should maintain positive long-term relationships with its suppliers to ensure a diverse production and supply, as well as a stable supply-demand balance. Additionally, the Company should leverage its influence in the industry to collaborate with suppliers in creating a more labor and socially friendly environment.	1. Supplier management 2. Procurement management 3. Waste management	

	Communication Method/Channel	Important matters communicated in 2022
	• Annual general meeting of shareholders • Announcement of material information on the day • Dedicated person for handling emails or messages from shareholders every day • Contact Person: Ms Hung, Finance Office, at 02-2506-4152 ext. 9205	1. The annual general meeting of shareholders took place on May 26th to address the proposal for distributing annual earnings from the previous year. The proposal was to distribute a cash dividend of NT$1 per share. 2. We participated in multiple interviews with financial institutions and institutional investors. 3. We have received an invitation to host an online investor conference on December 1st.
	• Occasionally visit various distributors • Occasional consumer market surveys • Daily customer service hotline • Online announcement of products and company information • Disclosure of product label information • Contact person for marketing activities: Tel: +886-2-4152 ext. 9236 Ms Lin from the Marketing Department Customer and consumer service hotline: 0800-079-080	1. Scheduling daily phone calls and in-person visits based on the specific business requirements of each channel. 2. We conducted 15 market surveys, gathering feedback from a total of 2,208 participants regarding our product. 3. The 0800 system received feedback from consumers, with a total of 368 cases processed. Out of these, 107 cases were unrelated to production. We investigated and addressed anomalies in 261 cases, and provided responses to customers.
	• Regular communication: Weekly departmental meeting, monthly managerial meeting, or monthly business meeting • Setup of employee complaint mailboxes • Irregular events or activities/satisfaction surveys • Contact point: Director Peng, Human Resources Management Group, at 02-2506-4152 ext. 9368	1. A total of 389 employees responded to the employee satisfaction survey (220 male, 169 female), with a total of 74.11% employees felt satisfied. 2. Opened the grievance channels for improvement, with 0 appeal cases. 3. Total employee compensation in 2022 was NT$267 million.
	• Regularly visit to evaluate suppliers. • Incoming inspection of the quality of raw materials one by one. • Irregular meetings to discuss product quality • Contact Person: +886-4-874-2211 ext. 315 Manager Huang from the Quality Assurance Department	1. The Procurement Department regularly contacts and visits suppliers to meet business needs. 2. In order to guarantee a consistent supply and high quality from our suppliers, we conducted an evaluation of 58 suppliers, which accounted for 31.02% of the total raw material purchase amount. The incoming inspection had a pass rate of 99.55%. Additionally, the raw materials that passed inspection were rechecked before production, resulting in a pass rate of 99.82% for materials used. 3. The percentage of suppliers who have achieved certification for their food safety quality management system is 56%. 4. Over 89% of suppliers with annual transaction amounts of NT$100,000 or more have signed the Integrity and Sustainable Corporate Management Commitment. Additionally, there have been no reported cases through the ethics mailbox system.

Types of Major Stakeholders	Major Stakeholders Meaning to the Company	Issues of Concern in 2022	
 **Community interactions** Factory Neighborhood Charity Groups Environmental Groups	The implementation of environmental control measures should aim to promote site-friendly behaviors in order to minimize the impact of the operation site on the community's quality of life and improve overall well-being.	1. Waste management 2. Water management 3. Customer safety and health	
 **Legal compliance** Governmental Unit Verification Unit Experts and Scholars	Government agencies monitor and verify compliance by companies with various regulations	1. Waste management 2. Customer safety and health 3. Tracking and tracing	
 **Influence of public opinion** Journalists Advertisers Publicists Netizens	The media and public opinion serve as valuable sources of advice and suggestions for the Company, enhancing its brand value and fostering ongoing improvement.	1. Customer safety and health 2. Waste management	

	Communication Method/Channel	Important matters communicated in 2022
	• Daily hotline to answer community's charity needs • Irregular sponsorship/improvement regarding charity needs • Irregular mobilization of volunteers to be dedicated to charity • Irregular participation in non-profit events or activities • Irregular reception of visitors for dialogues • Contact Person: +886-4-874-2211 ext. 564 Mr. Yen of the Public Relations Section	1. We supported 14 units with 23 activities and events. 2. We have sponsored over 3,600 product boxes for the Tianzhong marathon activities, benefiting more than 130 employees, including their families and friends. This initiative aims to foster positive relationships within the local community. 3. Factory visits were suspended during the pandemic. 4. No environmental complaint cases from the neighborhood during the year.
	• Irregular cooperation with government agency audits • Irregular participation in government agencies' policy or development meetings • Contact Person: +886-4-874-2211 ext. 315 Manager Lin from the Quality Assurance Department	1. One factory violated the Air Pollution Control Act and was fined NT$510,000. 2. To ensure product safety and meet public expectations, a total of 637 products underwent inspection by a third-party verification unit. The results were a full 100% pass. 3. We successfully completed two mandatory audits conducted by both government agencies and government-appointed entities. 4. We successfully completed a total of 11 food safety and quality audits conducted by an impartial third-party entity, and we achieved passing scores in all audits.
	• 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 page • Contact Person: +886-2-2506-4152 ext. 9203 Ms. Liu of the Public Relations Section	1. We issued 17 media announcements, conducted two media conferences, and maintained periodic communication. There were a total of 2,794 exposures in news media by major outlets throughout the year. 2. We facilitated media relations during both the Lunar New Year and Mid-Autumn Festival, each occurring once. 3. The Taisun website is periodically updated with information about the company. A total of 214,829 individuals visited the website to learn about Taisun, with 93.45% of them being Taiwanese netizens who primarily viewed the product and activity pages. 4. The Facebook page has approximately 61,000 fans and 90 annual posts, reaching 30,582,437 people and 2,889,951 message interactions.



1 Corporate Governance

Stabilizing Governance Performance and Balancing the Interests of Different Parties

Material Topics: Operational and Financial Performance, Corporate Governance, and Legal Compliance

Taisun upholds the values of pragmatism, righteousness, empathy, and advancement in its daily operations. As we transition from a family business to corporate governance, we aim to strengthen our position in the industry, explore new opportunities, and create value. In the food industry, profitability often hinges on the slim margins of individual products. However, we remain committed to producing satisfying, reasonably priced, healthy, and delicious products while maintaining our conscience. We are grateful for the support and tolerance of all our stakeholders, and we strive to balance the rights and interests of all parties involved.



1.1 Board of Directors and Ethical Corporate Management

Material Topics

The Board of Directors is the highest governing body of the Company. On March 8, 2020, the Board of Directors made the decision to appoint a Corporate Governance Officer. This appointment aims to safeguard the interests of shareholders and enhance the effectiveness of the Board of Directors. Annual targets for corporate governance have been established and are routinely evaluated, yielding the following outcomes for 2022:

	Goals in 2022	Implementation Results in 2022
Enhancing the effectiveness of board operations	• The average attendance rate of the Board of Directors was more than 80%. • The attendance rate of Functional Committee members was more than 80%.	• The average attendance rate of the Board of Directors was more than 99%. • The attendance rate of the Audit Committee and Remuneration Committee was 100%.
Annual Training for Directors	• The annual continuing education target of all directors is 6 hours.	• All directors have completed their annual continuing education target of more than 6 hours.
Annual continuing education target for the Corporate Governance Officer	• Annual continuing education of up to 12 hours.	• Accumulated training of up to 21 hours in 2022.
Improve corporate governance evaluation results	• Raise the Corporate Governance Score at least 21%-35% (Level 3) on a yearly basis	• The disposal of Taiwan FamilyMart Co., Ltd.'s shares by the Board of Directors in December has caused controversy and has been highly valued by the competent authorities. As a result, the internal evaluation for the current term is rated at 51%-65% (fifth). The ongoing controversy surrounding this incident will have an impact on the corporate governance performance in 2023.

1.1.1 Selection, Structure, and Term of Office of Board Members

2-9 2-10 2-11 2-12 405-1

The Board of Directors serves as both the highest operational decision-making center and the highest governance body of the Company. To maintain clear lines of authority and responsibility within the organizational structure and ensure the independence of the Company's operations, the Chairman does not hold the position of General Manager concurrently. Furthermore, in accordance with the Company's Articles of Incorporation, a system of candidate nomination is implemented, allowing shareholders to elect Directors from a list of candidates for a three-year term. Re-election is permitted for a second consecutive term of office. The Board of Directors convenes at least quarterly, as stipulated by the Regulations Governing Procedure for Board of Directors Meetings of Public Companies. During these meetings, the Board reviews operational performance and discusses key strategies. Additionally, the Board has granted senior management the authority to establish a Sustainability Committee. This committee will oversee and address significant matters that impact stakeholders' rights and interests. The committee will provide regular reports to the Board on the progress of its initiatives. Its primary focus will be on managing the economic, environmental, and social aspects of our operations, ensuring transparency in our business and financial information.

Diversity Statistics/Year			2020		2021		2022	
			Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Directors	Gender	Male	8	88.89%	8	88.89%	7	87.50%
		Female	1	11.11%	1	11.11%	1	12.50%
	Age	Below 50 years old	3	33.33%	1	11.11%	1	12.50%
		50-60	6	66.67%	4	44.44%	6	75.00%
		Over 60 years old	0	0.00%	4	44.44%	1	12.50%
	Education	Graduate School	5	55.56%	3	33.33%	3	37.50%
		College/ University	4	44.44%	6	66.67%	5	62.50%
		Others	0	0.00%	0	0.00%	0	0.00%

Taisun has established a diverse Board of Directors comprising 5 directors and 3 independent directors, making a total of 8 seats (37.5% independent directors). Out of the total, there are 7 males, representing 87.5%, and 1 female, representing 12.5%. The Audit Committee consists of independent directors, with a female independent director acting as the convener of the committee.

Diversity Item / Director Name	Nationality	Gender	Age			Independent Director	Professional Background (Academic Background)	Diversity Item (Top 5 items)								
			41-50	51-60	61-70			Accounting	Legal Affairs	Environmental	Finances	Management	Leadership and Decision-making	Industry Knowledge	Crisis Management	International Market Observations
Fred Chan	Taiwan, Republic of China	Male		●			Master's degree from Utah State University, USA					●	●	●	●	●
Chan Yi-Hung	Taiwan, Republic of China	Male		●			Bachelor's degree from California State University, Fullerton					●	●	●	●	●
Chan Hao-Chun	Taiwan, Republic of China	Male	●				Bachelor's degree from the University of British Columbia					●	●	●	●	●
Liu Wei-Lung	Taiwan, Republic of China	Male		●			College of Law, National Taiwan University		●			●	●		●	●
Han Tai-Sheng	Taiwan, Republic of China	Male		●			Department of Physics				●	●	●		●	●
Chen Min-Hsun	Taiwan, Republic of China	Female		●		●	Claremont Graduate University, USA MBA, Drucker School of Management, Claremont Graduate University Bachelor's degree in Business Administration (Finance), University of Southern California, USA				●	●	●		●	●
Lee Ming-Hui	Taiwan, Republic of China	Male			●	●	Masters of Technology Management, Stevens Institute of Technology, USA				●	●	●		●	●
Tu Ying-Ta	Taiwan, Republic of China	Male		●		●	College of Law, National Taiwan University		●			●	●		●	●

To mitigate the risks faced by directors and key employees when exercising their rights and fulfilling their obligations, and to ensure the seamless functioning of the company, the Company annually procures "Directors, Supervisors and Key Employees Liability Insurance". Additionally, a "Standard Operating Procedure for Handling Requests from Directors" has been implemented to promptly address any comments made by the directors, thereby aiding the Board in optimizing its effectiveness.

1.1.2 Business Objectives and Long-Term Vision 2-23 2-24 2-27 205-2

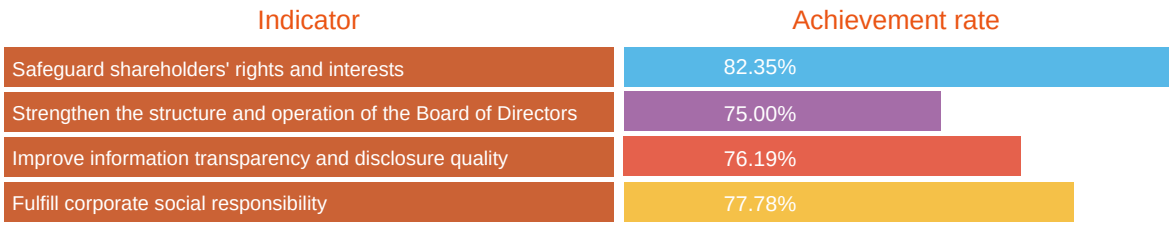
The Board of Directors has embraced the Corporate Governance Best Practice Principles, the Ethical Corporate Management Best Practice Principles, and the Sustainable Development Best Practice Principles. These principles have been put into practice by both the Board members and all employees. The Board of Directors is dedicated to conducting all business activities with utmost integrity and striving for optimal business performance. To ensure the continued progress towards mutual prosperity for both our company and society, we are dedicated to accomplishing the following objectives:

1. Safeguard shareholders' rights and interests and treat them equally
2. Strengthen the structure and operation of the Board of Directors
3. Increase information transparency
4. Promoting sustainable development and enhancing corporate sustainable value

Taisun places great emphasis on integrity management and corporate social responsibility, ensuring that its employees are educated on these principles and responsible work culture right from the start of their careers. In 2022, a comprehensive total of 1,533 sessions and 1,533 hours of internal and external education and training were conducted to promote awareness of integrity management issues. These sessions covered various topics, including Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, and Procedures for the Prevention of Insider Trading.

We also encourage our suppliers to sign the Integrity and Sustainable Corporate Management Commitment. This helps us establish a shared understanding with our suppliers and partners regarding integrity and sustainability. The commitment includes Taisun Enterprise Co., Ltd.'s Ethical Corporate Management Best Practice Principles, Procedures for Integrity Management and Guidelines for Conduct, Sustainable Development Best Practice Principles, and Declaration of Human Rights Protection.

Results of the 2022 Corporate Governance Evaluation Improvement Plan



1.1.3 Principle of directorial recusa 2-15

The directors of the Company adhere to Article 32 of the Corporate Governance Best Practice Principles. This article requires directors to provide an explanation of the significant details of their interests during Board of Directors' meetings when addressing matters involving conflicts of interest. When a director's relationship is likely to harm the Company's interests, they must refrain from participating in the discussion or voting on that proposal. The director should recuse themselves during the discussion and voting process and cannot act as a proxy for another director to exercise voting rights on that matter. In 2022, all six matters that necessitated the avoidance of conflicts of interest adhere to the regulations outlined in the rules of procedure and were duly disclosed in the Company's annual report.

1.1.4 Communication regarding material events 2-16

In compliance with Article 10 of the Procedures for Handling Material Inside Information, the Company is obligated to disclose material information accurately, completely, and promptly. Furthermore, the Company must disclose this information fairly and reasonably. There was one significant governance-related event in 2022. Taisun planned to sell its shares in Taiwan FamilyMart Co., Ltd., which is currently under dispute. This matter will be reported separately in 2023.

1.1.5 Continuing education for board members 2-17

To support board members in effectively fulfilling their responsibilities as directors, enhancing their professional skills and legal knowledge, and addressing domestic and international matters pertaining to corporate governance and sustainability. All members of the Company's Board of Directors have completed a minimum of 6 hours of relevant governance courses annually, as required by the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies". For further information, please see page 49 of this report.

1.1.6 Evaluation of directors' performance 2-18

To implement corporate governance and improve the effectiveness of the Board of Directors, as outlined in Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, the Company's Board of Directors has approved and developed the Rules for Performance Evaluation of Board of Directors. These rules will be used to conduct annual performance evaluations, its members, and the Functional Committees. The self-assessment conducted by Taisun's Board of Directors and Functional Committee members encompasses five key areas:

1. The extent of participation in the Company's operations.
2. Enhancement of the quality of board decisions.
3. Board composition and structure.
4. Election and Continuing Education of Directors.
5. Internal control.

Evaluation of directors' performance

The methodology for evaluating the performance of the Board of Directors, as well as the methodology and results of the annual self-assessment, are disclosed on the Company's website under the Investor Relations section and on the Market Observation Post System (MOPS). The Company's annual evaluation of the Board of Directors' performance will be published on the Company's website under the section titled "Performance Evaluation of the Board of Directors".

1.1.7 Operation of the Board of Directors in 2022

1. In 2022, we conducted a total of 8 meetings for the 22nd term of the Board of Directors, with an average director attendance rate of 99%. Please refer to pages 74-75 of the Company's 2022 Annual Report for the minutes and resolutions adopted during the Shareholders' Meeting.
2. Please refer to pages 24-25 of the Company's 2022 Annual Report of the Shareholders' Meeting for information on the board independence and diversity policy, as well as specific management goals and their implementation.
3. The independence of the CPAs is regularly assessed on an annual basis, and the assessment results were reported to the Board of Directors in the first quarter of 2023.
4. The Company has implemented internal operating procedures in line with the Corporate Governance Best Practice Principles to address shareholders' proposals, inquiries, disputes, and legal matters. In addition, the Company has set up an investor section on its website and an investor mailbox at taisunir@taisun.com.tw, where dedicated personnel are responsible for responding to comments from shareholders.
5. Shareholders' equity - earnings distribution is as follows:

Unit: NT$ thousand

Year	2020	2021	2022
Earnings after tax	851,078	591,827	591,495
Earnings per share	NT$1.75	NT$1.22	NT$12.17
Dividend per share	NT$1.4/share	NT$1.0/share	NT$0.56/share

1.2 Functional Committee and Internal Control System

1.2.1 Remuneration Committee

To enhance the Company's remuneration system for directors and managers, the Remuneration Committee Charter was established in 2011. Its purpose is to support the Board of Directors in implementing policies and systems for evaluating the remuneration of directors and managers. The Company's Remuneration Committee comprises solely independent directors and operates within the bounds of the law. It convenes a minimum of two meetings annually and may hold additional meetings as required to promptly provide recommendations to the Board of Directors for decision-making.

Remuneration Decision Process 2-19 2-20 2-21

According to the Company's Articles of Incorporation, if there is a profit for the year, more than 2% should be allocated for employees' remuneration and less than 5% for directors' remuneration. However, in the case of accumulated losses, the Company should reserve the compensation amount in advance. The targets for employee compensation, whether in the form of stock or cash, may include employees of controlled or subordinate companies who meet specific criteria. The manager's compensation includes a salary and bonus, determined by industry benchmarks, as well as factors such as title, rank, qualifications, professional competence, and responsibilities. Bonuses are based on the manager's involvement in the Company's operations and performance evaluation, which considers financial and non-financial indicators (such as leadership, integrity, compliance with laws and regulations), as well as special contributions and consideration of the Company's future risks. The performance evaluation and payout are reviewed by the Compensation Committee and presented to the Board of Directors for resolution. The specific remuneration for 2022 can be located in the Annual Report, specifically in the section titled "Remuneration paid to directors, supervisors, the General Manager, and Vice President during the most recent fiscal year". The distribution of employees' and directors' remuneration is approved through a special resolution by the Board of Directors and subsequently reported to the shareholders during the shareholders' meeting.

Key Management Items

1. Regularly adjust salary and benefit standards to align with industry market conditions and employee needs, and present proposed recommendations to the Board of Directors for discussion.
2. The responsibility of this department is to develop and assess the policies, systems, standards, and structures for performance evaluation and compensation. Additionally, it is responsible for determining the individual remuneration of directors and managers.
3. Establish and regularly review the performance evaluation policies and assessment metrics for the Board of Directors and the Functional Committees.

   (The company has not yet aligned its ESG objectives and performance with the personal remuneration of the Board of Directors and managers. Moving forward, the company will prioritize addressing this issue and implementing internal ESG management metrics as they develop.)

Operations in 2022:

1. In 2022, the 4th Remuneration Committee convened four meetings, with 100% of members attending on average.
2. At the conclusion of 2022, the Remuneration Committee undertook a self-assessment of performance, which yielded results surpassing the standard.
3. During the period, the following key proposals were passed:

(1) Appoint the convenor of the 5th Remuneration Committee.

(2) Remuneration proposal for the 22nd term of the Board of Directors (including regular directors, Chairman).

(3) The General Manager's compensation proposal.

(4) Passed the proposal for directors' total remuneration and percentage for payout for 2020.

(5) The proposal for the distribution of remuneration to directors and employee remuneration to managers for 2020 has been approved.

(6) The vice president's compensation proposal.

(7) Passed the 2022 year-end bonus proposal.

(8) The General Manager's compensation proposal

1.2.2 Audit Committee

The Audit Committee's purpose is to support the Board of Directors in overseeing the effectiveness of the internal control mechanism and ensuring the Company's internal controls are implemented in accordance with the Company Act, the Securities and Exchange Act, and other applicable laws and regulations. Additionally, the Committee carries out monitoring activities to help the management team improve operational efficiency. Since 2016, the Company has formed an Audit Committee consisting of independent directors. In compliance with the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, the Audit Committee has conducted a minimum of one meeting per quarter thus far. All significant proposals of the Company are presented to the Audit Committee for careful consideration as required by law. Subsequently, these proposals are submitted to the Board of Directors for final resolution based on the decisions made by the Audit Committee.

MAJOR MANAGEMENT ISSUES:

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. The Company's compliance with applicable laws and regulations
5. Management and control of the Company's existing or potential risks

OPERATIONS IN 2022:

1. The Audit Committee held a total of seven meetings in 2022, with 100% of members attending on average.
2. The minutes and resolutions of the Audit Committee meetings can be found on the Company's website, annual report, and Market Observation Post System.
3. The matters under Article 14-5 of the Securities and Exchange Act were passed without objection and subsequently submitted to the Board of Directors for resolution.
4. Discussed and resolved the audited or reviewed financial statements with the CPAs, and ensured that the CPAs communicate with the independent directors at least once a year.
5. Discussed and revised important Company regulations.
6. At the conclusion of 2022, the Remuneration Committee conducted a self-assessment of performance, yielding a result that was deemed "superior to the standard".

1.2.3 Internal Control System

In order to effectively manage corporate risks and promote sustainable development, the Company has implemented an internal control system and established rules for internal audits. These measures are designed to ensure the reasonable attainment of the following objectives: the effectiveness and efficiency of operations, the reliability of financial reporting, and compliance with relevant laws and regulations.

The Company's internal audit unit operates directly under the authority of the Board of Directors. The appointment and dismissal of the chief auditor require approval from both the Audit Committee and the Board of Directors. Each business unit implements internal control management. The audit unit is responsible for continuously supervising and evaluating operations. They assist the Board of Directors and managers in checking, reviewing, and reinforcing the implementation of the Company's internal control system. This is done to reduce errors, prevent malpractices, and improve operational efficiency. Ultimately, these efforts enhance the Company's overall interests.

The audit is conducted in compliance with the Regulations Governing Establishment of Internal Control Systems by Public Companies. It encompasses all of Taisun's operational activities and aims to support the Board of Directors and managers in assessing and evaluating the Company's internal control management. The audit also provides relevant recommendations for improvement.

The competent and full-time personnel in the audit unit have fulfilled the mandatory training hours as required by law. They have also actively participated in the Company's internal education and training programs, regular meetings organized by the Internal Audit Association of the Republic of China, and seminars conducted by competent authorities. These activities aim to enhance their professional knowledge and raise awareness of risk management.

The audit unit primarily oversees various tasks, including audit planning and execution, internal control self-assessment, statutory education and training, and more. The internal audit process can be summarized as follows:



Management actions in 2022:

1. The audit plan, implementation status, and improvement tracking were completed four times. A total of 33 operations were investigated, all of which were approved by the Board of Directors. These operations included the items required by laws and regulations, as well as the audits planned after risk assessment. We filed a report on the implementation and followed up on improvements in the first half of the subsequent year. A total of 4 suggestions were made for improvement to enhance internal control management.
2. In February 2021, we conducted an internal control self-assessment and subsequently released the 2022 Statement of Internal Control System for Taisun Enterprise Co., Ltd. following approval from the Board of Directors.
3. The members of the Audit Office have received a total of 24 hours of external education and training in 2022, and we filed a report on a list of auditors and the training hours as required by law.
4. We regularly report internal audits matters to the senior management, 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.

1.3 Business Operations and Employee Structure

1.3.1 Stabilizing Production and Sales in the Face of Environmental Challenges 2-6 FB-PF-000.A FB-PF-000.B Evidence X

Taisun is part of the food manufacturing industry, and the number of people infected with COVID-19 in Taiwan increased in 2022. Taisun has taken proactive measures to prevent the pandemic and flexibly adjusted the manpower in terms of work shifts to maintain its production capacity. The high cost of raw materials brought about by the war and the global situation has made it necessary to focus on the market situation and adjust the timing to make orders and raw material inventories. Despite the challenges, Taisun's various production lines are still able to operate steadily throughout the year (Dim Sum cans, PET bottles of beverages, refrigerated beverages, oil products, refrigerated Fresh Home, refrigerated PE), and a brand-new production line at Food Plant No. 3 (INA Line) was put into the production line in 2022, providing healthy, safe and tasty commodities to consumers in Taiwan.

Taisun's production projects for each production line are not materially different from those in 2021. Canned snack products sold domestically include Taisun Grass Jelly, the "Healthy Dessert" series, Taisun Peanuts Soup, Taisun Red Beans Soup with Black Glutinous Rice Soup, Taisun Pearl Barleys, Taisun Green Beans Soup with Coconut Jelly, and Taisun Milk Red Beans Soup. Among them, Taisun Grass Jelly, Taisun Mixed Congee, and Taisun Oatmeal with Chestnut have been sold overseas for many years. The PET Line focuses production on the "Bing Jeon" line of iced teas and Fresh Fruit Water. The IP PE Line focuses on the production of the "Nuts Effect" series of products. The refrigerated Fresh Home series include the "Taisun Grass Jelly," "Bing Jeon," "Big Straw," and "Cha Street" lines. The Oil Line manufactures domestic cooking oils, including Pure Canola Oil and Taisun Omega 369 Blended Oil. Additionally, we import premium oils in their original packaging, such as ChefOil, to offer consumers a diverse range of flavors. Furthermore, we produce 18 kg containers of industrial-grade cooking oils, specifically the Taisun Good Oil series, catering to the needs of the domestic food and beverage industry.

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 (1250 ml, 980 ml, and cartons), Taisun Pure Water, Twist Water, the "Cheers" series, Pure Water, Taisun Grass Jelly, Woo Tang, and Buff. Taisun also supported the industry in the production of various beverages, and maintained a mutually beneficial relationship with the industry.

In 2022, four new products were launched: the "Nuts Effect" series, consisting of Oatmeal Almond Milk, Taisun Oatmeal Milk with Peanuts, Taisun Japanese Unsweetened Green Tea, and "Taisun Tea" Honey Flavored Black Tea. These products were specifically developed to address public health concerns by reducing sugar content and minimizing the use of additives.

In 2022, Taisun had two factories, namely the Taisun Food Factory and the Taisun Oil Factory, along with ten OEM factories to support the production of Taisun-related products. The combined sales weight of all product types and OEM sales amounted to 396,217.15 tons. In addition to consumer products, the Taisun Aquafeed Plant and pig raising business of Beidou Ranch also encountered challenges due to the pandemic and the increasing prices of international raw materials. As a result, the costs of feeds and raising livestock have risen, leading to reduced profitability. However, the livestock-related business has a limited impact on Taisun's overall operation and does not significantly affect its performance. In 2022, two sites—Taisun Aquafeed Plant and Beidou Ranch—independently produced and marketed all livestock-related products. The combined sales volume of aquatic feed and pigs reached a total weight of 17,217.15 tons.

1.3.2 Personnel Composition Overview 2-7 2-8 2-30 405-1

As of the end of 2022, Taisun employed 700 individuals. This number is expected to grow annually as the enterprise develops, primarily through the addition of non-regular labor contract employees. In accordance with the Ministry of Health and Welfare's COVID-19 prevention policy, the introduction of Indonesian migrant workers was temporarily suspended at the end of December 2020 and resumed in 2022. Additionally, by converting interns and contract staff to full-time employment, the company is able to retain exceptional talent and ensure their continued service. Taisun's operations are currently stable, and its employees have not entered into any collective bargaining agreements with management. In the event of labor issues, Taisun takes a proactive communication approach to ensure a fair balance between employee rights and interests, while also addressing their needs.

Due to the nature of the manufacturing industry and the current job market, our workforce is predominantly male. However, we are actively working to address this imbalance by focusing on the employment and job security of our female employees. As a result, the number of women in our workforce has been steadily increasing each year, aiming to achieve a more balanced gender composition. The Employee Composition of Taisun over the Years table can be found below:

Statistics/Year		2020		2021		2022	
Total Number of Employees		663		676		700	
Employment Contracts		Non-permanent	Permanent	Non-permanent	Permanent	Non-permanent	Permanent
Gender	Male	361	43	374	39	376	46
	Female	242	17	252	11	267	11
Region	Taiwan	603	60	626	50	643	57
	Overseas	0	0	0	0	0	0
Type of Employment		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Gender	Male	382	22	391	22	398	24
	Female	255	4	258	5	273	5
Region	Taiwan	637	26	649	27	671	29
	Overseas	0	0	0	0	0	0

The number of non-employed workers in 2022 were mainly dispatch and contracted workers, mainly as operators and technical operators; overview table below:

Statistics/Year	2022			Difference
Total number of workers (Note 1)	47			
Type of work	Contractual relationship	Gender		First statistics in 2022
		Male	Female	
Boiler operations	Indirect	4	0	
Cleaning personnel	Indirect	0	2	
Production operations	Indirect	7	11	
Summer internships	Direct	16	7	

Note: 1. Based on the total number of workers at the end of the year (December 31), or the average if demand varies from month to month.

Note: 2. Classified by job category and contractual relationship: direct employment and indirect employment (dispatch, contracting, etc.)

The distribution of employee diversity is shown in the table below:

Diversity Statistics/Year				2020		2021		2022	
				Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Employees	Direct	Gender	Male	93	55.69%	99	56.25%	99	55.31%
			Female	74	44.31%	77	43.75%	80	44.69%
		Age	Below 30 years old	24	14.37%	27	15.34%	27	15.08%
			30-50	92	55.09%	99	56.25%	95	53.07%
			Over 50 years old	51	30.54%	50	28.41%	57	31.84%
		Education	Graduate School	1	0.60%	1	0.57%	1	0.56%
			College/ University	45	26.95%	50	28.41%	49	27.37%
			Others	121	72.46%	125	71.02%	129	72.07%
	Indirect	Gender	Male	268	61.47%	275	61.11%	277	59.70%
			Female	168	38.53%	175	38.89%	187	40.30%
		Age	Below 30 years old	55	12.62%	48	10.67%	45	9.70%
			30-50	237	54.36%	252	56.00%	267	57.54%
			Over 50 years old	144	33.03%	150	33.33%	152	32.76%
		Education	Graduate School	58	13.30%	60	13.33%	63	13.58%
			College/ University	283	64.91%	297	66.00%	308	66.38%
			Others	95	21.79%	93	20.67%	93	20.04%

1.3.3 Taisun's Major Milestones in 2022

- 2 / 14 | We officially became the licensed representative for the "Sunkist" brand from the US Subsequently, on April 1st, the new business venture for "Sunkist" brand juice was formally launched.
- 3 / 16 | Food Plant No. 3 (INA Line) was officially registered as a tobacco and alcohol manufacturer. We obtained the FSSC certification on March 21st, the Taiwan Food and Drug Administration's "Food Hygiene and Safety Management System Certification Audit" on May 18th, and the SQF certification on June 8th. On October 11th, we conducted the verification of the retort sterilizer and confirmed the tests for the Slim can and Sleek can. This marks a significant achievement in the thermal filling of aluminum cans with varying diameters.
- 5 / 12 | We entered into a cooperation contract with Matsu Distillery to serve as their sales agent for Matsu Kaoliang Liquor in China. In September, we officially unveiled our sales plan for the liquor market, and on December 1st, we commenced sales operations.
- 5 / 26 | The shareholders' meeting held on May 26th has approved the distribution of cash dividends amounting to NT$1 per share from the earnings of 2022.
- 6 / 10 | The Taisun Carbon Inventory Project (2020 to 2021) successfully obtained ISO14064-1 certification.
- 7 / 26 | Taiwan Good Agriculture Practice (TGAP) visited the Beidou Ranch on July 26th and granted certification on October 12th.
- 8 / 23 | On August 23rd, Taisun launched the "Good Food Knowledge+" program and partnered with WaCare to promote food knowledge and care for elderly individuals in remote villages. Utilizing an online platform, this initiative bridges the gap between urban and rural areas, and disseminates accurate food knowledge to elders in remote villages.
- 12 / 1 | Mass production of rPET products for export to the US commenced, marking a significant advancement in environmental conservation.
- 12 / 2 | the Board of Directors authorized the Chairman to sell up to 43,500 shares of Taiwan FamilyMart Co., Ltd. This decision aims to increase the value of our long-term equity investment, strengthen shareholders' equity, and improve our financial structure. On December 5, the Board of Directors successfully completed the sale of 43,300 shares in a single high-value transaction. Further details regarding this transaction will be provided in a separate report in 2023.

1.4 Financial Performance Material Topics

Material Topics

1.4.1 Profitability and Structure 201-1



Net income after tax
NT$5,918,495,000



Earnings per share
NT$12.17 per share



Employee remuneration
NT$267,000,000



Employee remuneration accounts for 39% of the annual remuneration ratio

Taisun's continuous efforts to improve product quality and business operations have resulted in steady revenue growth year after year. Net sales in 2022 amounted to NT$9,615,949,000, which was an increase of 11.52% from 2021. For related financial information, please refer to the Individual Financial Report of Taisun Enterprise on Market Observation Post System (MOPS).

Item/Parent company only financial report	2020	2021	2022
Operating revenue	7,140,795	8,622,713	9,615,949
Gross profit	1,157,324	1,015,577	882,066
Operating expenses	921,474	904,253	1,382,356
Net operating income (loss)	235,850	111,324	(500,290)
Non-operating income and expenses	664,282	516,800	6,706,533
Net income before tax	900,132	628,124	6,206,243
Income tax expenses	49,054	36,297	287,748
Net income after tax	851,078	591,827	5,918,495
Earnings per share	1.75	1.22	12.17
Net profit margin	11.92	6.86	61.55

✳ Proportion of major sources of revenue

Major category	Product	Proportion
Oil and soybean flour	• Taisun's imported selected soybeans, soybean flour, and other relevant products. • Taisun's full range of oil products (including general household oil and business oil).	65%
Food	• Taisun's full range of grass jelly products: Taisun Honey Herbal Jelly, Taisun Mesona Tea, and Taisun Grass Jelly. • Taisun's full range of canned snacks: Taisun Mixed Congee, Taisun Taiwan Peanuts Soup, Green Beans Soup with Coconut Jelly, and Healthy Dessert. • Taisun's full range of beverages and water products: Bing Jeon series, Cha Chi Chu, Taisun Pure Water, Twist Water, Taisun Cheers, and Salt Supply. (including in PET bottles and refrigerated gable top cartons)	29%
Feed	Aquatic feed, including for milkfish, nilotic fish, sweetfish, seaperch, and grouper.	5%
Others	Rental income and service income.	1%

Taisun Enterprise, based primarily in Taiwan, adheres to local tax laws and regulations in all our operations. We consistently file accurate tax returns to meet our obligations promptly and fulfill our social responsibilities.

1.4.2 Financial Risk Management Results

Sound and appropriate financial risk management is the cornerstone of a sustainable business. Taisun employs risk identification, risk response, and risk monitoring strategies to mitigate potential financial losses. This allows for prompt and effective reduction and control of risks associated with purchases, accounts, inventory, capital, foreign exchange, and other related risks in its business operations. The preventive actions to be carried out in 2022 are listed below:

1. In 2022, there were no losses resulting from accidents involving imported raw materials. Furthermore, we mitigated procurement risks by gathering domestic and international business information, engaging in communication with industry peers, calculating appropriate inventory levels, and obtaining marine insurance coverage. Marine insurance information (USD) in 2022:

Insured status	Item	Quantity	Insured amount	Item	Quantity	Insured amount	Item	Quantity	Insured amount	Item	Quantity	Insured amount
Subtotal	Soybeans	66	187,664,444	Palm oil	9	2,380,046	Canola oil	8	7,832,000	Sunflower oil	6	1,872,345
Total	Total quantity		89				Total amount		199,748,835			

2. To mitigate accounts receivable risks, Taisun enhances client communication and implements the Overdue Accounts Receivable Collection Management Regulations and the Credit Line Management Regulations. These measures aim to minimize the likelihood of bad debts and overdue accounts receivable. To minimize inventory risk and prevent the accumulation of end-of-life products due to limited storage space, Taisun stays updated on market changes and manages inventory risk through the Standards for Finished Goods Warehousing. The company follows the principle of first-in, first-out and conducts regular inventory checks. At the end of the year, evaluations of relevant subjects will be adjusted based on market conditions.

3. Taisun monitors its capital structure, control the amount of loans, optimize borrowing conditions, and evaluate investments, while reducing relevant capital risks through management tools, such as cash flow, interest exchange rate risk, and financing risk.
4. From March 2022 onwards, the exchange rate experienced significant fluctuations as a result of the US Federal Reserve's rapid interest rate hikes. Our current operational strategy involves purchasing US dollars in batches and at specific time intervals based on our required positions. This approach allows us to align our purchasing costs with market fluctuations and minimize the risk of exchange rate volatility. The exchange gain or loss in the 2022 financial report is NT$28,134,000 (page 41 of the financial report).

1.5 Legal Compliance

Material Topics 2-27

The Company regularly pays attention to the laws and regulations issued by the competent authorities. Each business department receives new laws and regulations and promptly shares them with the relevant responsible units to review the work flow and make necessary improvements. Laws and regulations provide the basis for protection, and compliance with the law is essential in the food industry. Taisun's commitment to complying with standards that align with or exceed national laws and regulations is what ensures the safety, healthiness, and deliciousness of our products. The following records outline material violations in corporate governance, securities trading, environmental protection, labor and human rights, occupational safety, leakage of customer privacy, product liability, and marketing labels for the year 2022:

Aspects	Subject	Penalties
 Corporate Governance **1**	On December 2, 2022, the 8th meeting of the 22nd term of the Board of Directors was held. During the meeting, the Board of Directors made the decision to sell the shares of Taiwan FamilyMart Co., Ltd. We are actively addressing all identified shortcomings in accordance with the recommendations of the relevant authorities.	To be announced in accordance with actual implementation in 2023
 Environmental Management **1**	On November 17, 2020, the regular inspection of the boiler steam in the food factory was declared online on December 8. However, the testing company misused the emission standard of the old regulation, resulting in a corrected value of the declared sulfur oxide concentration of 66ppm. This exceeds the new emission standard of 50ppm and the old emission standard of 50ppm (the standard being 200ppm). As a result, the test results did not comply with the boiler air pollutant regulations and violated Article 20, Item 1 and Item 2 of the Air Pollution Control Act. Consequently, the company received a penalty notice on March 25, 2022.	NT$510,000 + Environmental Lecture 2 hrs

1.6 Membership of associations 2-28

Association	Identity	Association	Identity
Taiwan Vegetable Oil Manufacturers Association	Chairman	Changhua Union of Vocational Labor	member
Taiwan Feed Industry Association	member	Changhua County Industrial Association	member
Total Quality Food Association (TQF)	member	Changhua Union of Vocational Labor	member
Taiwan Food Industry Development Association	member	Confectionery, Biscuit and Flour Food Industry Association	member
Taiwan Association for Food Science and Technology	member	Council for Industrial & Commercial Development	member
Marketing Communications Executives International	member	Changhua County Police Department Association - Tianzhong Branch	member
The Institute of Internal Auditors - Chinese	member	Changhua County Police Department Association - Yuanlin Office	member
Food Industry Research and Development Institute	member	Changhua County Rice Business Association	member
Taiwan Canners Association	member	Changhua County Pig Farming Association	member
Chinese Excellent Management Association	member	Beidou Township Pig Production and Sales Section	class member
Taiwan Advertisers' Association	member	GS1 Taiwan	member
Taiwan Beverage Industries Association	member	SQF Annual Association	Corporate Specialist
TJABC	member	Taiwan Stock Affairs Association	member





2 Health and Safety

Creating health, safety, and deliciousness every day

Material Topics: Traceability, Customer Safety and Health, Marketing and Labeling

Behind the well-known household brands, there is a team of skilled professionals in research and development, procurement, manufacturing, marketing, and distribution. They oversee the management, production, and sales processes. Through specialized training and education, we continuously improve the nutritional value of our products. We carefully select reputable suppliers and original equipment manufacturers (OEMs), ensuring the quality of our raw materials through thorough inspection. We constantly strive to enhance our manufacturing processes and maintain strict quality control standards. Our marketing and packaging efforts, as well as our channel arrangements, are all aimed at providing our customers with a healthy, safe, and delicious experience every day.

2.1 Protecting Customer Health and Safety

Material Topic Material Topics

2.1.1 New Health-Oriented Products 416-1 FB-PF-260a.1 FB-PF-260a.2

Taisun carefully monitors market demand and takes responsibility for developing healthier products that prioritize food safety. Our objective is to create products that are safe, nutritious, and delicious. We strive to meet the needs of consumers across different generations by focusing on using simple, healthy ingredients and reducing sugar and additives.

Over the years, Taisun has introduced several health-focused products, including the "JenGuYi" series, which holds Clean Label and AA No-Additive Accreditation. We have also developed Taisun Sunflower Oil, which has received Healthy Food Accreditation. Additionally, our "Cha Chi Chu" series is composed of simple ingredients, without the use of flavorings or tea powder. These efforts have resulted in an annual revenue of approximately NT$920 million. In 2022, Taisun launched a number of healthy and tasty products, such as Oatmeal Milk with Peanuts, Taisun Japanese Unsweetened Green Tea, and "Nuts Effect" Oatmeal Almond Fruit Milk.



In 2021, recognizing the challenges associated with nut consumption in Taiwan and observing the growing popularity of plant-based milk, Taisun introduced the first refrigerated almond milk in Taiwan. This product offers consumers a convenient way to obtain essential nutrients from nuts. In 2022, Taisun introduced the "Nuts Effect" Oatmeal Almond Milk, which combines ground almond nuts with the flavors of oatmeal and barley. This product not only offers plant-based oat fiber, but also provides a daily dose of vitamin E. Plant-based milks have the advantage of emitting low levels of carbon and providing alternative choices for individuals with dairy allergies.



Taisun's Peanut Soup category comprises two varieties: the traditional Peanut Nut Soup and the Taiwan Peanut Soup, crafted using locally sourced ingredients. In 2022, Taisun, a snack expert, introduced a new product called Peanuts with Oat Milk. This peanut soup is made with high-quality oat milk as the base, combined with large and plump peanuts and oats. It is completely free of additives, milk, and creamer, making it suitable for vegetarians and those with dairy sensitivities. Additionally, it is 100% lactose-free. Peanuts with Oat Milk is a healthy option for replenishing cereal nutrients and can be enjoyed as a breakfast, snack, or midnight snack. The sugar content per 100g is 3.5g lower than that of Peanut Nut Soup. Additionally, it offers a refreshing taste, without being overly sweet or greasy. This makes it a healthy and delicious option.



To meet consumer demand for additive-free products, Taisun introduced the Taisun Japanese Unsweetened Green Tea in 2022. This new product is made from carefully selected premium tea leaves and brewed with 100% real tea leaves. It does not contain tea extract or tea powder, and is both sugar-free and additive-free. This offers a fresh choice for consumers who prefer unsweetened tea. The product is packaged in aluminum cans, promoting recycling and aligning with the principles of environmental protection.

Customer safety and health are essential aspects that rely on the entire manufacturing process. This process encompasses research and development, management of raw materials and foundry, process management, laboratory control, and even third-party quality testing. Taisun recognizes the significance of product safety, values health and nutrition, and strives to establish public trust. To achieve these goals, Taisun has implemented rigorous quality control measures at the factory and endeavors to minimize risks and damages once the products have left the premises.

2.1.2 Domestic Procurement Management

Raw materials are the foundation of food safety. By meticulously choosing our suppliers, we can guarantee consistent quality, minimize risks and threats to food safety, and safeguard our reputation and sustainable growth. Taisun conducts regular supplier audits to assess their performance and ensure high-quality raw materials. This includes retaining reliable suppliers and eliminating those that do not meet our standards. Additionally, we closely monitor the pass rate of raw materials entering the factory.

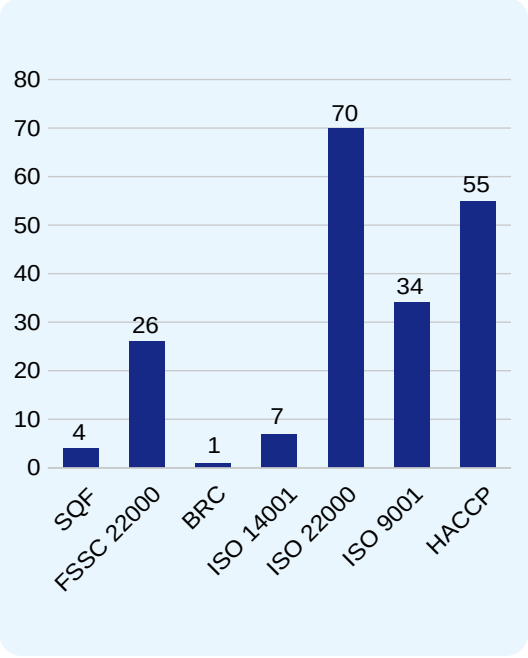
1. Supplier Management Strategies 308-2 414 FB-PF-440a.2 Evidence V

To mitigate the potential for cost increases or disruptions in supply, we engage with a variety of suppliers for our procurement needs. By establishing enduring partnerships with suppliers who offer competitive pricing, we ensure stability in both price and quality, while minimizing the risk associated with managing the supply of raw materials. In addition to nurturing our existing relationships with reliable suppliers, we actively seek out new suppliers who can meet our requirements.

The selection of raw material suppliers undergoes rigorous evaluation. Our suppliers must comply with legal regulations, and their products or services should align with our production needs, offering competitive prices and a strong level of cooperation. Our R&D and quality assurance units have thoroughly reviewed and verified the entire raw material procurement process. To enhance our quality management standards, we prioritize suppliers who possess Food-grade-related certifications.

Suppliers are required to sign a Integrity and Sustainable Management Commitment. This commitment encompasses business integrity, labor rights, environmental protection, consumer protection, and respect for the intellectual property rights of third parties. Its purpose is to encourage suppliers to prioritize corporate social responsibility. The signing rate for the Integrity and Sustainable Development Commitment surpassed 89.82% among suppliers with transaction amounts of NT$100,000 or more in 2022.

Raw Material Suppliers' Certifications



2. Supplier Evaluation Evidence V

Every year, we convene a team of relevant personnel to assess our suppliers. This process involves creating a supplier evaluation plan and conducting evaluations either in writing or on-site, in accordance with the plan. We expect our suppliers to propose improvement measures or plans to address any defects and ensure the quality of deliveries. The evaluation results serve as a basis for future collaboration.

In 2022, our evaluation was centered on social issues and environmental protection. The aim was to encourage suppliers to prioritize their social responsibility and adhere to ethical, legal, and environmental standards. Our goal is to foster sustainable partnerships with suppliers through a practical management approach.

Supplier Evaluation Process: Development of a plan > Review by relevant department > On-site evaluation > Tracking of defect improvements > Management of evaluation and classification. Management Evaluation Items: Operations Management (25%), Incoming Material Control (25%), Process Control (30%), and Finished Goods Control (20%).

3. Inspection of Raw Materials

The quality assurance personnel inspect incoming raw materials in accordance with the specifications. If the materials fail to meet the acceptance criteria, the supplier will be notified and the materials will be returned. Accepted raw materials undergo further screening during production to ensure quality control.

4. Management Achievements

① Procurement from Local Suppliers 204-1 FB-PF-250a.2 FB-PF-430a.1

In 2022, the certification rate among first-tier suppliers was 56.68%. The procurement cost of raw materials from local suppliers accounted for 87.25% of the total, while the procurement cost from first-tier suppliers meeting GFSI food safety certification standards accounted for 12.15%. Procurement from tier-one suppliers in regions with high or very high water pressure represented only 0.14% of raw material costs. Moving forward, we will continue to request water management policies from our suppliers to ensure the sustainable management of water resources.

② Evaluation Results Evidence V

Due to the pandemic in 2022, on-site evaluation was not feasible. Instead, evaluations were carried out through written or online means. A total of 58 suppliers, representing 31.02% of the raw materials suppliers engaged in procurement activities in 2022, were assessed.

Level	Score	Management method	2022 evaluation results
A	90-100	Prioritized for inquiry and purchase	11
B	80-89	Price inquiry, and purchase	39
C	70-79	Encouraged to improve quality management standards	8
D	60-69	Reduce purchases and provide guidance about quality if needed	0
E	<60	Eliminated	0

③ Raw Material Evaluation Status FB-PF-410a.1 Evidence VII

In 2022, the pass rate of incoming raw materials was 99.5%, and the pass rate of materials used was 99.8%.

	Agricultural products	Carton	Packaging containers	Juice concentrate	Oils	Others	Average
Pass rate of incoming materials	99.2%	99.6%	99.4%	100%	100%	99.8%	99.5%
Pass rate of materials used	98.3%	99.9%	99.9%	100%	100%	99.8%	99.8%

The total weight of packaging and packaging materials purchased from external sources is 12,744 tons, which currently accounts for 91% of our packaging materials. On May 12, 2022, the Taiwan Food and Drug Administration, under the Ministry of Health and Welfare of Taiwan, announced the Application Procedure for Raw Material Suitability of PET Recycled Ester Pellets for Food Container and Packaging Manufacturing. In our commitment to environmental sustainability, Taisun will engage in discussions with packaging material manufacturers to explore the feasibility of implementing this procedure. Our aim is to reduce the quantity of packaging materials used and minimize the environmental impact.

2.1.3 International Procurement Management

1. Raw Material Procurement for Soybean and Vegetable Oil 204-1 Evidence III

Taisun primarily sources soybeans and vegetable oil raw materials from international suppliers. This is because the demand for these commodities in Taiwan is high, while the domestic supply is limited. The procurement process places significant importance on ensuring "quality" and "quantity" control. This includes adhering to the quality control specifications and standards outlined in the contract. It is essential to consider the company's profitability, protect food safety for consumers, and support sustainable agricultural production through practical procurement measures. Taisun conducts thorough supplier reviews and maintains strict control over the compliance of raw materials throughout the procurement and arrival process. Procurement safety is primarily ensured through the implementation of supplier audits and management, as well as the inspection of official certifications pertaining to raw materials, quality inspection certificates, and sustainable production certifications, among others.

Taisun selects reputable international grain companies and well-established traders as our raw material suppliers. Prior to making a purchase, we conduct a thorough investigation into the supplier's background, including their official plant registration and any relevant food quality system certifications. Additionally, we perform a product quality management assessment after the purchase to ensure we choose the most suitable suppliers. Each shipment of imported raw materials should be accompanied by a certificate of origin, a quarantine certificate, a quality certificate issued by a third-party verification entity, or a sustainable production certification. These documents are necessary to verify that the quality of the raw materials meets the contractual standards.

The procurement overview in 2022 is as follows:

Item	Place of origin	Percentage (%)	Number of suppliers
Soybeans	USA	60.9%	9
	Brazil	37.9%	3
	Canada	1.3%	1
Palm oil	Malaysia	100%	1
Canola oil	Australia	100%	2
Sunflower oil	UK	46.3%	1
	Ukraine	23.1%	1
	Spain	30.5%	1
Olive oil	Spain	100%	1
Rice bran oil	Spain	16.9%	1
	Thailand	83.1%	1
Grape seed oil	Spain	100%	1

The United States, Brazil, and Argentina are the world's leading producers and exporters of soybeans. Among them, the United States stands out for having the lowest carbon footprint in soybean production. Taisun Enterprise continues to procure soybeans from the United States, specifically those certified for sustainable production by Soy Export Sustainability, Inc. In 2022, the estimated total value of soybean imports is NT$5.642 billion. Of this amount, NT$2.452 billion, or 43.46% of the total, corresponds to soybeans meeting the sustainable production certification from the United States. On the volume side, represents a significant increase compared to the previous year, accounting for 44.75% of the estimated import volume (compared to 26.34% in the previous year).

According to the US Soybean Export Council, adopting sustainable production farming practices can lead to significant improvements in various areas. US farmers can reduce greenhouse gas (GHG) emissions by 43% per quart of soybeans produced, increase irrigation water efficiency by 60%, enhance land use efficiency by 48%, improve energy efficiency by 46%, promote soil conservation by 34%, and achieve a remarkable increase in yields per unit of land by 130%. Thanks to the utilization of satellite positioning technology, precise methods for sowing, dosing, and fertilization, comprehensive soil surveys, scientific approaches to irrigation, diversified farming practices, the utilization of fallow land and forests, as well as efforts towards energy conservation and emissions reduction, we have successfully achieved a mutually beneficial outcome of maintaining stable quality while increasing production capacity. This, along with the implementation of a nutrient management program, safeguards soil and water quality while preserving biodiversity.

The US Soybean Sustainability Assurance Program (SSAP) has set the direction for improving environmental, social, and economic performance, and aims to achieve the United Nations' 17 Sustainable Development Goals (SDGs) of SDG 2 (Zero Hunger), SDG 6 (Clean Water and Sanitation), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), SDG 15 (Life on Land), and SDG 17 (Partnerships for the Goals).

2. Stabilization of Feed Raw Material Prices

Taisun aims to alleviate the financial strain of feed expenses for domestic livestock farmers by minimizing the cost of procuring large quantities of raw materials and by effectively managing and stabilizing raw material prices. We have successfully implemented raw material part management, ensuring strict control over procurement costs and arrival gaps. This has helped us avoid market price surges caused by supply disruptions. Additionally, we have maintained strong and positive relationships with overseas raw material suppliers, minimizing excessive fluctuations in raw material prices.

Following the COVID-19 pandemic in 2020, the logistics industry has been in turmoil. Additionally, the La Niña phenomenon has caused global climate instability, leading to rapid climate change in the agricultural sector. As a result, the production of various agricultural products has decreased. Furthermore, the Russo-Ukrainian War in February 2022 has exacerbated the scarcity of raw materials for agricultural products. These challenges, combined with the onset of high inflation, have resulted in elevated prices, which were already impacted by the pandemic. To mitigate the impact on the domestic economy and people's livelihoods, the government has extended the sales tax exemption period for soybeans, wheat, and corn imports. This measure aims to stabilize consumer prices and alleviate the cost burden on edible oil and feed producers. The government has also called upon relevant industries to actively participate in stabilizing prices and endure these difficult times together.

In accordance with the government's initiatives to stabilize prices, Taisun has taken proactive measures to strategically allocate soybeans and implement rigorous cost control in its procurement process. In terms of the procurement schedule for raw materials, we closely monitor domestic market demand to address any shutdowns or material shortages caused by shipment schedule issues. Our goal is to stabilize the domestic soybean supply. In terms of cost, we rigorously implement partial management and closely monitor the growth of soybean production areas and the dynamics of international agricultural product supply and demand. This allows us to reduce the cost of imported purchases. In the second half of 2022, the price of domestic soybean meal increased in line with international agricultural product prices. The global raw material shortage also pushed the price of soybean meal closer to the peak of 2021. However, in the first half of the year, due to stringent internal controls and industry efforts, the price of soybean meal experienced downward pressure from April to June. This helped to mitigate the impact of high feed material prices.

2.1.4 OEM Management Evidence V

Due to the limited space at the Taisun plant, it is not feasible for the production line to meet all beverage production requirements. Nevertheless, in order to ensure the production of safe food products, it is crucial for us to collaborate with exceptional industry partners to complement our capabilities. As valued partners of Taisun, the contractor factories significantly influence the reputation of our products and the company's image. Therefore, it is imperative that they adhere to Taisun's operational standards in product production. Taisun also aims to foster knowledge exchange with OEMs in order to enhance the food industry's environment and achieve the goal of establishing an exceptional food safety environment in Taiwan.

Taisun carefully chooses outstanding OEMs in accordance with the Operational Standards for the Evaluation and Guidance of Outsourced OEMs. Taisun engages with appropriate OEMs based on product characteristics. OEMs must meet specific criteria before being considered as candidates. These criteria include HACCP certification, a valid factory registration certificate, and a business registration certificate. For beverage products, a water rights certificate is required. Additionally, OEMs should have no record of violations. Taisun encourages original equipment manufacturers (OEMs) to enhance their factory management practices in order to comply with international standards and ensure that the quality of their products meets regulatory requirements.

Taisun is obligated to visit all OEMs participating in the co-production program in order to evaluate the operational conditions, perform quality testing, and validate the products. The items to be verified are as follows: inspection of sampled products from each batch, daily production audit (graded management), GMP audit (graded management), quality meeting communication and review (graded management), and annual evaluation (graded management). Arrange for quality assurance personnel to visit the OEMs periodically to monitor the quality. In addition to the OEMs' inspections, samples of the products are taken and sent back to Taisun for inspection. This is done to ensure that the products meet our requirements and to prevent any defective products from entering the market, which could negatively impact the Company's reputation.

Every year, Taisun develops an evaluation plan and conducts on-site inspections at the OEMs. These evaluations assess the organization and personnel, plant facilities and factory environment, machinery and equipment, hygiene management, process management, and quality management. The results of these evaluations serve as the foundation for future cooperation and graded management.

In 2022, nine OEMs signed OEM contracts. Due to product adjustments made by Taisun, the total number of OEMs decreased by one compared to 2021. It is worth noting that all OEMs have successfully obtained 100% of the necessary food safety certificates. We are actively promoting our OEMs to acquire food safety and quality certification. The current status of the nine OEMs that have successfully obtained international certification is as follows:

The factory verifications have been recorded as follows over the years:

Percentage of International Certifications	HACCP	ISO22000	FSSC22000
2020	100%	100%	27%
2021	100%	100%	30%
2022	100%	100%	22%

In 2022, a total of seven original equipment manufacturers (OEMs) successfully completed on-site audits, representing 78% of all OEMs. Among them, five OEMs were assessed at the B level, while two OEMs attained the A level.

Level	Score	2022
A	85 points(inclusive) or higher	2
B	70 points(inclusive)-85 points	5
C	60 points(inclusive)-69 points	0
D	59 points (inclusive) or lower	0

2.1.5 Laboratory Management Evidence VII

Taisun operates three laboratories: the Food Laboratory, Microbiology Laboratory, and Oil Laboratory. These laboratories are equipped with instruments and equipment that meet the Ministry of Health and Welfare's Establishment Standards of Construction and Equipment of a Food Factory. Additionally, all instruments and equipment undergo annual calibration and approval by an impartial institution. The laboratory plays a crucial role in research and development as well as quality assurance. To strengthen our ability to control product quality and enhance our equipment, talent, and experimental capabilities, Taisun has established a certified laboratory quality management system in accordance with ISO/IEC 17025. This system serves as a professional testing laboratory for food and oil products, ensuring the quality and safety of food hygiene.

1. EQUIPMENT Management

In 2022, a total of 109 calibrations were outsourced, while some equipment was calibrated internally by qualified and trained personnel. Additionally, there were 214 internal calibrations conducted during the same year.

2. Compliance with Laboratory Testing Capabilities Evidence VII

Food and microbiology laboratory (snacks, beverages, and packaged water)

Physical testing	Chemical testing	Microbiological testing
Pressure resistance and leak testing of PET bottles, high sugar content testing, measurement of soda CO_2 gas volume, can seaming testing, vacuum leak testing of cans, measurement of can vacuum, leak testing of carton sealing, carton bursting strength, cap torque, micro projection (maximum magnification 200 times), analysis of white rice freshness, color lab value, moisture content (using oven-drying method and infrared method), T% (transmittance), temperature monitoring using HOBO, specific gravity, sugar content, viscosity, weight, environmental monitoring (including HOBO temperature and humidity monitoring), thermal insulation testing of cans, reliability testing, water quality testing (including effective residual chlorine, turbidity, conductivity, hardness, and salinity), and sensory evaluation	pH value, total acidity titration, formazan nitrogen, tea polyphenol testing, allergen testing, pesticide residue analysis (specifically, organophosphate and carbamate pesticides)	Microbiological examination, (including assessment of total bacterial count, E. coli, E. coli group, Pseudomonas aeruginosa, Streptococcus faecalis, salmonella, mycobacterium/ Saccharomyces cerevisiae, sporotrichum, enterobacteriaceae, and Listeria monocytogenes), ATP fluorescent detection and environmental monitoring (RCS air sample testing)

Oil laboratory

Physical testing	Chemical 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	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 Evidence I

Taisun's quality assurance team comprises 39 members who are committed to controlling the quality assurance system. Approximately 85% of these personnel possess academic backgrounds in food science, ensuring the quality of all products across every production line. In order to maintain food safety and quality, we consistently organize external training courses for various staff members to enhance their professional skills and acquire relevant certifications. In 2022, the following courses were offered for quality assurance personnel training:

Food Safety-related Training	Number of Personnel trained in 2022
Quality Control Training for Can Sealage	3
Quality Control Training for Can Roll Sealage	1
Frozen Foods and Shelf Life	1
Abnormal Products Analysis and Prevention	1
Continuing Education on HACCP	3
Advanced Courses on HACCP	2
Practical Training on Food Protection	1

In addition to organizing external training for our staff to acquire food safety certificates, we also focus on developing our own Taisun talents to become internal instructors. We arrange relevant food safety courses and conduct internal education and training to enhance our employees' awareness of food safety. 2022 internal food safety training information is listed below:

No.	Course title	Number of attendees	Class Hours
1	Introduction to HACCP	301	301 hours
2	SQF & FSSC System Introduction	300	300 hours
3	Food Defense	297	297 hours
4	Cleanliness and Sanitation & GHP	299	299 hours
5	Allergen Education and Training	297	297 hours

A total of 12 professional external trainings were conducted for our talented employees, resulting in 1,494 participants in internal quality management promotions. Additionally, 1,494 hours of training were provided, ensuring that 100% of food products in each production lines were impacted.

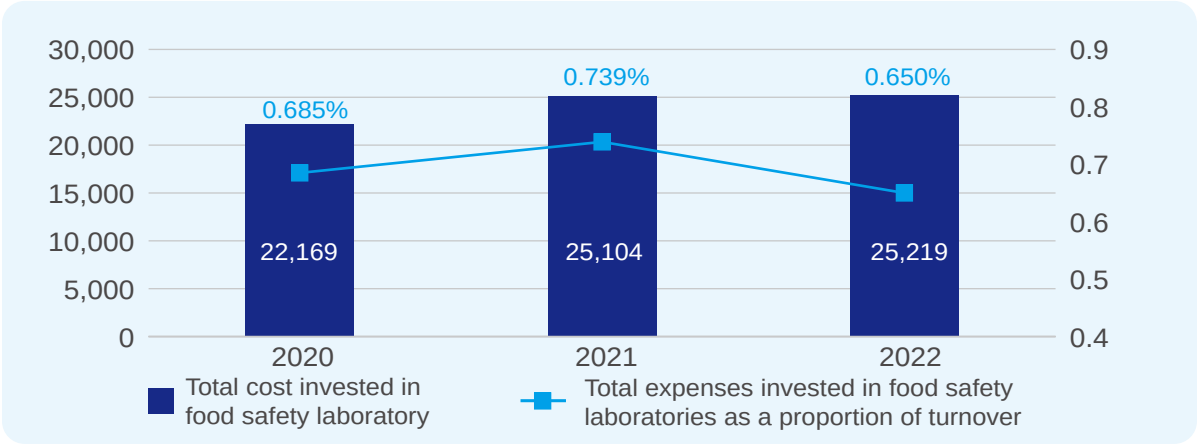
4. The TAF Labs ISO/IEC 17025 accreditation was maintained in 2022. EVIDENCE VII

Passed the supervision and evaluation of TAF Foundation on April 26, 2022. The 2022 TAF laboratory professional certificates were obtained as follows:

TAF Laboratory Professional Licenses	Number of trainees in 2022
Laboratory certification standard ISO/IEC 17025 training	2
Seminar on Measuring Uncertainty	1

5. Increasing investment in laboratory quality inspection related funds EVIDENCE VII

Investment in laboratory quality inspection related funds



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

6. Pass rate of self-inspection EVIDENCE VII

Pass rate	Canned Snack Products (Mixed Congee, Grass Jelly products)		Gable Top Carton, Snacks and Beverages (IP Line)	PET Beverage Products		Oil Products
	Product Insulation Test	CCP & CQP Monitoring pass rate	CCP & CQP Monitoring pass rate	Product Insulation Test	CCP & CQP Monitoring pass rate	CCP & CQP Monitoring pass rate
2020	100%	100%	100%	100%	100%	100%
2021	100%	100%	100%	100%	100%	100%
2022	100%	100%	100%	100%	100%	100%

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

2.1.6 Track and Trace

Material Topics Evidence VI

To minimize potential losses in the event of a major product abnormality, Taisun promptly traces the supplier of food materials associated with any problematic product. Additionally, the Company swiftly traces the flow of products from the problematic food materials. By efficiently identifying and removing defective products, Taisun aims to safeguard consumer health and minimize any potential damage to the company. When a defective product is promptly recovered, it is immediately traced back to its root cause in order to prevent any future abnormalities. Taisun has successfully implemented a tracking system in compliance with the Identification and Traceability Management Procedures. As a result, Taisun is now able to promptly identify and address any abnormal flow direction within a 24-hour timeframe. Additionally, Taisun has efficiently established a recovery and shelving network.

In 2022, we conducted a total of 20 simulated recycling tests to cover all product types, including OEM products. These tests achieved a 100% recycling rate, ensuring that the production history of the products can be tracked and traced.

To ensure the tracking and tracing of product flow and the identification of raw material sources, the government mandates that oil and fat manufacturers, tea beverage manufacturers, and soybean, oil, and tea importers upload every batch of their products onto the tracking e-platform. We have complied 100% with this requirement by uploading a total of 280 batches from the manufacturing industry and 40 items from the importing industry onto the Food and Drug Administration's Tracebook system in 2022.(https://ftracebook.fda.gov.tw/)

2.1.7 Product Labeling

417-1 417-2 FB-PF-270a.3 FB-PF-270a.4 FB-PF-270a.2 Evidence II

Product labeling is crucial for consumers to comprehend a product. It is imperative that all labeling adheres to regulations and offers consumers truthful and transparent information about the product. Taisun conducts an internal review of product labeling using an electronic system to ensure compliance with regulatory requirements.

Taisun's product labels are designed by an authorized unit that gathers relevant information from different departments. This information is then passed on to the designers, who handle the product packaging graphics' design and layout. After completing the product packaging spreadsheet, we send at least two email confirmations and online e-forms to the marketing, legal, R&D, QA, production, and accounting departments. This is done to ensure that the package labeling complies with regulations.

In 2022, we conducted a thorough review of 440 product packaging labels. This included 35 canned snack products, 154 beverage products (comprising 115 room temperature beverages, 29 refrigerated beverages with PE and refrigerated snacks, and 10 carbonated beverages), 196 oil products, and 55 water products. We are pleased to report that zero violations were found. There were no lawsuits or financial losses incurred due to product labeling during the year.

All of Taisun's products that contain genetically modified (GM) materials are appropriately labeled in accordance with the law. Furthermore, a large part of the food products produced by Taisun contain any GM materials. Some of the oils undergo refining using genetically modified soybean raw materials, but the refined oils are now free from genetically modified ingredients. The revenue generated from oil products refined using GM soybeans for the year was approximately NT$2.16 billion, while the revenue from the remaining non-GM products amounted to approximately NT$3.56 billion.



2.1.8 External Assurance 416-1 Evidence IV Evidence VII

To guarantee the safety and quality of each can in the possession of consumers, we annually submit our sampled products and raw materials for inspection to reputable third-party entities. These include the local health bureau, the Food Industry Research and Development Institute, and certified notary units such as SGS and Intertek. In 2022, a total of 637 product samples were sent for inspection. In terms of source management, the water quality of our water sources has been tested 21 times, and all test results have been satisfactory. In order to mitigate product risks, Taisun maintains strict control over the safety of its oil products and tea leaves. A total of 179 oil products have undergone inspection, while the tea leaves have been inspected 96 times, all achieving a 100% pass rate. Other types of products are also subject to inspection. Beverages were inspected 25 times, PET beverage products were submitted 86 times, canned food was submitted 57 times, packaged drinking water was submitted 17 times, and snacks were submitted 32 times. All of these products achieved a 100% pass rate.

In 2022, the Taisun food plant and oil plant underwent two mandatory audits conducted by the government and government-appointed entities for food safety management. These audits included product sampling for testing. We are pleased to report that we successfully passed all of these audits. In order to maintain continuous progress and uphold our food safety quality certification, Taisun successfully underwent a total of 11 food safety quality audits conducted by third-party impartial entities in 2022. Taisun promptly addresses any identified defects and consistently achieves a passing grade in all audits.

Taisun Products That Obtained Food Safety Certification in 2022

Product category	International certification		Domestic certification	Halal certification
		Food Safety System Certification 22000	TQF	HALAL
Canned snacks	100%	100%	94.79%[3]	95.90%[3]
Gable Top Carton, Snacks and Beverages (IP Line)	100%	100%	89.85%[3]	70.24%[3]
PET beverage products	35.85%[1]	61.62%[1]	71.32%[3]	35.28%[3]
Tetra Pak beverages	-	100%	92.77%[3]	-
Packaged drinking water	-	-	100%	-
Oil products	67.27%[2]	100%	43.03%[3]	46.52%[3]
Carbonated beverages	14.29%[1]	15.39%[1]	88.22%[3]	-

Note: 1. The OEM has not yet applied for the relevant certification due to business considerations.

Note: 2. Imported oil products are not produced in Taisun Tianzhong Plant.

Note: 3. For business considerations, certification has not been sought for special specification products.

Note: 4. The percentage of TQF and halal certified products is determined by dividing the volume of certified products by the total production volume. FSSC22000 and SQF are certification systems, and the production lines that have obtained these certifications comply with their respective regulations.

2.1.9 Mastering Updated Regulatory Standards 416-2 FB-PF-250a.3 FB-PF-250a.42. Evidence II

Earning consumers' trust is crucial for the food manufacturing industry. To ensure ongoing support from consumers, it is essential to regularly review food management laws and regulations that safeguard public health. Laws and regulations serve as the foundation for safeguarding public health, and adherence to these laws is of utmost importance in the food industry. Taisun's commitment to producing safe, healthy, and delectable products is built upon strict compliance with national laws and regulations, as well as the adoption of standards that are in line with or even more stringent than those set by the authorities. Taisun aims to achieve zero violations, zero complaints, and zero fines in its food management. We regularly review the draft announcement of regulations and their publication dates. We identify any areas that need improvement or updating in terms of raw materials or production line workmanship before the law takes effect. We then notify the relevant departments to ensure compliance with the law.

1. Mastering the 5 updates of the regulations:

NO	New Law/Regulation	Corresponding Actions in 2022
1	Announcement of amendment to Guidelines for Food Safety Monitoring Programs for Food Manufacturers (Date: 3/30/2022)	This regulation mandates that food manufacturers, processors, and compounders implement a food safety monitoring program consisting of four key components: analysis of the product manufacturing process and hazards, standard procedures related to the process, internal audits and supplier management, and education and training.
2	Publication of amendments to Article 6 and Appendix 3 of Article 5 of the Hygienic Standard for Contaminants and Toxins in Foods (Issue Date: 2022-05-31) To enhance the management of food contaminants, considering the existing international regulations and pertinent risk assessment data from domestic and international sources, we suggest raising the permissible levels of glycerol fatty acid esters in edible oils and fats. Additionally, we recommend stricter limits on edible oils and fats used in the production of cereal-based complementary foods for infants and young children, as well as their by-products.	This regulation will be implemented starting from January 1, 2024. Considering that triglyceride fatty acid esters in edible oils and fats are primarily formed during the regular refining process, the Company has taken the measures during the buffer period provided by the amendment, in accordance with the trade and procurement schedule of raw oils and fats, as well as the industry's adjustment of oil refining and processing equipment or raw material formulations of the processed products. The changes are outlined below: 1. Update the procurement standard for oil raw materials by including a limit value of GEs ≦ 1000ppb (refined oil). This update is necessary for the new contract negotiation on the procurement side. 2. We will procure low-grade Ges rice bran oil and domestically sourced secondary refined palm oil. All units will collaborate to manage import and export inventory, ensuring product compliance from January 1, 2024.
3	The Announcement modifies certain provisions of the Regulations on Nutrition Labeling for Prepackaged Food Products. It will be implemented starting from July 1, 2024. (Announcement Date: June 23, 2022)	In compliance with the Guidelines on Nutrition Labeling for Packaged Foods, the nutrition labeling must adhere to the unit labeling requirements of "per serving size" and "per 100 grams (or milliliters)". We are currently revising the nutrition labels for 8 canned snack products, and the changes are outlined below: 1. Fat/Saturated fat Adjustment 2. Protein/Carbohydrate Adjustment 3. Calories Adjustment All of the aforementioned tasks were completed and adhered to the layout changes before the regulations took effect.
4	Established the Requirements for the Dairy Processing Food Industry to Comply with the Criteria of the Food Safety Control System, which are effective from January 1, 2023. (Announcement Date: September 13, 2022)	Our "Unfermented Milk Beverage" is classified as a processed dairy product. Furthermore, the dairy and processed food industry, which is required to comply with this announcement on a certain scale, must undergo verification of their food safety control system starting from the effective date. The Company adheres to regulations and implements appropriate measures to comply with Article 8, Paragraph 5 of the Act Governing Food Safety and Sanitation, as well as its. Corresponding announcement.
5	The Announcement modifies certain provisions of the Items to be Labeled for Healthy Foods and will take effect on January 1, 2024. (Announcement Date: November 08, 2022)	The labeling of healthy food products must adhere strictly to the regulations outlined in the announcement. In order to comply with these regulations, the description of health benefits on the label of our health food product, Taisun Sunflower Oil, was revised prior to the effective date of the law.

2. To ensure compliance with food safety and health regulations and standards, we undertake a total of seven corresponding actions:

NO	Food Safety and Health Regulations to Be Followed	Corresponding Actions in 2022
1	Good Hygiene Practice (GHP)	In 2022, our plants received one GHP audit by an entity commissioned by the competent authority, and we passed the audit. • Each production line is assigned a dedicated health manager. The factory employs four health managers with professional backgrounds in food. These managers attend annual governmental health lectures to ensure compliance with regulatory requirements. • All hot-filled acidified/low-acid PET bottle products must obtain a qualified bactericidal value assessment report in compliance with regulations. • Continue to maintain SQF and FSSC22000 quality system certification.
2	Sanitation Standard for Food Utensils, Containers, and Packages	Request that packaging material suppliers provide a comprehensive set of 62 reports on heavy metals, plasticizers, and dissolution testing for packaging materials, all verified by third-party entities.
3	Pesticide residue tolerance standards (grain, ingredients such as tea, fruit juice, etc.)	Raw material suppliers must provide 166 pesticide residue test reports that have been verified by a third-party notary unit.
4	Sanitation Standard for Contaminants and Toxins in Food	Suppliers of rice raw materials, including glutinous rice and purple glutinous rice, were obligated to furnish a total of 19 heavy metal inspection reports, which were verified by a third-party notary unit.
5	Sanitation Standard for Contaminants and Toxins in Food	Suppliers of vegetable juices are required to provide 25 heavy metal inspection reports inspected by a third party notary unit.
6	Sanitation Standard for Microorganisms in Foods	In addition to conducting internal self-management inspections, our beverage products undergo annual microbial inspections by a third-party notary unit. In 2022, a total of 46 products were inspected and successfully passed the inspection.
7	Sanitation Standard for Microorganisms in Foods	In addition to conducting internal tests such as inspecting appearance, testing seams, checking for leakage, examining the inner walls of cans, assessing content quality, conducting pressure tests, and performing thermal insulation tests, our canned products undergo annual testing for microorganisms by third-party verification entities. In 2022, we submitted 14 products for testing, all of which successfully passed the tests.

In 2022, there were no reports, violations, fines, recalls, or product delisting in connection with the Act Governing Food Safety and Sanitation, the Standards for Specification, Scope, Application, and Limitation of Food Additives, Methods of Test for Food Microorganisms, Product Liability Insurance for the Food Industry, the Regulations on Good Hygiene Practice for Food (GHP), the Sanitation Standard for Food Utensils, Containers, and Packages, the Standards for Pesticide Residue Limits in Foods, the Sanitation Standard for Contaminants and Toxins in Food, and the Sanitation Standard for Microorganisms in Foods, among other laws and regulations on food safety and manufacturing.

2.2 Meat Source Management: Taisun Beidou Ranch

2.2.1 Execution Of Liquid Waste Recycling Projects

The direct discharge of liquid waste from the livestock industry into the river results in pollution. However, by treating and converting this waste into agricultural fertilizer, we can not only mitigate river pollution, but also reduce electricity costs. Additionally, the use of fertilizers promotes healthier crop growth and increases harvest yields. Therefore, Taisun engages in manure recycling operations to safeguard the surrounding pasture environment and alleviate strain on rivers. Through the implementation of an economically sustainable recycling strategy, we have introduced Pennisetum cultivation for livestock rearing. In the initial phase, our objective was to recycle 5% of the liquid waste. By installing a liquid waste flow meter and implementing Pennisetum planting and harvesting, we effectively accomplished our recycling target in 2022. We plan to conduct a consumption test on farm pigs (circular economy) in 2023 and establish strategic partnerships with reputable crop factories.







2.2.2 Recognizing Management Performance Through Third Parties

Evidence I Evidence VI



▲ TGAP Certification of Traceable Pork Products In Taiwan

1. Ensure the validity of the revised TGAP by conducting regular quarterly inspections carried out by the National Animal Industry Foundation and implementing stricter measures.

The certification system for agricultural products, which considers production and marketing history, places significant importance on batch control. In the event of food safety risks, the competent authorities and certification organizations can promptly identify non-compliant batches through traceability codes. This enables them to activate movement control and recall Taisun's 2022 products from store shelves immediately, ensuring the protection of consumer rights and interests. Certification organizations and agricultural product operators can effectively identify the causes of problems and improve production operations through production records, as the production and marketing of agricultural products can be traced back to the location of production and operational processes, ensuring 100% traceability of pork products.

The Beidou Ranch conducts annual control operations, which encompass the entire feeding process, vaccine administration, pandemic prevention measures, water quality inspection and improvement actions (including cleaning records), wastewater treatment facilities and inspection records, tracking and tracing records (for pig discharge and printing processes), entry disinfection plan and personnel control, wastewater drenching plan, personnel quarantine control, biological prevention plan, vaccine management, personnel training, pig barn isolation and setup, and feed control (including formula and dosing procedures). On July 26, the National Animal Industry Foundation confirmed that the TGAP traceability certification for pork products in Taiwan has been successfully obtained.

Taisun utilizes blank feed (non-pharmaceutical production line feed) for medium and large pigs, along with on-farm animal husbandry management, without the use of drugs. This approach allows Taisun to pass the quarterly pig blood and feed inspection conducted by the National Animal Industry Foundation. Additionally, Taisun has obtained the Taiwan pig serum drug residue inspection certificate, ensuring the safety of our food source and mitigating the risk of tracking and tracing. This commitment to safety applies to 100% of products within the pork and meat category.



▲ Porcine serum drug test report

2. Received the Excellence Award for Changhua Healthy Meat Products

Changhua, the third largest county for pig-raising in the country, has implemented the "Changhua Healthy Pork" label to help the public easily identify safe food options. The county government ensures the inspection of pig farmers' feed, pig blood, and meat at every stage. Additionally, slaughtered pigs must undergo a hygiene inspection by the veterinarian of the National Animal Industry Foundation before they can be sold to consumers at the meat market. Beidou Ranch has received an award of excellence among 611 pig farms in Changhua County for its commitment to environmental management in the barns, ensuring the well-being of the pigs, and enhancing employee efficiency. The farm's management style directly impacts the quality of all pork products sold, accounting for 100% of the category.







3 Environmental Sustainability

Striving for a Balance Between Production Performance and Environmental Management

Material Topic: Waste management

As a food manufacturer, Taisun prioritizes food source management and places great importance on the factory's impact on the land. Situated in Taiwan's important agricultural production region, the plant is accountable for waste management, air emissions, wastewater treatment, and addressing global greenhouse gas trends and environmental concerns. Our aim is to minimize adverse effects and strike a balance between industrial impact and the environment. As we advance our economy, we prioritize environmental costs in our management approach.

3.1 Climate Risks and Opportunities 201-2

In recent years, the growing occurrence of severe weather events has heightened the awareness of the global warming threat. Furthermore, international research reports and the escalating government focus on climate change have underscored the importance for corporations to integrate climate change into their operations. This can be achieved by prioritizing regulatory compliance and adapting to changes in laws and regulations that can have a significant impact.

In addition to learning how to identify operational risks caused by climate change, Taisun has also consulted the TCFD (Task Force on Climate-Related Financial Disclosures) issued by the Financial Stability Board (FSB). We have integrated the four essential disclosures of "Governance," "Strategy," "Risk Management," and "Indicators and Targets" into our operational management. Furthermore, we have disclosed the effects of climate change-related risks and opportunities, along with the corresponding measures to address these impacts, in our Sustainability Report.

3.1.1 Management Methods

1. Governance

The Sustainability Committee discusses and evaluates the Company's climate change-related discussions and management. Climate change-related actions are resolved jointly by the Sustainability Committee and approved for implementation by the Chairman.

2 . Strategy

Transition Risks – Policies and Regulatory Risks

The Climate Change Response Act will introduce a carbon fee on high-emission products that have direct or indirect emissions starting in 2024. This may lead to higher operating costs for our company, but it will not affect our overall operations. By 2020, the Company had completed education and training on greenhouse gas inventories and implemented management policies, including energy equipment replacement. The Company intends to establish carbon reduction targets that are both reasonable and attainable by 2023.

Following the centennial drought, there has been a widespread agreement among the public and various community sectors regarding the implementation of a water consumption charge by the Water Resources Agency. In 2022, the Company was included in the national fee system for groundwater through the introduction of the "Water Consumption Fee". Additionally, the Company has actively collaborated with government regulations to decrease water usage by implementing measures such as water conservation and recycling. These efforts have been applied across various aspects of our operations, including product cooling, package material enhancements, and employee water consumption. Throughout these initiatives, our top priority has been ensuring food safety.

Physical Risk – Immediate

The rise in extreme weather events has caused an uptick in the occurrence of typhoons, rainstorms, lightning, and high temperatures. Despite the plant's location in a central, near-mountainous area where the likelihood of wind and flooding used to be relatively low, the elevated temperatures could potentially trigger spontaneous combustion of oil waste if not effectively controlled. Additionally, the storms and heavy rainfall will amplify the operational consequences on the plant's water treatment for cleanliness and equipment integrity, ultimately leading to financial losses.

Although there have been few instances of major floods and storms in the factory equipment storage area, Taisun remains committed to prioritizing waste recycling management, regular maintenance of the factory drainage system and equipment, waterproofing and disaster prevention system construction, as well as increasing storage space and adjusting flexibility. Our aim is to ensure stable production and shipments, while also developing a disaster handling mechanism for our consumer food and livestock customers' warehouses, in order to maintain operations and minimize immediate and significant risks.

The Company anticipates that extreme weather conditions will have an impact on the acquisition of raw materials and products, as well as disruptions in transportation both upstream and downstream. This is likely to lead to a temporary rise in costs. To address these challenges, the Company is collaborating with various procurement channels, consolidating transportation orders and routes, and exploring subcontracting alternatives. These measures aim to minimize carbon emissions, prevent product and manpower losses, and ensure personnel safety.

Resource Efficiency Opportunities

In addition to complying with the government's water conservation policy, the Company has initiated discussions regarding the implementation of a water recycling system. However, the Sustainable Development Committee has not yet assessed the most suitable treatment plan due to considerations related to the equipment system and recycling site. It is anticipated that this initiative may lead to an increase in operating costs in the short term. Nevertheless, in the long run, it remains an effective solution for promoting environmental friendliness and reducing the annual extraction of raw water for clean water.

3. Risk Management

The Company's Sustainability Committee initiated TCFD Climate Change Related Financial Disclosure training in 2022. Additionally, the committee regularly convened relevant members to discuss and identify transition risks, including policy and regulations, technology, market, and reputation. They also examined physical risks, both immediate and long-term, as well as opportunities related to resource efficiency, energy sources, products/services, market, and resilience.

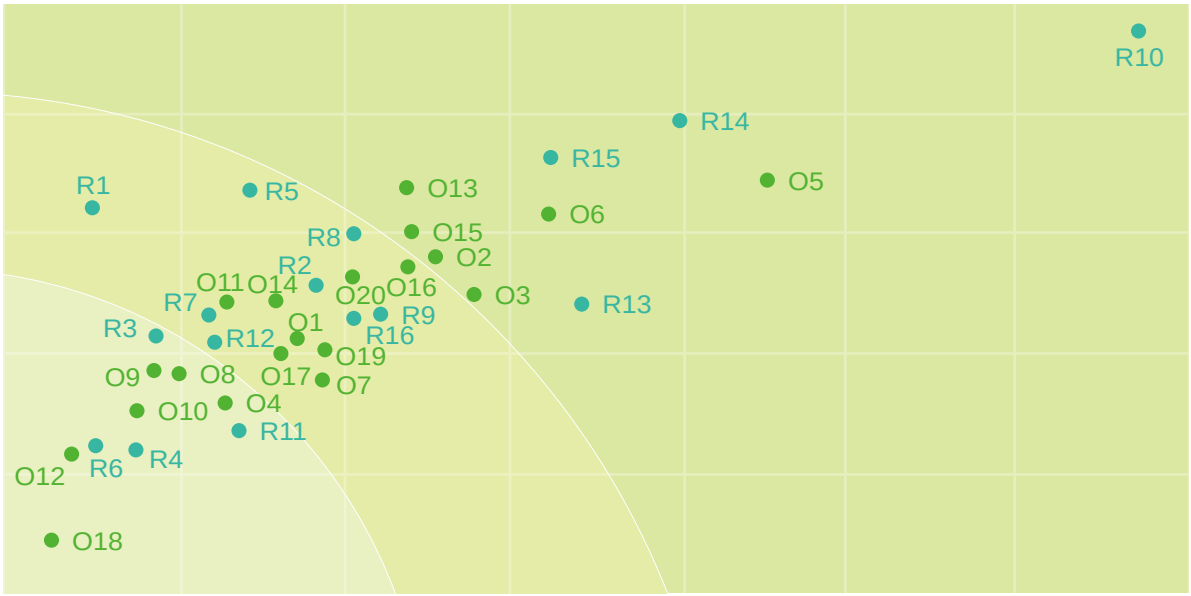
4. Indicators and Objectives

1. From 2020 onwards, we promoted the greenhouse gas inventory in accordance with ISO 14064-1:2018.
2. We have replaced our outdated equipment with new and improved models. Annually, we create budgets for process improvement and equipment renewal, and we prioritize the use of energy-saving equipment to minimize energy consumption.
3. To promote the reduction of electricity consumption year by year, it is important to prioritize the analysis of purchased electricity, which is one of the main sources of carbon emissions, along with the average electricity consumption in relation to the number of boxes produced annually.
4. The ratio of annual carbon emissions to total sales volume is utilized as the benchmark for reducing carbon emissions each year.
5. Increase the irrigation status of pennisetum using pasture waste liquid to reduce treatment water consumption.
6. Establish management and personnel culture to achieve the goal of increasing the recycling rate of business waste (currently >95%).



3.1.2 Annual Result Analysis

During the fourth quarter of 2022, the Sustainability Committee conducted a comprehensive assessment of the potential risks posed to the company by climate change. This assessment encompassed the identification of risk sources, analysis of risks, assessment of their potential impact, and the implementation of measures to mitigate these risks. The committee also continued its efforts to minimize the company's overall environmental footprint. The climate change risk and opportunity impact assessment results for the short-to-mid term in 2022 are as follows:



Sorting	Risk and Opportunities	No.	NO	Issue
1	Transition Risks	Market	R10	Rising Raw Material Costs
2	Opportunities	Resource Efficiency	O5	Reducing Water Use and Consumption
3	Physical Risks	Long-term	R14	Changes in Rainfall (Water) Patterns and Extreme Changes in Climate Patterns
4	Physical Risks	Long-term	R15	Average Temperature Increase
5	Opportunities	Energy sources	O6	Use of Low-Carbon Energy Sources
6	Opportunities	Products and Services	O13	Development Of New Products And Services For R&D And Innovation
7	Physical Risks	Immediate	R13	Increased Severity of Extreme Weather Events Such as Typhoons and Floods
8	Opportunities	Resource Efficiency	O2	Utilization of More Efficient Production and Distribution Processes
9	Opportunities	Products and Services	O15	Changes In Consumer Preferences
10	Opportunities	Resource Efficiency	O3	Recycle and Reuse
11	Opportunities	Market	O16	Entering in a New Market

Sorting	Risk and Opportunities	No.	NO	Issue
12	Transition Risks	Market	R8	Changes in Customer Behaviors
13	Opportunities	Resilience	O20	Energy Alternatives/Diversification
14	Transition Risks	Technology	R5	Replacement of Existing Products and Services with Low Carbon Commodities
15	Transition Risks	Market	R9	Uncertainty in Market News
16	Transition Risks	Policies and Regulations	R2	Enhanced Obligations for Emission Reporting
17	Physical Risks	Long-term	R16	Rising Sea Level
18	Opportunities	Products and Services	O14	Diversification of Business Activities
19	Opportunities	Resilience	O19	Participation in Renewable Energy Projects and Adoption of Energy Saving Measures
20	Opportunities	Resource Efficiency	O1	Adoption of More Efficient Modes of Transportation
21	Opportunities	Products and Services	O11	Development and/or Increasing the Use of Low-Carbon Goods and Services
22	Opportunities	Energy sources	O7	Adoption of Incentive Policies
23	Opportunities	Market	O17	Making Use of the Public Sector Incentive Scheme
24	Transition Risks	Technology	R7	Costs Of Low Carbon Technology Transition
25	Transition Risks	Policies and Regulations	R1	Increase In Greenhouse Gas Emission Pricing
26	Transition Risks	Reputation	R12	Growing Concern and Negative Feedback from Stakeholders
27	Transition Risks	Policies and Regulations	R3	Requirements and Regulation of Existing Products and Services
28	Opportunities	Energy sources	O8	Use of New Technologies
29	Opportunities	Resource Efficiency	O4	Conversion to More Efficient Buildings
30	Transition Risks	Reputation	R11	Changes in Consumer Preferences — Stigmatization of the Industry
31	Opportunities	Energy Sources	O9	Participation in the Carbon Trading Market
32	Opportunities	Energy sources	O10	Conversion to Decentralized Energy Sources
33	Transition Risks	Policies and Regulations	R4	Exposure to Litigation Risks
34	Transition Risks	Technology	R6	Failure to Invest in New Technology
35	Opportunities	Products and Services	O12	Developing Climate Adaptation and Insurance Risk Solutions
36	Opportunities	Market	O18	Obtain New Assets and Territories to Be Insured

3.1.3 Short- to Mid-Term Corresponding Measures to the Top Ten Issues

Issues regarding Risks and Opportunities	Impact on the Company's Operations and Finances	Corresponding Measures
R10 Rising Raw Material Costs	1. Climate change will impact the availability and price stability of raw materials, potentially causing disruptions in the supply chain and increasing costs. As a result, the Company's profitability may be affected 2. Rising costs due to ESG-related requirements.	1. Expand the development of alternative suppliers and develop alternative principles and response programs. 2. Expand the warehouse space and increase raw material inventory to stabilize prices based on volume. 3. Stabilize prices through contract farming or own production, and ensure sufficient and relatively stable sources of raw materials. Monitor price fluctuations and control purchasing schedules to minimize the risk of future price fluctuations. 4. Make inventory adjustments within a reasonable time and product range when raw material costs continue to increase. 5. Research and development of new formulas to reduce the demand for high-priced raw materials and sensitivity to fluctuations.
O5 Reduced water use and consumption	1. Water saving equipment management improvement 2. Water recycling equipment 3. Process management improvement	1. Installed water recycling equipment for each production line. 2. The new plant incorporated a water recycling system to achieve 12% reduction. 3. Promoted the certification of ISO 14046 water footprint principle requirements and guidelines. 4. Oil-fired boilers increased efficiency and reduced water consumption. 5. Increased usage of waste liquid for watering Pennisetum and reduced water consumption for treatment.
R14 Changes in rainfall (water) patterns and extreme changes in climate patterns	1. Increased equipment damage and maintenance costs 2. Increased energy consumption of water treatment equipment 3. Water shortages hinder production 4. Increase in penalties on contractual deliveries 5. Increased risks in personnel commuting and work safety	1. Installation of water recycling equipment for each production line. 2. The new plant incorporated a water recycling system to achieve 12% reduction. 3. Promoted the certification of ISO 14046 water footprint principle requirements and guidelines. 4. Increased groundwater source water rights and tap water facilities. 5. The farm has added a wastewater-saving high-bed hog barn.

Issues regarding Risks and Opportunities	Impact on the Company's Operations and Finances	Corresponding Measures
R15 Average temperature increase	1. Increased customer complaints from refrigerator temperature increase 2. The shelf life of refrigerated products is shortened. 3. Increased risk of spontaneous combustion of oil waste 4. Overheated rooms/storage spaces 5. Increased warehouse management costs	1. Warehouse temperature monitoring and control (cold chain management production end to logistics and distribution management). 2. Product cooling insulation conditions and safety period adjustment. 3. Monitor process productivity, efficiency and quality improvement. 4. Shorten the treatment time of oil waste. 5. Improvements in the space to keep the waste and temperature. 6. Regularly monitor the energy efficiency of refrigeration equipment in order to decrease electricity consumption and carbon emissions. 7. Invest in automated warehousing facilities to minimize temperature changes caused by product movement.
O6 Use of low-carbon energy sources	1. Reduced operating costs (e.g. using carbon reduction measures with the lowest costs) 2. Reduced exposure to future fossil fuel price increases 3. Reduced risk of greenhouse gas emissions and mitigated sensitivity to changes in carbon pricing 4. Returns on investment in low carbon technologies 5. Increase in capital required for low carbon manufacturing 6. Increased reputation and demand for goods/services	1. Improve production and management efficiency, reduce costs and expenses, and minimize the impact of carbon tax increase. 2. Pay attention to policy developments and low carbon subsidy applications. 3. Enhanced the ratio of green energy use (e.g., solar energy equipment installation) and developed low-carbon plant and equipment replacement (e.g., oil-fired boiler replacement). Continuously enhanced the value of our products to increase gross profit margins and minimize the impact of cost increases. 4. Low-carbon incentives for raw materials and monitoring of long-term benefits (e.g., use of low-carbon feeds on farms and meat exchange rates) 5. Obtained ISO 50001 energy management system certification to control energy consumption compliance. 6. Continuing to study new energy sources and promote alternatives to non-fossil fuels, including biomass, hydrogen, geothermal, and energy storage.

Issues regarding Risks and Opportunities	Impact on the Company's Operations and Finances	Corresponding Measures
O13 Development of new products and services for R&D and innovation	1. Increase in R&D testing costs 2. Cost of marketing and testing	1. New product development takes into account issues related to sustainability and cultivates employees' awareness of sustainable development. 2. We continue to study ESG-certified raw materials or related packaging materials, and develop products with ESG-related concepts. 3. We continue to develop ESG products and sales models. 4. We keep abreast of new consumer trends and actively develop and introduce new products to meet consumer demand.
R13 Increased severity of extreme weather events such as typhoons and floods	1. Increased equipment damage and maintenance costs 2. Increase in penalties on contractual deliveries 3. Increased risks in personnel commuting and work safety	1. Review and revise the Emergency Response Management Plan on a regular basis. 2. Promote ISO 45001 Occupational Safety Management System certification to strengthen management processes and talents. 3. Comprehensively strengthen disaster prevention measures for both personnel and equipment. 4. The operation and maintenance of the pump in the basement avoids flooding, and a waterproof drainage system is added. 5. Aquafeed plants have set up remote county and city warehouses (e.g., Tainan, Pingtung) to increase safety stock levels, and emergency response plans have been set up for employee dormitories on the farm. 6. Aquafeed plants are located in the southern part of Taiwan, and most of the farms have satellite farms in various areas.
O2 Utilize more efficient production and distribution processes	1. Improve automated production equipment 2. Personnel training and education 3. Improvement of distribution processes	1. Enhance production efficiency through equipment improvement and monitoring. 2. Increase warehouse capacity and centralize production. 3. Strengthen education and training in each unit to develop agents (multi-skilled worker) for equipment and work. 4. Conduct research on the planning and investment of production line automation equipment and the integration of related support (talent and equipment), and the construction of a highly efficient product distribution process system.

Issues regarding Risks and Opportunities	Impact on the Company's Operations and Finances	Corresponding Measures
O15 Changes in consumer preferences	1. Increase in consumer marketing costs 2. Increase in domestic and international market research costs 3. Frequency of consumer trend analysis surveys	1. We conduct regular surveys on customer needs, study domestic and international consumer trends, and research for appropriate products in accordance with those trends. 2. Regularly monitor and study the effectiveness of the use of imported raw materials versus the use of local raw materials. 3. Incorporate ESG concepts to enhance commodity value.
O3 Recycle and reuse	1. Equipment improvement expenses 2. Improvement of waste management process	1. Establish management and staff cultured that increase the recycling rate of business waste (currently >95% at this stage). 2. Research and experimental improvement of recycled water schemes (cooling water for tin cans in food factories, watering with waste water from farms) 3. Research and experimental improvement of exhaust vapor reuse. 4. Promote the ISO 14001 environmental management system. 5. We are working with manufacturers to promote the reuse of waste products and achieve the goal of zero waste.

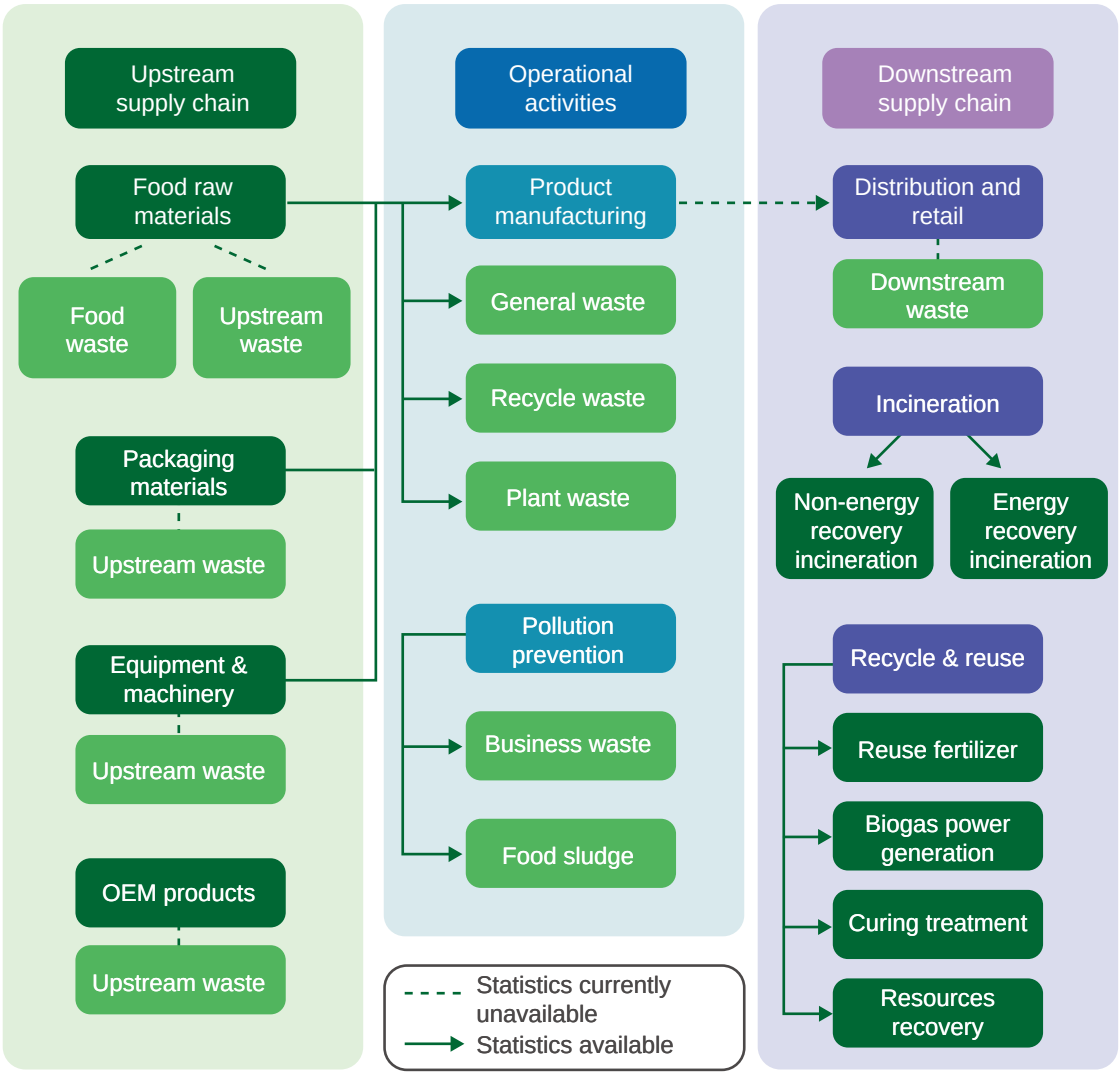


3.2 Reducing the Environmental Impacts of Wastes 306

Material Topics 306

Taisun is actively working towards three waste treatment goals: minimizing waste output, maximizing resource recycling, and optimizing plant management. The plant operates on the principle that reducing waste is preferable to treating it, and that controlling waste at its source is preferable to recycling. To achieve this, the company implements production process control and operational methods aimed at minimizing waste and reducing the cost of waste treatment. Additionally, the company conducts annual audits of contracted manufacturers and transportation management to ensure compliance with legal waste treatment practices and prevent illegal waste disposal. These audits also serve to fulfill the company's responsibilities for waste removal, treatment, and flow management, as well as to monitor manufacturers' implementation of waste treatment and resource recycling. The findings of these audits are reported to the Sustainability Committee, and the business waste cleanup plan serves as the primary tracking mechanism for these efforts.

Taisun Enterprise's Waste Disposal Flow Chart



Food Plant Management Results

1. On November 1, 2022, the manufacturer audit for the reuse of food sludge was conducted. The audit covered the composting and fertilizer production process, and the qualified fertilizer manufacturing certificate was added to the waste manufacturer selection list.
2. In 2022, the total output of non-resource waste from food plants was 29 metric tons, a decrease of 9 metric tons compared with the previous year.
3. The food plant produced a total of 1,513 metric tons of resource-based waste in 2022 with a 98.1% recycling rate.

Unit: Metric ton

	Year	2021	Percentage	2022	Percentage	Increase/ Decrease
Non-resource	Waste (off-site incineration)	29	1.9%	22	1.4%	-7
	Boiler furnace ashes	9	0.6%	7	0.5%	-2
Resource	Boiler slag	111	7.4%	168	10.9%	57
	Sludge, TEA dregs, resource recovery projects, etc.	1,354	90.1%	1,345	87.2%	-9
Total		1,503	100%	1,542	100%	39

Remarks: Non-resource based are incinerated; resource slag is reused in unreinforced concrete; sludge and tea dregs are composted to make fertilizer.

Aquafeed Plant Management Results

In 2022, the aquatic feed plant (including farm) generated a total annual business waste output of 208.54 metric tons. Out of this amount, 205.93 metric tons were successfully recycled and reused, resulting in a recycling rate of 98.75%.

Waste classification	Type	Product reused	Ratio of waste	Ratio of resources recycled
Resource	Feed waste, dried hog manure or sludge	Organic fertilizer	95.40%	98.75%
	Scrap iron, waste paper, or waste plastics	Iron materials, recycled paper, or plastics	3.35%	
Non-resource	Waste (off-site incineration)	---	1.25%	1.25%

Waste classification	Item	2021		2022		2022-2021	
	Unit	Metric ton	Percentage	Metric ton	Percentage	Difference	
resource	Beidou Ranch- dried hog manure	100	73.53%	160.0	84.86%	60.00	60.0%
	Aquafeed plant - feed waste	26.50	19.49%	18.95	10.05%	-7.55	-28.5%
	Scrap iron	0	0.00%	0	0.00%	0.00	0%
	Waste wood	7.05	5.18%	6.98	3.70%	-0.07	-1.0%
non-resource	Non-resource Waste (off-site incineration)	2.44	1.79%	2.61	1.38%	0.17	7.0%
Total		135.99	100.00%	188.54	100.00%	52.55	37.5%

Note: In 2022, the value of dry pig manure at Beidou Ranch was calculated in metric tons, whereas in previous years, it was mistakenly calculated based on the number of vehicles.

(Disclosure Indicators have been revised in accordance with the principle of consistency)

Aquafeed plants are actively promoting the use of bulk feed and discouraging the use of plastic packaging materials in bagged feed. To support this initiative, incentives are being offered to subsidize the installation of new bulk barrels. This not only helps clients save manpower and time during the breeding stage, but also indirectly reduces the consumption of plastic packaging materials, contributing to the overall reduction of plastic usage in Taiwan. In 2022, the aquafeed plant successfully decreased the use of plastics by a total of 5,892.08 kg, resulting in a corresponding reduction of 18,501.12 kg of carbon emissions.

Specific Actions	Plastic reduction (kg)	CO_2e reduction (kg)
Reduction of the use of plastic bags for raw materials and purchase of bulk raw materials in barrels	2,740.29	8,604.51
Change to the use of automatic inkjet date printer to reduce the use of plastic label stickers	184.72	580.02
Customers encouraged to use drums instead of bags (plastic packaging)	2,967.07	9,316.59
Total	5,892.08	18,501.12

3.3 Water Management and Effluent Discharge

303-1 303-2 303-3 303-4 303-5 FB-PF-140a.1 Evidence IX

As a prominent food plant, Taisun relies on water to facilitate various operations, including washing raw materials, manufacturing beverage contents, and cleaning machinery. Therefore, effective water management is of utmost importance. Taiwan is currently grappling with climate change and its environmental consequences. These include irregular rainfall patterns, a higher likelihood of intense downpours, inadequate drainage infrastructure, reduced reservoir capacity due to siltation of rivers and streams, resulting in droughts, water scarcity, and flooding during heavy rainfall events. Additionally, there has been a noticeable decline in the availability of clean, unpolluted water sources in rivers and streams. Taisun primarily utilizes underground water for its production processes. This water is carefully treated and sterilized through a water treatment system to regulate water consumption. Additionally, the effectiveness of water conservation is improved through meticulous process control.

Wastewater generated by the food manufacturing industry comprises suspended solids, oils and fats, and sugar derived from raw materials. Once discharged from production, this wastewater is no longer suitable for reuse within the facility and must undergo purification via the wastewater treatment process prior to being released into the drainage system. Taisun's wastewater needs to pass through a buffer tank → filtration → adjustment tank → primary sedimentation tank → pumping well → buffer tank → anaerobic tank → live bacteria sludge tank → final sedimentation tank before it can be discharged to the controlled discharge outlet to ensure that wastewater discharges will not impact on the neighboring farmland and sewers. The biological oxygen demand (BOD), chemical oxygen demand (COD), and suspended particles of wastewater are routinely monitored. The sludge is regularly reported and registered on waste disposal orders, and then transported for disposal in compliance with the law.

The table below presents the data on water intake and discharge of production water resources at the Taisun plant. The total water intake amounted to 762,200 tons, while the total water discharge reached 470,650 tons. Consequently, the total water consumption was 291,550 tons.

Unit: Thousand cubic meters

Item		2022		
		Food plant	Oil Plant + Aquafeed Plant + Beidou Farm	Total
Water withdrawal	Tap water	4.12	4.41	8.53
	Underground water	712.70	40.97	753.67
	Total	716.82	45.38	762.20
Discharge volume (effluent)		458.23	12.42	470.65
Total water consumption		258.59	32.96	291.55

Notes: Due to a malfunction, one of the groundwater meters at the food plant failed to record water withdrawals until September 2022. As a result, the average of the preceding four months was utilized to approximate the water withdrawals for the initial eight months.

The Food Plant has initiated an assessment of the investment potential for recovering secondary cooling water on the production line in order to enhance internal water recovery in 2023. The food plant submitted reports on wastewater discharge tests four times in 2022, and all test results demonstrated compliance.



▲ The water treatment plant carries out food-grade water treatment for each production line



▲ Personnel from the Environmental Protection Agency-certified testing company work together with the person in charge of the factory to take samples

Item	Regulatory standards	Q1	Q2	Q3	Q4	Average
BOD (Biochemical oxygen demand, BOD)	<30mg/L	14.8	8.5	5.8	7.8	9.2
COD (Chemical oxygen demand, COD)	<100mg/L	31.9	25.1	14.6	22.4	23.5
SS (Suspended solids, SS)	<30mg/L	<1.5	2.5	<1.5	2.8	2.1

Beidou Ranch filed reports on wastewater discharge tests in 2022 two times, and all the test results showed compliance.

Item	National standards	Year	1st half	2nd half	Average
BOD	<80mg/L	2021	67.4	69.6	68.5
		2022	64.4	69.0	66.7
COD	<600mg/L	2021	562	513	537.5
		2022	540	504	522
SS	<150mg/L	2021	127	100	113.5
		2022	132	102	117

3.4 Energy Saving and Carbon Reduction Management

The Company must consistently apply the PDCA (Plan-Do-Check-Act) cycle in both management and technical aspects to continuously enhance and optimize energy management. This will lead to reduced energy consumption, improved energy efficiency, and a contribution to the reduction of greenhouse gas emissions, thereby mitigating the impact on the global environment. By lowering energy costs, we can enhance the Company's competitive advantage and ultimately achieve the objective of sustainable development and environmental stewardship.

3.4.1 Factory Management 302-1 302-3 FB-PF-130a.1 Evidence VIII

The total energy consumption of each plant was 224,153.71 GJ. Purchased electricity accounted for 20.54% of the total energy, while Taisun Food Plant utilized biomass boilers for renewable energy, which accounted for 62.39% of the total energy consumed. Taisun's energy management primarily centers around biomass energy, with electricity serving as the primary source of carbon emissions. Our goal is to manage and reduce annual electricity consumption by regularly monitoring internal energy consumption statistics. We will promptly replace or modify outdated machinery and implement process improvements to control energy consumption.

Unit: Gigajoules (GJ)

Item		2022				
		Food plant	Oil plant	Aquafeed plant	Beidou Ranch	Total
Non-renewable energy	Purchased electricity	35,884.58	1,838.61	6,476.67	1,841.34	46,041.20
	Boiler oil	26,046.49	476.55	8,124.41	-	34,647.45
	Natural gas	2,059.90	-	-	-	2,059.90
	Liquefied petroleum gas	960.44	310.51	145.18	-	1,416.13
	Diesel fuel[2]	11.50	1.44	116.93	-	129.87
	Subtotal	64,962.91	2,627.11	14,863.19	1,841.34	84,294.55
Renewable energy	Biomass energy - purchased steam[3]	139,859.16	-	-	-	139,859.16
Subtotal of every plant		204,822.07	2,627.11	14,863.19	1,841.34	224,153.71
Total energy consumption		224,153.71				
Percentage of purchased electricity		20.54%				
Percentage of renewable energy used		62.39%				

Remarks:

1. The coefficients used, except for biomass energy, which is based on external test reports, and the calorific values used for the other categories are based on the Environmental Protection Administration's Greenhouse Gas Emission Factor Management Table, version 6.0.4;
   Electricity 1kWh = 3,600 KJ; Boiler oil 1L = 9,600 kcal; Natural gas 1M3 = 8,000 kcal; Liquefied petroleum gas 1L = 6,635kcal; Diesel fuel 1L = 8,400kcal; Biomass energy 1KG = 4,475kcal.
2. The calculation of diesel fuel consumption for generators was determined by considering the model number and frequency of usage. Similarly, the calculation of diesel fuel consumption for forklifts was based on the average price of diesel fuel in 2022, as provided by the Bureau of Energy's Petroleum Price Information Management and Analysis System.
3. The supplier uses wood pellets as fuel.

Food plant

The food plant installed a new production line for canned foods on December 29, 2021. As a result, the unit electricity consumption in 2022 increased by 1,083 GJ compared to the previous year. Additionally, the total production volume increased by 265,000 cases, leading to a decrease of 0.23% in unit electricity consumption. In 2022, the food plant's total energy consumption, ranked in descending order, was as follows: 1. biomass energy, 2. electricity, 3. fuel oil, 4. natural gas, 5. liquefied petroleum gas, and 6. diesel fuel. To decrease carbon emissions, the food plant plans to replace its oil boilers with natural gas boilers by 2023.

Unit: GJ (Gigajoules)

Year	Electricity consumption (GJ)	Total Production Volume (10,000 cases)	Average Electricity Use (GJ/10,000 cases)	Unit Electricity Consumption (b/a)
2021	34,801.6	785.2	44.3(a)	-0.23%
2022	35,884.6	811.8	44.2	
Increase/ Decrease	1,083	26.6	-0.1(b)	

Oil plant

In 2022, the oil plant experienced a 99.1 GJ increase in electricity consumption per unit compared to the previous year. Additionally, total production decreased by 112,000 cases, resulting in a 10.45% increase in electricity consumption per unit. This increase can be attributed primarily to the heavy oil products industry. To address this issue, improvements will be implemented to reduce additional electricity consumption.

Unit: GJ (Gigajoules)

Year	Electricity consumption (GJ)	Total Production Volume (10,000 cases)	Average Electricity Use (GJ/10,000 cases)	Unit Electricity Consumption (b/a)
2021	1,739.5	258.3	6.7(a)	10.45%
2022	1,838.6	247.1	7.4	
Increase/ Decrease	99.1	-11.2	0.7(b)	

Aquafeed plant

The annual electricity consumption per unit at the aquafeed plant increased by 0.02 GJ/ton in 2022, as compared to 2021. Due to the pandemic, the high cost of raw materials, coupled with a decrease in customer demand, has hindered our ability to focus on production. As a result, there has been a 7.14% increase in electricity consumption, although it remains within a manageable range of 90 kWh per ton. The Beidou Ranch's electricity consumption per unit in 2022 increased by 0.006 GJ/ton compared with 2021. (Annual renovation to increase fan equipment to keep the pigs cooler).

Unit: GJ (Gigajoules)

Year	Electricity (GJ)	Production (tons)	Average (GJ/ton)	Unit Electricity Consumption (b/a)
2021	6,105.72	21,627.26	0.28(a)	7.14%
2022	6,476.67	21,826.86	0.30	
Increase/ Decrease	370.95	199.6	0.02(b)	

Beidou Ranch

Unit: GJ (Gigajoules)

Year	Electricity (GJ)	Average (GJ/ pig)	Average weight of pigs for sale (kg)	Average (GJ/ton)	Unit Electricity Consumption (b/a)
2021	1,894.97	0.031	125.53	0.25(a)	16%
2022	1,841.34	0.037	125.38	0.29	
Increase/ Decrease	-53.63	0.006	-0.15	0.04(b)	

3.4.2 Greenhouse Gas Emission Management 305-1 305-2 305-4

The internalization of greenhouse gases into the environmental costs of enterprises demonstrates that reducing greenhouse gas emissions can effectively lower operating costs and enhance profitability. This confirms that reducing greenhouse gases can enhance business performance and promote the concept of sustainable management. In 2022, the addition of the 3rd food plant led to an increase in equipment and capacity. Consequently, there was a rise in carbon emissions, resulting in the following statistics for Scope 1 and Scope 2 carbon emissions:

Unit: tonnes CO_2e

Category	Year	Chang An, Taipei	Food plant	Oil plant	Feed plant	Administration Building in Tianzhong	Total Emissions
Scope 1	2020	42.60	2,172.41	8.98	677.55	11.41	2,912.95
	2021	46.41	2,328.86	8.39	702.00	11.52	3,097.19
	2022	28.11	2,437.31	8.67	703.98	10.48	3,188.55
2022-2021		-18.31	108.45	0.28	1.98	-1.04	91.36
Scope 2	2020	116.63	5,163.55	250.74	881.77	75.50	6,488.19
	2021	120.99	5,102.69	250.98	851.41	68.34	6,394.41
	2022	117.52	5,195.38	252.61	889.85	63.88	6,519.25
2022-2021		-3.47	92.69	1.63	38.44	-4.46	124.84

Intensity trends of greenhouse gas emissions

Year	2020	2021	2022
Scope 1+2 emissions tonnes CO_2e	9,401.10	9,498.56	9,707.79
Individual Turnover (NT$Thousand)	7,140,795	8,622,713	9,615,948
Greenhouse Gas Emission Intensity	0.13%	0.11%	0.10%

The Taipei headquarters implemented changes to the company car fleet starting in May 2022. As a result, the data for Scope 1 will see a significant decrease. However, the emission data for the production unit will increase due to the operation of the three new food factories' production lines. Moving forward, we will closely monitor production efficiency and explore various improvement solutions. These include centralized production management for materials and production-related scheduling, as well as efforts to reduce carbon emissions from cleaning, conversion, and transportation.

3.5 Emissions Reduction 305-7

Industrial production processes generate gaseous pollutants, primarily through the combustion and production of gas emissions in the atmosphere. These pollutants include sulfur oxides (SOx), nitrogen oxides (NOx), and other gases. Particulate pollutants, such as suspended particulates and smog, are also present, primarily resulting from fuel combustion and industrial processes.

Taisun conducts regular gas emission tests, reduces emissions through equipment improvement and process control, explores alternative energy sources, strengthens fuel quality and supplier management, enhances process efficiency and fuel quality management, and reduces the weight of plastic packaging materials.



▲ The biomass boilers of food factories need to replace old prevention equipment and chimneys with new ones

In 2022, the air pollution emission testing and reporting of biomass boilers in food plants adhered to the prevailing environmental protection regulations for suspended particulates, sulphur oxides, nitrogen oxides, heavy metals (lead, cadmium, mercury), and dioxin. Similarly, the testing and reporting of oil-fired boilers in food plants complied with the current environmental protection regulations for suspended particulates, sulphur oxides, and nitrogen oxides. Natural gas boilers were exempt from testing and reporting. The reduction of air pollution emissions from the food factory in 2022 compared to 2021 was -113kg of suspended particles, -2,771kg of sulfur oxides, and -1,705kg of nitrogen oxides.

Unit: kg

Emission Items	2021	2022	Increase/Decrease
Particulate suspended solids (PSS)	322	209	-113
SOx	3,411	640	-2,771
NOx	4,724	3,019	-1,705

The emission test report for the oil-fired boiler at the aquafeed plant in 2022 indicates that the levels of suspended particulates, sulfur oxides, and nitrogen oxides meet the requirements set by current environmental protection laws and regulations. In comparison to 2021, the aquafeed plant experienced a slight increase of 0.52kg in suspended particulates emissions, while there was a significant decrease of 56.79kg in sulfur oxides emissions and 157.38kg in nitrogen oxides emissions.

Unit: kg

Emission Items	2021	2022	Increase/Decrease(2022 - 2021)
PSS	41.56	42.08	0.52
SOx	166.69	109.9	-56.79
NOx	411.22	253.84	-157.38



4 Corporate Commitment

People First, Healthy Lifestyles, and a Happy Future

Material Topic: Occupational Safety

It is our responsibility to ensure the best employee experience and a healthy, safe workplace for all employees. The COVID-19 pandemic in 2022 has had significant impacts on work and lifestyles. We have implemented anti-pandemic measures and provided relevant resources to ensure the well-being of our employees while they are at work. Additionally, we have made adjustments to workplace safety, talent development and learning, remuneration, benefits, and social participation in response to changes in the macro environment, allowing us to effectively maintain normal operations.



4.1 Occupational Safety Hazard Prevention and Health Promotion

Material Topic

403-1 403-2 403-3 403-4 403-5 403-6 403-9 403-10

Safety and health are crucial for protecting a company's human resources, ensuring production and quality, guaranteeing sustainable development, and aligning with current trends. With Taisun's commitment to international safety and health standards, ensuring occupational safety and health has become essential for trade and is crucial for achieving sustainable development and operational success. Taisun strives for 0% incidence of occupational diseases and 0% major occupational injuries.

4.1.1 Major Risk Control Items

Taisun has established the Occupational Safety and Health Committee in compliance with the Occupational Safety and Health Administration Act. This committee operates in accordance with the law and utilizes the Occupational Safety and Health Management System. Its main objectives are to prevent significant occupational injuries, identify hazards, conduct risk assessments and accident investigations, provide occupational health services and training, and promote a healthy work environment.

4.1.2 Management actions:

1. The Occupational Safety and Health Committee met regularly on a quarterly basis, totaling 4 meetings.
2. A total of 9 cases on risk prevention and safety maintenance improvement were addressed, including 2 fire safety cases, 1 falling protection case, 2 chemical protection cases, and 4 lift cases.
3. There were 9 safety campaigns reaching 489 people, and 6 safety campaigns for contractors, reaching 32 people.





4. A total of 408 people participated in 8 fire safety exercises, and a total of 317 people participated in 2 emergency response exercises.



5. We offered occupational safety and health training to 65 new recruits and 24 part-time workers for a total of 139.5 hours.

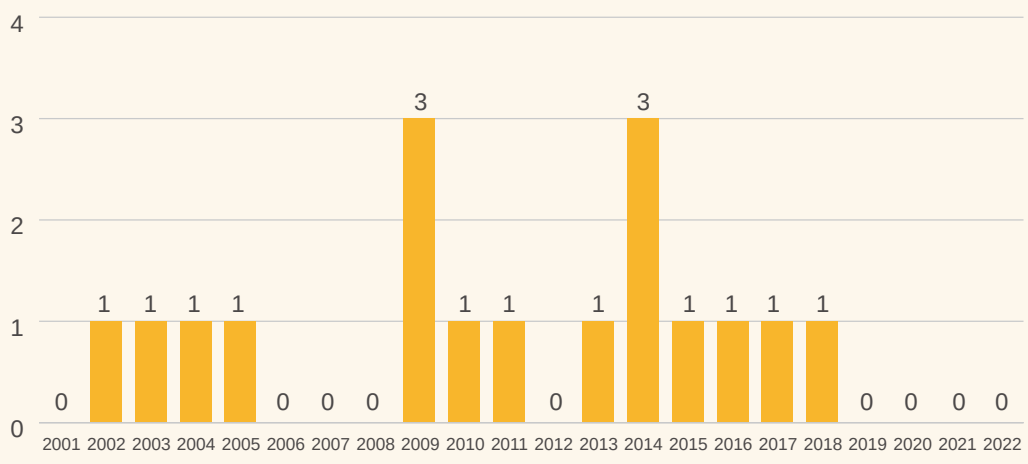


6. The performance evaluation of each unit in the food plants included an assessment of their 6S performance. Additionally, a contact list for safety and health was established. A total of 420 defects were promptly addressed and improved, while 26 defects were identified and action plans were implemented. Out of these, 23 defects were successfully resolved and closed, resulting in an impressive improvement rate of 88%.
7. Implement emerging hazard prevention projects:
   (1) The Human Factors Hazard Prevention Program surveyed 278 individuals and compiled a list of 7 injuries and illnesses to be included in the physician's clinical service list.
   (2) A total of 28 employees, classified as moderate- and high-risk, were identified in the disease prevention program triggered by abnormal workload. On-site physicians prioritized these employees for medical services, while also providing health guidance to encourage lifestyle changes, seeking medical assistance when necessary, adjusting work patterns, and conducting annual tracking.
   (3) We provided maternal health protection and education for a total of two individuals. This included arranging pregnancy and postpartum related health education and guidance, as well as improving the working environment to enhance comfort during pregnancy.
8. The physician conducted on-site services 71 times, providing health assessments and work suitability assessments. Work adjustments are recommended based on the employee's illness, type of work, and hours worked, using the annual health examination report and health assessment and work suitability assessment after an injury or illness. Additionally, maternal health protection and musculoskeletal health care targets are included, and a fitness-for-duty assessment is conducted with a physician at the labor and delivery line when necessary.
9. A total of 300 massage services were provided, with service suspension occurring from May to December in the Central Region and from May to September in Taipei due to the pandemic. Employees actively participated, and the reservation rate reached 100%, effectively promoting physical and mental health and relaxation. In addition, the Tianzhong plant has set up sports clubs such as a Yoga Club and a Jogging Club, which regularly organize exercise and teaching activities.
10. Annual Employee Health Screening:
    (1) General health checks: 652 people
    (2) Physical examinations for food workers: 347 people
    (3) Ionizing radiation workers: 5 people
    (4) Dust workers: 28 people
    (5) Hearing tests: 117 people, Noise workers: 27 people
    (6) New production headquarters staff (incl. work-study and student interns) physical examinations: 78 people
11. Notification and tracking of dangerous abnormal values and health management levels:
    (1) 6 people were tracked for abnormal values.
    (2) 10 people were tracked for abnormal values in hearing tests.
12. Due to the pandemic situation, health promotion activities were centered around literature and publicity to discourage gatherings. This was accompanied by QR code video viewing, covering a total of 9 themes: (1) myocardial infarction, (2) four tips for protecting your lungs, (3) understanding intervertebral disc herniation, (4) taking care of your hearing, (5) prevention of the three highs, (6) maintaining a proper diet, (7) occupational carpal tunnel syndrome, (8) occupational rotator cuff syndrome, and (9) key points for healthcare in cold weather. There was also one physical health seminar attended by 44 people.
13. The workplace medical kits, consisting of 13 sets in 13 units, are managed by the company. Each month, the factory guard conducts regular audits of each unit, ensuring that the medical materials are up to date and supplemented as needed. Additionally, information regarding the use of various medical materials and basic wound care methods is made available to employees. To ensure food safety, a special aluminum-containing film blue bandaid, suitable for the catering industry, is used to facilitate metal detection.

4.1.3. Management Achievements

1. In 2022, there was a single fire incident at the feed factory. The fire was caused by external flames entering the factory premises, but fortunately, no lives were lost and no property damage occurred.
2. Zero incidence of occupational illness and zero severe occupational injuries.
3. In 2022, no severe occupational accidents were reported at the production plant. The cumulative number of consecutive days without a severe occupational accident reached 1,807, starting from January 19, 2018.

Statistics of major occupational disasters from 2001 to 2022



4. Statistics on the Types of Occupational Injuries

Employees Statistics on Occupational Injuries and Occupational Diseases:

Type/Year		2021	2022	Hazards and Improvement Instructions
Types of Occupational Injuries	Bumps/ Bruises	23	39	I. We are committed to enhancing the safety of our equipment and addressing the issue of unsafe equipment. II. Implementing and enforcing safety inspections. III. Implementing the reorganization and consolidation. IV. Providing appropriate personal protective equipment. V. Implementing job coaching and safety training.
	Cuts/ incisions	25	15	
	Scalding	19	17	
Occupational diseases	Overwork	0	0	

Non-Employee Statistics on Occupational Injuries and Occupational Diseases (No Records Found)

Item	2020	2021	2022
Total occupational accidents	3	7	3
Total working hours (hours)	1,282,000	1,286,000	1,400,000
Injury rate (IR)	0.47	1.09	0.43
Total occupational injury case hours (hours)	0	0	0
Total working hours (hours)	1,282,000	1,286,000	1,400,000
Occupational disease rate (ODR)	0	0	0
Absence days (days)	692.94	819.0	2038.6
Total working days (days)	160,250	159,476	174,300
Absence rate (AR)	108.10	128.39	292.40
Number of days lost (days)	77.81	120.2	93.2
Total working days (days)	160,250	159,476	174,300
Lost day rate (LDR)	12.14	18.84	13.37
Number of deaths	0	0	0

Calculation formulas:

1. GRI (IR) = total injury incidents/ total working hours × 200,000
2. GRI (ODR) = total hours of occupational injury incidence / total working hours × 200,000
3. GRI (AR) = absence days / total working days × 25,000
4. GRI (LDR) = Number of days lost / total working days × 25,000
5. The number of deaths refers to the number of deaths due to occupational injuries



4.2 Harmonious Labor-Management Relations

Taisun is dedicated to fostering harmonious labor-management relations by offering diverse communication channels, benefits, and a conducive work environment. This enables employees to work with peace of mind, enhances their perception of the Company, reduces turnover, and ensures stability in our human resources and intellectual capital. Moreover, it improves production efficiency and facilitates operational development.

Taisun effectively manages labor-management relations by ensuring timely communication of material information, minimizing labor disputes, maximizing the utilization of benefits, facilitating smooth reinstatement and retention after parental leave, monitoring the percentage of new employees, and minimizing turnover rate. This approach helps maintain a harmonious labor-management relationship.

4.2.1 Diverse Communication Channels and Human Rights Protection

406-1 408-1 409-1 410-1

Taisun Enterprise Co., Ltd. has developed and released the Declaration of Human Rights Protection. This declaration aims to create a healthy and safe workplace, prevent any form of discrimination, ensure equal opportunities for all employees, prohibit child labor and forced labor, prevent any unlawful infringements, respect privacy, and establish effective communication between labor and management. In 2022, labor relations remained harmonious, as evidenced by the absence of any anomalies reported through employee care mailboxes or direct communication with human resources managers. Furthermore, there were no instances of discrimination complaints or labor disputes.

1. Regular quarterly labor-management meetings: In 2022, we conducted a total of four meetings in March, June, September, and December. These meetings were attended by a majority of representatives from both sides. During these meetings, various proposals were discussed, including the 2023 annual schedule. Both sides reached a consensus and adopted resolutions regarding this matter. Additionally, the Ministry of Labor announced the major policies to be implemented from January 2023 onwards. Notable changes include an adjustment of the monthly minimum wage to NT$26,400 and an adjustment of the minimum wage to NT$176.
2. The Employee Welfare Committee convenes quarterly, holding a total of four meetings. During these meetings, topics such as enhancing birthday gifts and annual gift certificates, organizing cultural and recreational activities, formulating the 2023 budget, and enhancing various welfare programs were discussed, agreed upon, and implemented.
3. Employee Satisfaction Survey: 389 valid questionnaires were collected this year (+40/+11.5% compared to 2021), with a valid recovery rate of 85.9%. The survey revealed an overall average satisfaction rate of 4.446 (74.11%), representing a 0.27% increase from the 2021 rate of 4.430 (73.84%). Specifically, Job Satisfaction, Internal Communication, and Corporate Culture all showed improvement compared to the previous year. We value the honesty of our employees and recognize the significance of their perception of the company in driving improvements. By ensuring that employees understand the impact of their opinions, they will feel valued and motivated to provide feedback, ultimately contributing to the company's continuous improvement. Therefore, we will continue to closely monitor the employee satisfaction survey.

4.2.2 Diverse Employee Benefits and Health Promotion 401-2

1. Both Taisun and Pin-Tai Distribution Enterprise Co., Ltd. have established Employee Welfare Committees to offer identical benefits to both full-time and part-time employees. These benefits include subsidies for marriage, childbirth, funeral, home purchase, and childcare. Additionally, employees receive two gifts for each of the three major holidays and Labor Day. The pandemic had an impact on the annual plan, preventing the company from organizing large-scale cultural and recreational activities. However, in the fourth quarter, when the pandemic subsided, employees were given access to an online platform for choosing travel and catering programs. This brought some happiness and resulted in an expenditure rate of 92.85%, with an average benefit of NT$11,145 per employee.

2. We offer employee dormitories and provide accommodations for employees from different counties and cities. The Tianzhong dormitory has 14 rooms, while the Yuanlin dormitory has two rooms. In 2022, the Tianzhong dormitory accommodated 11 people, and the Yuanlin dormitory accommodated two people. Individuals who previously received rental subsidies despite the presence of vacant units will continue to receive the subsidy according to their preferences.
3. Visually impaired masseurs are employed to offer massage services. In 2022, massage services were temporarily halted in the Central District from May to mid-October, and in Taipei from May to September, as a result of the pandemic. Services resumed in October once the pandemic situation improved. A total of 300 individuals availed themselves of this service.
4. Due to the nature of the industry, employees at the production plants undergo annual health checkups, food service operation checkups, and special checkups for noise, radiation, dust, etc. Other employees receive labor health checkups every two years, while supervisors of seven or more grades are offered advanced health checkup programs.
5. The Company determines the year-end bonus amount based on the annual operating results. In 2022, despite ongoing challenges and the lingering impact of the COVID-19 pandemic, we have persevered and demonstrated strong ambition. Through our collective efforts, we have surpassed our 2023 goal ahead of schedule, achieving billions of dollars in revenue. As a result, the year-end bonus amount has increased slightly compared to the previous year. We extend our gratitude to the Group's business divisions for their diligent efforts in stabilizing the Company's profitability by seizing trends and opportunities. We also express our appreciation to each and every employee for their unwavering dedication and commitment to the Company.
6. We contribute an amount equal to 30% of employees' contributions to the employee stock ownership trust. Employees who have completed two years of service are eligible to apply for membership. In 2022, our contribution matched 100% of employees' contributions.
7. The Employee Assistance Program (EAP) offers employees a means to seek assistance and support. In 2022, a total of 70 individuals received help through various channels, including the 0800 hotline (9 individuals), Line (52 individuals), and a psychological management seminar (5 individuals). Additionally, (4 individuals) utilized the medical, legal, and financial consultation services. These services were made available through information cards, referrals from occupational nurses, encouragement from supervisors, and newsletters.

Employee Welfare Committee's Expenditure

Benefit	Total amount (NT$)	Expenditure rate (%)	Content
Subsidy and allowance	596,000	7.09%	Wedding allowance, funeral condolence subsidy, home purchase subsidy, hospitalization allowance, natural disaster condolence money, maternity allowance, childcare subsidy
Education grant	800,800	9.53%	Scholarships for employees' children
Leisure and recreation	4,318,117	51.39%	Departmental activities, recreational and cultural activities, club activities
Other benefits	2,086,306	24.83%	Gifts on the Double Ninth Festival and Lunar New Year
Total	7,801,223	92.85%	
Average benefit cost per person is NT$11,145			

4.2.3 Carefree parental leave and reinstatement 401-3

Employees are provided with maternity leave, parental leave, and other legally mandated leave entitlements, irrespective of gender. We actively promote and support employees in availing themselves of unpaid parental leave to attend to their childcare responsibilities. Prior to the conclusion of the leave period, we proactively reach out to these employees to ascertain their intention to return to work. In 2022, a total of 15 individuals took parental leave, with 8 successfully reinstated.

Employees on unpaid parental leave and reinstatement and retention rates

Employee Parental Leave/Year	Gender	Statistics		
		2020	2021	2022
Number of employees who are eligible for parental leaves	Male	7	9	8
	Female	6	8	6
Number of employees who applied for parental leaves	Male	0	0	5
	Female	5	3	10
Number of employees who may be reinstated at the end of their parental leave (A)	Male	0	0	2
	Female	3	3	10
Number of employees who were actually reinstated at the end of their parental leave (B) (including early reinstatement)	Male	0	0	1
	Female	3	2	7
Reinstatement rate (B/A)	Male	0%	0%	50%
	Female	100%	67%	70%
Total number of employees who are still employed 12 months after reinstatement from the previous year (C)	Male	1	0	0
	Female	2	3	0
Retention rate (C/B from the previous year)	Male	0	0	0
	Female	67%	150%	0%

4.2.4 Balance between new and resigned employees 401-1

In 2022, we experienced a significant increase in our workforce due to the construction of new production lines in our plants. Additionally, we hired management trainees to ensure a smooth succession process for employees who are retiring. We employ various methods to recruit local employees, tailored to regional and job-specific requirements, in order to effectively reduce turnover. We have developed a comprehensive pre-employment training plan for new hires, with HR personnel assigned to provide this training. Additionally, we conduct regular interviews with new employees to monitor their progress and offer counseling services to facilitate their quick adaptation. Meanwhile, we are conducting interviews with employees who have resigned in order to understand the reasons behind their departure and provide prompt feedback to supervisors. We will also incorporate their suggestions about the Company into our comprehensive improvement plan.

Ratio of new and resigned employees

New employees and resigned employees/year		2020		2021		2022	
		Total number	Ratio (note)	Total number	Ratio (note)	Total number	Ratio (note)
New employees							
Age	Under 30 years old	30	37.97%	20	26.67%	38	52.78%
	30-50 years old	42	12.77%	52	14.81%	67	18.51%
	Over 50 years old	7	3.59%	4	2.00%	8	3.83%
Gender	Male	54	14.96%	49	13.10%	66	17.55%
	Female	25	10.33%	27	10.71%	47	17.60%
Education	Graduate school	11	18.64%	8	13.11%	16	25.00%
	College/ University	47	14.33%	45	12.97%	65	18.21%
	Others	21	9.72%	23	10.55%	32	14.41%
Region	Taiwan	79	100.00%	76	100.00%	113	100.00%
Resigned employees							
Age	Under 30 years old	22	27.85%	16	21.33%	28	38.89%
	30-50 years old	28	8.51%	29	8.26%	44	12.15%
	Over 50 years old	15	7.69%	19	9.50%	12	5.74%
Gender	Male	48	13.30%	41	10.96%	54	14.36%
	Female	17	7.02%	23	9.13%	30	11.24%
Education	Graduate school	7	11.86%	9	14.75%	6	9.38%
	College/ University	36	10.98%	30	8.65%	52	14.57%
	Others	22	10.19%	25	11.47%	26	11.71%
Region	Taiwan	65	100.00%	64	100.00%	84	100.00%

4.2.5 Excellent Retirement System 201-3 401-2 404-2

The previous pension fund was fully contributed to in accordance with Article 56 of the Labor Standards Act. As of the end of 2022, the account balance stood at NT$234,039,356, exceeding the required amount. To safeguard the future retirement rights and interests of our employees, we will continue to contribute 2% of the total salary to the Bank of Taiwan Retirement Reserve Account on a monthly basis. In light of the surplus reserve in the account, we have taken into account the pension fund's revitalization, operational requirements, manpower demands, and business sustainability. As a result, we have approached employees who have served for over 30 years under the old scheme. We have settled their pension accounts and reappointed them under the new scheme, allowing them to access their pensions in advance while still working and benefiting from the new scheme.

4.3 Competitive Market Presence

Salary levels have a direct impact on individuals, organizations, and the national economy. Our organization offers wages that exceed the minimum standard, which benefits our workers. Gender equality in terms of pay and the proportion of managerial positions serves as indicators of our commitment to equal opportunities in the workplace. This fosters a productive work environment and enhances the Company's operational performance.

Taisun's management goals are centered on four key areas: the proportion of employees who are Taiwanese citizens, the compensation of full-time non-managerial staff, the gender pay gap, and the representation of top-level managers at the national level. Our goal is to contribute to Taiwan's social development and ensure the long-term stability of our business by employing local talent.

4.3.1 Management Actions to Build Market Presence

1. Salary System and Equal Promotion 202-1 404-3

Due to the nature of the manufacturing industry and the current job market, Taisun's workforce is predominantly male. As a result, the overall salaries for male employees are slightly higher than those for female employees. However, we are committed to enhancing the compensation of our female staff. The compensation system is designed in a rational manner, taking into account the correlation between the Company's operating performance and employees' salaries. The criteria for review are internal balance and industry standards. Promotions and salary adjustments are determined through a fair and reasonable performance review process, resulting in an average salary adjustment of approximately 4.6% compared to 2021.

Our promotion system is gender-neutral, ensuring equal opportunities for all employees. In 2022, a total of 114 employees were promoted, with approximately 40% being female and 60% being male. After promotion, we provide education and training at various levels and through different systems, tailored to individual competencies. This is aimed at enhancing the knowledge and skills of managerial personnel, as well as the professional knowledge and skills of non-managerial personnel.

The Company implements a performance appraisal system that is based on the principles of fairness and impartiality. The results of these appraisals serve as a crucial starting point for talent development. Additionally, the aggregated targets' outcomes are used as the foundation for year-end bonuses, salary adjustments, job rotations, and training. This approach effectively motivates employees to maintain their hard work. The number of employees who should have been assessed in 2022 was 606 and the actual assessment rate was 100%.

2. Diversity and Equal Employment 402-1 406-1 411-1

In 2022, we actively supported and assisted socially disadvantaged groups in their integration into society. Specifically, we hired 5 individuals from ethnic minorities, including Taiwan's indigenous peoples, and employed 12 individuals with disabilities. By providing employment opportunities to disadvantaged individuals, Taisun aims to promote equal opportunities and improve their quality of life. It is worth noting that there were no reported instances of rights violations in 2022.

3. Local Employment 202-2

In 2022, there were no significant layoffs resulting from operational issues or dissolution. We give priority to hiring domestic workers, and as a result, we only employ a small number of foreign workers to fill long-standing vacancies. Consequently, foreign workers make up 3.4% of our total full-time workforce. Additionally, all top-level managerial positions are held by domestic workers, representing 100% of the total.

4.3.2 Market Presence Management Results 405-2

1. Gender ratio of basic salary and remuneration

Ratio of basic salary and remuneration			Ratio					
			2020		2021		2022	
Major operating locations	Type of Employee	Item	Male	Female	Male	Female	Male	Female
Taiwan	Direct	Basic salary (Note 1)	1.04	1	1.04	1	1.04	1
		Remuneration (Note 2)	1.03	1	1.04	1	1.07	1
	Indirect	Basic salary	1.16	1	1.16	1	1.22	1
		Remuneration	1.33	1	1.27	1	1.37	1

Note: 1. Basic salary refers to the minimum fixed amount paid to an employee for their duties, excluding any additional compensation such as overtime pay, bonuses, or allowances.

Note: 2. Remuneration encompasses the base salary as well as any supplementary payments made to the employee. These supplementary payments encompass length-of-service allowances, bonuses (both cash and equity), benefits, overtime, transfers, and any other allowances such as transportation, cost-of-living, and childcare allowances.

2. Ratios of standard entry level wage by gender compared to local minimum wage

Type of Employee	Gender	Ratio of standard salary to local basic wage
Taiwan	Male	1.14
	Female	1.11

Note 1: Entry-level employees are defined as regular employees within the Company's internal human resources system, specifically including direct employees, technicians, and operators. This category does not encompass interns or dispatched employees.

Note 2: The standard salary refers to the monthly salary given to regular employees at the basic rank, as defined by the Labor Standards Act.

3. 100% of senior managers are local residents

Major operating locations	Number of senior managers	Number of local residents employed as senior managers	Percentage
Taiwan	11	11	100%

4. Salary of full-time non-managerial employees

Item	Number of full-time employees	Average salary	Median salary
2021	522	737,408	633,505
2022	514	1,049,000	853,000
Difference	-8	+311,592	+219,495

Note: Our information for 2021 and 2022 underwent an audit by KPMG Taiwan, in accordance with the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.

➡ Compared with 2021, due to increased profits, both the average and median number of non-supervisors increased in 2022.

4.4 Training and Commendation 404-1 404-2

Employee training and recognition programs foster a sense of belonging among employees and contribute to talent retention. We prioritize the enhancement of their professional skills, leveraging their expertise to drive meaningful contributions to the company. In our enterprise's key development strategy, we aim to strengthen our corporate culture and enhance employees' competencies in order to foster effective teamwork.

4.4.1 Education and Training During the Pandemic

Despite the decrease in physical training courses due to the pandemic and the strict measures in place, we have maintained our commitment to organizing strategic courses for senior and mid-level managers, management courses for executives at all levels, professional courses, general education courses for all employees, new employee training courses, and online sharing of articles. This has allowed us to consistently increase the average number of employee training hours each year. The courses encompass trend insights, general competencies, professional skills, leadership and management, and digital transformation. Their aim is to enhance the management competencies of managers at all levels and foster their capacity to learn and think from an interdisciplinary perspective.

4.4.2 Training on Corporate Strategy and Culture Development

To foster the future growth of our coffee business, we have transformed external training into internal training and introduced Coffee Brewing Courses to cultivate a stronger coffee-centric culture within our company.

To standardize and systematize knowledge transfer within the company, as well as enrich the resources of online learning materials, a three-day Internal Lecturer Training was conducted. The purpose of this training was to equip new trainees with the skills to effectively convert their professional knowledge and skills into standardized courses, improve their ability to create teaching materials, and cultivate their stage teaching skills.

We conducted seminars on "Analysis of Japan's Local Creative Film and Television Works" and "New Thoughts on Senior Business Opportunities from the Perspective of Local Creativity". These seminars fostered a fresh understanding among the units involved in liquor promotion and facilitated the exploration of future business prospects.

To facilitate supervisors' comprehension of the significance of performance interviews and their successful implementation, two courses titled "Performance Interview Skills" were conducted. These courses aimed to assist managers in effectively communicating with the appropriate mindset and objective perspective during appraisals, as well as achieving a mutual understanding of performance expectations between managers and their subordinates.

In addition to organizing physical courses and providing an online learning platform, the Company also purchases books and gifts them to employees. This is done to enhance the health protection knowledge of managers and employees, as well as to understand local symbiosis issues. These books serve as a valuable resource for enriching health knowledge and can be used as a reference for promoting local services and corporate social responsibility.

4.4.3 Recognition of the Taisun Star to recognize employees' continuous improvement and achievements

The Taisun Star has been held since 2007 and is now in its 16th year. Under the quota-submission, quota-award mechanism, a total of 24 teams and individuals representing various groups participated in the judging in 2022. The nominees presented their key success factors at the panel, where the Chairman, President, and judges had the opportunity to personally meet and interact with them. Following a fair and transparent evaluation process, 2 groups of top newcomers, 6 groups of outstanding individuals, 1 group of exceptional coaches, 5 groups of exemplary teams, and a total of 88 colleagues were acknowledged. By promoting exceptional cases and publicly recognizing achievements, it can positively influence the behavior and mindset of employees.

4.4.4 Implementation Results of Annual Training Courses

A total of 8,581 people completed the training courses for 10,043.8 hours in 2021.

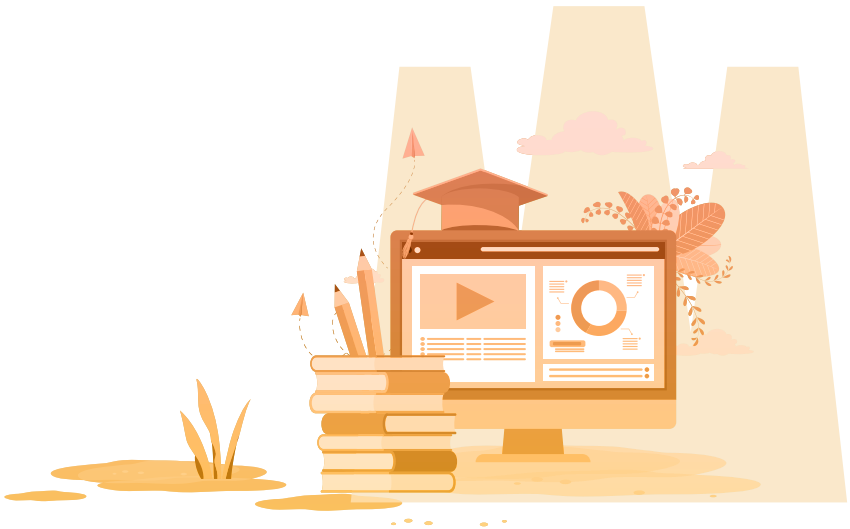
Statistics/Year		2020	2021	2022
Average hours of training per employee (Note 1)		10.7	15.6	21.6
Average number of employee training hours by gender (Note 2)	Female	11.5	16.4	22.2
	Male	10.2	15.1	21.1
Average number of hours of employee training by category (Note 3)	Direct	10.7	11.5	13.2
	Indirect	10.7	17.4	25.2

Note: 1. Average number of hours of training per employee: Total number of hours of training for all employees in the year / Total number of employees at the end of the year.

Note: 2. Average number of hours of training per female employee: Total number of hours of training for female employees in the year / Total number of female employees at the end of the year.

Note: 3. Average number of hours of training for each employee category: Total number of hours of training for each employee category in the year / Total number of employees in each category at the end of the year.

In the knowledge-based economy era, talent cultivation and development serve as the cornerstone for a company's sustainable operation and growth. In 2020, the average employee training hours were 10.7, impacted by the COVID-19 pandemic. To address this, the Company swiftly adapted by organizing physical courses and implementing online learning platforms, adhering to pandemic prevention measures. This integration of virtual and real-world learning enabled uninterrupted learning for all. Consequently, there was a notable increase in average training hours in both 2021 and 2022.



4.5 Actions for Symbiosis and Common Good

In 2022, Taisun did not expand its plants or implement any significant operational changes in the local community, resulting in no adverse effects. The symbiotic relationship between an enterprise and the local community is the key to achieving sustainable corporate development. We actively engage in health initiatives within the local community through our plants. Our goal is to contribute to the positive development of society by leveraging the influence of our enterprise. Through our food plant, we successfully meet the nutritional needs of the underprivileged, while also maximizing the social value of our products. This, in turn, supports the growth and prosperity of our plants and local communities, fostering a culture of positivity and creating a favorable social environment.

Taisun is attentive to the potential negative impact on the local community in terms of social relations. Additionally, we consider the influence of infrastructure investment and support service development on community life. We also actively manage related operational activities, offer public relations gifts to local charities, support the development of positive local initiatives, and contribute to the Taisun Cultural Foundation in order to improve lives and foster a sense of purpose. In 2022, there were no plant expansions. Instead, adjustments and improvements were made to the equipment and factory area, resulting in no negative impacts or complaint cases.

4.5.1 Sponsorship of Local Community with PR Gifts for Charity Purposes

1. Supporting locally held international events:

Taisun has been the main sponsor of various events for 11 consecutive years, including the Taiwan Tianzhong Marathon and the International Ershui Water Marathon for 6 consecutive years. We have sponsored with more than 4,100 boxes of products with over 130 employees participating (including family and friends).

2. Long support of local activities:

We have donated 538 boxes of products to support 14 organizations and 23 events.

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

1. Good Food Knowledge+

Taisun leverages its food expertise and collaborates with the Digital Humanitarian Association to bridge the gap between urban and rural areas using technology. Starting in August 2022, we will conduct 9 long-distance food knowledge courses in 5 rural locations, with a total of 181 elderly participants.

2. Supporting the Taiwan Religious Extravaganza:

In collaboration with Dajia Mazu, the Company has actively engaged in public welfare walks and booths for four consecutive years. Despite the challenges posed by the pandemic in 2022, the number of attendees and participants was lower compared to previous years. Nevertheless, Taisun demonstrated its commitment by sending 146 boxes of products to a temporary stall. Additionally, 25 employees volunteered in the public welfare walks, exchanging their mileage for products. Furthermore, the company donated a total of 41 boxes of products to support disadvantaged groups.

4.5.3 In 2022, the Taisun Cultural Foundation received the esteemed "Social Education Contribution Award" group award from the Ministry of Education.

1. Promote positive beliefs and transform life attitudes:

In light of the pandemic's impact, we conducted a series of 24 lectures focused on mental growth. These lectures were primarily held online, with a portion also taking place in person. The annual theme for these lectures was "Changing Minds, Embracing the New Era". In total, the online live broadcasts garnered 13,023 viewers, while the in-person lectures saw a participation of 3,522 audience members. We released the 104th - 107th editions of the "Taisun Family" quarterly newsletters, and disseminated e-newsletters and social media messages, reaching approximately 1,335,427 individuals.

2. Parenting seminars help build a positive outlook on parenting:

We conducted 19 online parenting seminars and 2 sessions of a 10-week "Garden of Souls - Parenting Book Club" online course. These events were designed to engage parents in discussions about new parenting concepts and adaptive development, with the aim of providing emotional stability and fostering harmonious family relationships. A total of 6,681 parents actively participated in the online course.

3. Promote life education related activities:

We organized online seminars on life education and storytelling seminars on life fighters, with the participation of 1,473 students and 1,359 teachers. Additionally, we have continued to distribute the Little Taisun Encouragement Award scholarships to support 242 students from disadvantaged or needy families who are facing hardships. Furthermore, the Reading Run is an ongoing initiative aimed at promoting both sports and reading habits. The two partner schools have collectively accumulated a total of 249,355 laps of reading promotion funds.







Appendix

Appendix I:	GRI Standard Index Table
Appendix II:	SASB-Index to Sustainability Accounting Standards for Processed Foods
Appendix III:	SDGs - Sustainable Development Goals Reference Index
Appendix IV:	Sustainability Disclosure Indicators - Food Industry and Food and Beverage Revenues Accounting for 50% or More of Their Total Operating Revenues
Appendix V:	Limited Assurance Report and Table of Targets Assured

Appendix I: GRI Standard Index Table

★ are material topics

Disclaimer: The Company has followed the GRI Guidelines for reporting for the period January 1 through December 31, 2022.

Applicable GRI Industry Criteria: No industry criteria have been published for the food industry.

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	2-15	Conflicts of Interest	1.1.3 Principle of Avoidance of Directors' Interests	28
	2-16	Communication Regarding Material Events	1.1.4 Communication Regarding Material Events	28
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	2-18	Evaluation of the Performance of the Highest Governance Body	1.1.6 Evaluation of Directors' Performance	29
	2-19	Remuneration Policies	1.2.1 Remuneration Committee Remuneration Decision Process	30

Topic	Disclosure Items	Item Description	Chapters	Page
Governance	2-20	Process to Determine Remuneration	1.2.1 Remuneration Committee Remuneration Decision Process	30
	2-21	Annual Total Compensation Ratio	1.2.1 Remuneration Committee Remuneration Decision Process	--
Strategy, Policies, and Practices	2-22	Statement on Sustainable Development Strategy	ESG Commitments 1.1.2 Business Objectives and Long-Term Vision	9 28
	2-23	Policy Commitments	ESG Commitments 1.1.2 Business Objectives and Long-Term Vision	9 28
	2-24	Embedding Policy Commitments	ESG Commitments 1.1.2 Business Objectives and Long-Term Vision	9 28
	2-25	Processes to Remediate Negative Impacts	Communication and Grievance Channels	11
	2-26	Mechanism for Seeking Advice and Raising Concerns	Communication and Grievance Channels	11
	2-27	Compliance with Laws and Regulations	1-5 Legal Compliance	38
	2-28	Membership Associations	1-6 Membership of Associations	39
Stakeholder negotiations	2-29	Stakeholder Negotiation Policies	Issue Materiality Management: 1. Identification Process	12
	2-30	Collective Bargaining Agreements	1.3.2 Personnel Composition Overview	33
GRI 3: Material Topics 2021				
Material Topics	3-1	Process to Determine Material Topics	Issue Materiality Management: 1. Identification Process	12
	3-2	List of Material Topics	• Issue Materiality List • List of Major Impact Scope and Impact Issues • Overview of the Annual List of Topics of Concern	13-17
Economics				
Economic Performance				
GRI 3: Material Topics 2021	3-3	Management of Material Topics	1.4.1 Profitability and Structure 1.4.2 Financial Risk Management Results	36 37-38
GRI 201: Economic Performance 2016	201-1	Direct Economic Value Generated and Distributed	1.4.1 Profitability and Structure	36-37
	201-2	Financial Implications and Other Risks and Opportunities due to Climate Change	3-1 Climate Change Risks and Opportunities	60-67
	201-3	Defined Benefit Plan Obligations and Other Retirement Plans	4.2.2 Diverse Employee Benefits and Health Promotion 4.2.5 Excellent Retirement System	82-83 85
	201-4	Financial Assistance Received from Government	There were no relevant subsidies in 2022.	--

Topic	Disclosure Items	Item Description	Chapters	Page
Market Presence				
GRI 202: Market Presence 2016	202-1	Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage	4.3.1-1 Salary System and Equal Promotion	86
	202-2	Proportion of Senior Management Hired from the Local Community	4.3.1-3. 3.Local Employment	86
Procurement Practices				
GRI 204: Procurement Practices 2016	204-1	Proportion of Spending on Local Suppliers	2.1.2 Domestic Procurement Management: 4. Management achievements ① Procurement from local suppliers 2.3.1 International Procurement Management: 1. Raw Material Procurement For Soybean and Vegetable Oil	44 45
Anti-Corruption				
GRI 205: Anti-corruption 2016	205-1	Operational Sites Where Corruption Risk Assessment has been Conducted	No Relevant Reports	--
	205-2	Communication and Training About Anti-Corruption Policies and Procedures	1.1.2 Business Objectives and Long-Term Vision (Regarding education and training on ethical corporate management)	28
	205-3	Confirmed incidents of corruption and actions taken	No Relevant Reports	
Anti-competitive behavior				
GRI 206：Anti-competitive behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No Relevant Reports	--
Tax				
GRI 207：Tax 2019 Management approach	207-1	Approach to tax	1.4.1 Profitability and Structure	36
	207-2	Tax governance, control, and risk management	No Relevant Reports	--
	207-3	Stakeholder engagement and management of concerns related to tax	No Relevant Reports	--
Environmental				
Energy				
GRI 302: Energy 2016	302-1	Energy Consumption Within the Organization	3.4.1 Factory Management	72-73
	302-2	Energy Consumption Outside of the Organization	No Relevant Reports	--
	302-3	Energy Intensity	3.4.1 Factory Management	72-73
	302-4	Reduction of Energy Consumption	3.4.1 Factory Management	72-73
	302-5	Reductions in Energy Requirements of Products and Services	3.4.1 Factory Management	72-73

Topic	Disclosure Items	Item Description	Chapters	Page
Water and Effluents				
GRI 303: Water and Effluents 2018 Management approach	303-1	Interactions With Water as a Shared Resource	3-3 Water Management and Effluent Discharge	70-71
	303-2	Management Of Water Discharge-Related Impacts	3-3 Water Management and Effluent Discharge	70-71
GRI 303: Water and Effluents 2018	303-3	Water Withdrawal	3-3 Water Management and Effluent Discharge	70-71
	303-4	Discharge Volume	3-3 Water Management and Effluent Discharge	70-71
	303-5	Total Water Consumption	3-3 Water Management and Effluent Discharge	70-71
Emission				
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	3.4.2 Management of GHG emissions	74
	305-2	Indirect Energy (Scope 2) GHG emissions	3.4.2 Management of GHG emissions	74
	305-3	Other Indirect (Scope 3) GHG emissions	Not disclosed	--
	305-4	Greenhouse Gas Emission Intensity	3.4.2 Management of GHG Emissions	74
	305-5	Reduction of GHG Emissions	3.4.2 Management of GHG emissions	74
	305-6	Emission of Ozone Depleting Substances (ODS)	No relevant emissions	--
	305-7	Nitrogen Oxides (Nox), Sulfur Oxides (Sox), and Other Significant Air Emissions	3-5 Reduction of GHG Emissions	75
Waste				
GRI 3: Material Topics 2021	3-3	Management of Material Topics	3-2 Reducing the Environmental Impacts of Waste	68
GRI 306: Waste 2020 Management approach	306-1	Waste Generation and Significant Waste-Related Impacts	3-2 Reducing the Environmental Impacts of Waste	68-70
	306-2	Management Of Significant Waste-Related Impacts	3-2 Reducing the Environmental Impacts of Waste	68-70
GRI 306: Waste 2020	306-3	Waste Generated	3-2 Reducing the Environmental Impacts of Waste	68-70
	306-4	Waste Diverted From Disposal	3-2 Reducing the Environmental Impacts of Waste	68-70
	306-5	Waste Directed to Disposal	3-2 Reducing the Environmental Impacts of Waste	68-70

Topic	Disclosure Items	Item Description	Chapters	Page
Supplier Environmental Assessment				
GRI 308: Supplier Environmental Assessment 2016	308-1	New Suppliers That Were Screened Using Environmental Criteria	No Relevant Requirements	--
	308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	2.1.2 Domestic Procurement Management: 1. Supplier Management Strategy	43
Social				
Employment				
GRI 402: Labor/ Management Relations 2016	402-1	Minimum Notice Periods Regarding Operational Changes	No Relevant Changes and Notices	--
Occupational Safety and Health				
GRI 3: Material Topics 2021	3-3	Management of Material Topics	4-1 Occupational Safety Hazard Prevention and Health Promotion	78-81
GRI 403: Occupational Health and Safety	403-1	Occupational Health and Safety Management System	4.1.1 Major Risk Control Items	78
	403-2	Hazard Identification, Risk Assessment, and Incident Investigation	4.1.3 Management Achievements	80-81
	403-3	Occupational Health Services	4.1.2 Management Actions	78-79
	403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	4.1.3 Management Achievements	78-81
	403-5	Worker Training on Occupational Health and Safety	4.1.2 Management Actions	78-79
	403-6	Promotion Of Worker Health	4-1 Occupational Safety Hazard Prevention and Health Promotion	78-81
	403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	4.1.2 Management Actions	78-79
GRI 403: Occupational Health and Safety 2018	403-8	Employees who are included in an occupational health and safety management system.	Each factory is handled according to safety rules, not part of the company-wide management system.	--
	403-9	Occupational Injuries	4.1.3 Management Achievements	80-81
	403-10	Occupational Diseases	4.1.3 Management Achievements	80-81

Topic	Disclosure Items	Item Description	Chapters	Page
Training and Education				
GRI 404: Training and Education 2016	404-1	Average Hours of Training per Year per Employee	4.4.4 Course Outcomes	89
	404-2	Programs For Upgrading Employee Skills And Transition Assistance Programs	4.2.5 Excellent Retirement System 4.4.4 Course Outcomes	85 89
	404-3	Percentage Of Employees Receiving Regular Performance And Career Development Reviews	4.3.1 Management Actions to Build Market Presence: 1. Salary System and Equal Promotion	86
Employee Diversity and Equal Opportunities				
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of Governance Bodies and Employees	1.1.1 Selection, Structure and Term of Office of Board Members 1.3.2 Personnel Composition Overview 4.3.1 Management Actions to Build Market Presence 2. Diversity and Equality in Employment	26 33 86
	405-2	Gender ratio of basic salary and remuneration	4.3.2 Market Presence Management Results	87
Non-Discrimination				
GRI 406: Non-Discrimination 2016	406-1	Incidents Of Discrimination And Corrective Actions Taken	4.2.1 Diverse Communication Channels and Human Rights Protection 4.3.1 Management Actions to Build Market Presence 2. Diversity and Equality in Employment	82 86
Child Labor				
GRI 408: Child Labor 2016	408-1	Operations and Suppliers at Significant Risk for Incidents of Child Labor	4.2.1 Diverse Communication Channels and Human Rights Protection	82
Security Practices				
GRI 410: Security Practices 2016	410-1	Security Personnel Trained in Human Rights Policies or Procedures	4.2.1 Diverse Communication Channels and Human Rights Protection	82
Rights of Indigenous Peoples				
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents Of Violations Involving Rights Of Indigenous Peoples	4.3.1 Management Actions to Build Market Presence 2. Diversity and Equality in Employment	86
Supplier Social Assessment				
GRI 414: Supplier Social Assessment 2016	414-1	New Suppliers That Were Screened Using Social Criteria	There were no adjustments made to the method for screening new suppliers in 2022.	
	414-2	Negative Social Impacts in the Supply Chain and Actions Taken	2.2.1 Domestic Procurement Management: 2. Supplier Assessments	43-44

Topic	Disclosure Items	Item Description	Chapters	Page
★ Customer Health and Safety				
GRI 3: Material Topics 2021	3-3	Management of Material Topics	2.1.1 New Health-Oriented Products 2.1.8 External Assurance	42 52
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	2.1.8 External Assurance: Taisun Products That Obtained Food Safety Certification in 2022	52
	416-2	Incidents of Non-Compliance Concerning the Health and Safety Impacts of Products and Services	2.1.9 Mastering Updated Regulatory Standards	53-54
★ Marketing And Labeling				
GRI 3: Material Topics 2021	3-3	Management of Material Topics	2.1.7 Product Labeling	51
GRI 417: Marketing and Labeling 2016	417-1	Requirements for Product and Service Information and Labeling	2.1.7 Product Labeling	51
	417-2	Incidents of Non-Compliance Concerning Product and Service Information and Labeling	2.1.7 Product Labeling	51
	417-3	Incidents of Non-Compliance Concerning Marketing Communications	2.1.7 Product Labeling	51
Customer Privacy				
GRI 418: Customer Privacy 2016	418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	There were no relevant incidents in 2022	--

Appendix II: SASB-Index to Sustainability Accounting Standards for Processed Foods

Disclosure Topic	Accounting Index	Category/Unit	Code	Report Section	Page
Energy Management	(1) Total Energy Consumption, (2) Percentage of Electricity Consumption from Grid, (3) Percentage of Renewable Energy Used	Quantified Gigajoule (GJ) Percentage (%)	FB-PF-130a.1	3.4.1 Factory Management	72
Water Management	All sources of water should disclose the following information: (1) the total amount of water withdrawn, (2) the total amount of water consumed, and the percentage of withdrawals and water usage in areas with high or very high water stress.	Quantified Cubic meters (m^3) Percentage (%)	FB-PF-140a.1	3-3 Water Management and Effluent Discharge	70
	Number of Violations Related to Effluent Quality and/or Quantity (e.g., Violations of Regulations, Policies, or Effluent Standards)	Quantified Number	FB-PF-140a.2	No violations	--
	Assess the Risks Involved in Water Management (Including Abstraction, Use and Discharge) and Describe Strategies and Practices to Reduce These Risks	Discussion and Analysis N/A	FB-PF-140a.3	3-3 Water Management and Effluent Discharge	70-71
Food Safety	Failure Rate and Correction Rate of Audits of Certificates/ Standards Recognized by the Global Food Safety Initiative (GFSI), and the Need to Differentiate Between Major and Minor Disclosures	Quantified Percentage	FB-PF-250a.1	No violations	--
	Proportion of Cost of Raw Materials from Tier 1 Suppliers that have Passed GFSI-Recognized Food Safety Certification Standards	Quantified Percentage by Cost (%)	FB-PF-250a.2	2.1.2 Domestic Procurement Management: 4. Management Results ① Procurement from local suppliers	44
	(1) Number of Food Penalties and Violations Received (2) Percentage of Improvement	Quantified Number Percentage (%)	FB-PF-250a.3	2.1.9 Mastering Updated Regulatory Standards	54
	(1) Number of Food Recalls (2) Total Amount of Food Recalled	Quantified Reporting Currency	FB-PF-250a.4	2.1.9 Mastering Updated Regulatory Standards	54

Disclosure Topic	Accounting Index	Category/Unit	Code	Report Section	Page
Health and Nutrition	Amount of Gross Revenue from Promotion (Such as Product Labeling) and Promotion of Health and Nutrition Products	Quantified Reporting Currency	FB-PF-260a.1	2.1.1 New Health-Oriented Products	42
	How to Identify and Manage the Consumer Discussion Process on Health and Nutritional Products and Ingredients	Discussion and Analysis N/A	FB-PF-260a.2	2.1.1 New Health-Oriented Products	42
Product Labeling and Distribution	Should Be Disclosed: (1) Percentage of Advertising Exposed to Children	Quantified Percentage(%)	FB-PF-270a.1	No Related Promotions and Marketing	--
	Should Disclose the Income of Labeling (1) GMO, (2) Non-GMO Products	Quantified Reporting Currency	FB-PF-270a.2	2.1.7 Product Labeling	51
	Number of Products Labeled or Sold in Violation of Industry Standards or Regulations	Quantified Number	FB-PF-270a.3	2.1.7 Product Labeling	51
	Losses From Lawsuits Related to Product Labeling or Sales	Quantified Reporting Currency	FB-PF-270a.4	2.1.7 Product Labeling	51
Packaging Lifecycle Management	Should Disclose: (1) The Total Weight of Packaging/ Packaging Materials Purchased from External Sources, (2) The Percentage Made from Recycled or Renewable Materials, and (3) The Percentage That Is Recyclable, Reusable, or Compostable	Quantified Metric Tons (t), Percentage(%)	FB-PF-410a.1	2.1.2 Domestic Procurement Management: 4. Management Results ③ Raw Material Evaluation Status	44
	Explain How to Minimize the Environmental Impact of the Packaging Lifecycle	Discussion and Analysis N/A	FB-PF-410a.2	No Relevant Reports in 2022	--

Disclosure Topic	Accounting Index	Category/Unit	Code	Report Section	Page
Environmental and social impacts of the raw material supply chain	Percentage Of Raw Materials Sourced From Tier 1 Suppliers That Are Certified To Third-Party Environmental Or Social Standards	Quantified Percentage by Cost (%)	FB-PF-430a.1	2.1.2 Domestic Procurement Management: 4. Management achievements ① Procurement From Local Suppliers	44
	Supplier Social and Environmental Responsibility (1) Non-Conformity Rate and (2) Relative Corrective Action Ratio for Major and Minor Non-Conformities Audited Against External Standards or Codes of Conduct	Quantified Percentage	FB-PF-430a.2	No Relevant Reports	--
Raw Material Procurement	Percentage Of Feedstock Purchased From Tier 1 Suppliers That Comes From High Or Very High Water Pressure Areas	Quantified Percentage by Cost (%)	FB-PF-440a.1	2.1.2 Domestic Procurement Management: 4. Management achievements ① Procurement from Local Suppliers	44
	Disclosing the List of Priority Food Ingredients and How to Manage the Environmental and Social Risks Posed by the Ingredients	Discussion and Analysis N/A	FB-PF-440a.2	1. Supplier Management Strategy	43
Operational Indicators	Weight of Products Sold	Quantified Metric Tons (t)	FB-PF-000.A	1.3.1 Stabilizing Production and Sales in the Face of Environmental Challenges	33
	Number of Manufacturing Plants	Quantified Number	FB-PF-000.B	1.3.1 Stabilizing Production and Sales in the Face of Environmental Challenges	33

Appendix III: SDGs - Sustainable Development Goals

Reference Index

Goals	Targets	Report Section
	2.2 Addressing malnutrition	2.1.1 New health-oriented products
		4-5 Actions for symbiosis and the common good
	4.4 Increase the number of young people and adults with relevant employment, access to good jobs and business management functions, including technical and vocational skills.	4.2.4 Balance between new and resigned employees
	6.4 To ensure a sustainable freshwater supply and address water scarcity, it is imperative to significantly improve water use efficiency. This will also help reduce the number of people affected by water-related issues. Additionally, promoting water recycling is crucial in achieving these goals.	3-3 Water Management and Effluent Discharge
	8.5 Ensuring productive employment opportunities for all individuals, including young people and those with disabilities, and promoting equal pay for work of equal value.	4.3.1 Management Actions to Build Market Presence 2. Diversity and equal employment
	8.7 Prohibit and eradicate the most severe forms of child labor, eliminate exploitative labor practices, and put an end to all forms of child labor and the use of child soldiers.	4.2.1 Diverse communication channels and human rights protection
	8.8 Promote a safe working environment, with a particular focus on ensuring the safety of migrant workers, women, and individuals employed in hazardous occupations.	4-1 Occupational safety hazard prevention and health promotion
	12.5 Significantly reduce waste generation through prevention, reduction, recycling, and reuse.	3-2 Reducing the environmental impacts of waste
	13.2 Incorporate climate change into policy, strategic planning.	3-1 Climate change risks and opportunities

	Taisun's Work Content and Direction	Page
	We develop products that are both healthy and nutritious, and we are continuously working towards reducing sugar and additives to meet the demands of health-conscious consumers who prefer simple ingredients.	42
	We aim to utilize the influence of the food industry to address the nutritional requirements of the underprivileged and maximize the societal impact of our products.	90
	In 2022, we experienced a significant increase in our workforce due to the construction of new production lines in our plants. Additionally, we hired management trainees to ensure a smooth succession process for employees who are retiring. Please refer to: Ratio of new and resigned employees	84-85
	The food plant's total water consumption in 2022 decreased by 18,114 tons, or 9%, compared to the previous year. We initiated an investment evaluation of the recovery of secondary cooling water on the production line in order to enhance internal water recovery in 2023.	70
	In 2022, we hired a total of five individuals from ethnic minorities, including Taiwan's indigenous peoples, and employed twelve individuals with disabilities. Taisun is committed to providing equal opportunities for all by actively employing individuals from disadvantaged backgrounds.	86
	Taisun Enterprise Co., Ltd. has developed and released the Declaration of Human Rights Protection. This declaration aims to create a healthy and safe work environment, prevent any form of unlawful discrimination, ensure equal opportunities for all employees, prohibit child labor and forced labor, prevent any infringement on rights, respect privacy, and establish effective communication between labor and management.	82
	Operates in accordance with the law and uses the Occupational Safety and Health Management System to prevent major occupational injuries, identify hazards, conduct risk assessments and accident investigations, provide occupational health services and training, and promote a healthy work environment.	78-79
	Taisun is actively working towards three waste treatment goals: minimizing waste output, maximizing resource recycling, and optimizing plant management. Taisun's Waste Management Flow Diagram	68-70
	Taisun gains knowledge in recognizing operational risks resulting from climate change, while TCFD discloses the effects and actions taken in response to climate change-related risks and opportunities.	60-61

Appendix IV: Sustainability Disclosure Indicators - Food Industry and Food and Beverage Revenues Accounting for 50% or More of Their Total Operating Revenues

Evidence	Indicators	Unit	Chapters	
I	The evaluation and improvement of the hygiene management and quality assurance system for employees, workplaces, and facilities aim to enhance the hygiene, safety, and quality of food products. This will impact the major product and service categories, as well as their respective percentages.	Measurement / Qualification Percentage (%)	2.1.5 Laboratory management: ③ Talent Training	
			2.1.5 Laboratory management: ③ Talent Training	
			2.1.5 Laboratory management: ③ Talent Traini	
			2.2.2 Confirmation of management performance through third parties	
II	The types and number of health and safety regulation violations on products and services, as well as non-compliance with regulations on information and labeling of products and services, are to be reported. Additionally, the number of products removed from shelves and the total weight of products removed from shelves should be included.	Number Metric Tons (t)	2.1.7 Product labeling	
			2.1.9 Mastering updated regulatory standards	
III	Percentage of purchased volume verified to be in accordance with credible, internationally recognized responsible production standards, categorized by standard.	Quantified Percentage (%)	2.1.3 International procurement management 1. Raw Material procurement for soybean and vegetable oil	
IV	Percentage of production volume manufactured at sites certified by an independent third party in accordance with internationally recognized food safety management system standards.	Quantified Percentage (%)	2.1.8 External assurance	
V	Number and percentage of supplier audits, audit items, and results.	Measurement/ Qualification Percentage (%)	2.1.2 Domestic procurement management 1. Supplier Management Strategy	
			2.1.2 Domestic procurement management 2. Supplier evaluation	
			2.1.2 Domestic procurement management 4. Management Results ② Evaluation results	

	Disclosure Overview	Page
	Taisun's quality assurance team consists of 39 members dedicated to quality assurance system control, with about 85% of the quality assurance personnel having food science-related academic backgrounds, affecting 100% of all products in each production line.	49
	A total of 12 individuals participated in external training, resulting in an increase in awareness of internal quality management for 1,494 individuals. This was achieved through 1,494 hours of training, impacting 100% of products across all production line.	49
	Number of people receiving external training in 2022	49
	We have successfully passed the quarterly inspection for pig blood and feed conducted by the National Animal Industry Foundation. Additionally, we have obtained the Taiwan pig serum drug residue inspection certificate. These measures are taken to ensure the safety of our food source and mitigate the risk of tracking and tracing. It is important to note that these inspections cover 100% of all products in the pork and meat category. We were awarded the Excellence Award out of 611 pig farms in Changhua County. Our comprehensive management approach directly impacts the quality of 100% of pork products post-sale.	57-58
	The number of product labeling violations was 0. There were no lawsuits or monetary losses caused by product labeling throughout the year.	51
	There have been no reports, violations, fines, recalls, or product delisting under the relevant laws and regulations on food safety and manufacturing.	54
	Taisun Enterprise maintains its commitment to purchasing US soybeans that have been certified for sustainable production by Soy Export Sustainability, Inc. The estimated total value of soybeans imported in 2022 is NT$5.642 billion. Of this amount, NT$2.452 billion, or 43.46% of the total, represents the value of soybeans purchased that meet the US soybean sustainable production certification. By import volume, this accounts for 44.75% (compared to 26.34% in the previous year), indicating a significant increase.	45
	List of food safety certifications obtained by Taisun's products in 2022: Percentage of SQF, FSSC22000, TQF and halal certification obtained by each product category.	52
	Table and Diagram of the Raw Material Suppliers' Certifications.	43
	Supplier Evaluation Process: Development of a plan > Review by relevant department > On-site evaluation > Tracking of defect improvements > Management of evaluation and classification. Management Evaluation Items: Operations Management (25%), Incoming Material Control (25%), Process Control (30%), and Finished Goods Control (20%).	43
	Due to the pandemic in 2022, on-site evaluation was not feasible. Instead, evaluations were carried out through written or online means. A total of 58 suppliers, representing 31.02% of the raw materials suppliers engaged in procurement activities in 2022, were assessed. Supplier evaluation classification: There were 11 A-level companies, 39 B-level companies, and 8 C-level companies.	44

Evidence	Indicators	Unit	Chapters	
V	Number and percentage of supplier audits, audit items, and results.	Measurement/ Qualification Percentage (%)	2.1.4 Management of OEM factories	
VI	The circumstances under which product traceability and management are required by law or voluntary, and the percentage of related products among all products.	Measurement/ Qualification Percentage (%)	Tracking and tracing	
VII	The establishment of food safety laboratories, whether mandated by laws and regulations or undertaken voluntarily, involves testing items, analyzing test results, tracking related expenditures, and calculating the percentage of these expenditures in relation to net operating revenues.	Measurement/ Qualification Percentage (%)	2.1.2 Domestic Procurement Management 4. Management Achievements ③ Raw Material Evaluation Status	
			2.1.5 Laboratory management	
			2.1.5 Laboratory management 2. Laboratory testing capacity compliance	
			2.1.5 Laboratory management 4. 2022 TAF Laboratory ISO/IEC 17025 Certification Maintenance	
			2.1.5 Laboratory management 5. Increase investment in laboratory quality inspection funds	
			2.1.8 External assurance	
			2.1.5 Laboratory Management 6. Pass rate of self-inspection	
VIII	Total energy consumption, percentage of purchased electricity, renewable energy utilization rate	Quantified Gigajoules (GJ), Percentage(%)	3-4 Energy saving and carbon reduction management 3.4.1 Factory management	
IX	Total Water Withdrawal and Consumption	Quantified Thousand Cubic Meters (m^3)	3-3 Water Management and Effluent Discharge	
X	Weight of Products Sold, Number of Production Facilities	Quantified Metric Tons (t), Number	1.3.1 Stabilizing production and sales in the face of environmental challenges	

	Disclosure Overview	Page
	Status of the 9 OEM factories that obtained international certifications in 2022: HACCP 100% ISO22000 100% FSSC22000 22% In 2022, a total of seven original equipment manufacturers (OEMs) successfully completed on-site audits, representing 78% of all OEMs. Among them, five OEMs were assessed at the B level, while two OEMs attained the A level.	47
	In 2022, we conducted a total of 20 simulated recycling tests to cover all product types, including OEM products. These tests achieved a 100% recycling rate, ensuring that the production history of the products can be tracked and traced. We uploaded a total of 280 products in the manufacturing industry and 40 products in the import industry in 2022, entirely to the Food and Drug Administration's Tracebook platform (https://ftracebook.fda.gov.tw/).	51 56
	In 2022, the pass rate of incoming raw materials was 99.5%, and the pass rate of materials used was 99.8%.	44
	Taisun operates three laboratories: the Food Laboratory, Microbiology Laboratory, and Oil Laboratory. These laboratories are equipped with instruments and equipment that meet the Ministry of Health and Welfare's Establishment Standards of Construction and Equipment of a Food Factory. Additionally, all instruments and equipment undergo annual calibration and approval by an impartial institution. The laboratory plays a crucial role in research and development as well as quality assurance. To strengthen our ability to control product quality and enhance our equipment, talent, and experimental capabilities, Taisun has established a certified laboratory quality management system in accordance with ISO/IEC 17025. This system serves as a professional testing laboratory for food and oil products, ensuring the quality and safety of food hygiene.	48
	List of food and microbiology laboratories Inspection list of oil laboratories	48
	Passed TAF Supervisory Evaluation on April 26, 2022, acquired the 2022 TAF Laboratory Professional License Laboratory certification standard ISO/IEC 17025 training: 2 persons Seminar on Measuring Uncertainty: 1 person	50
	Overview of the invested amount in the food safety laboratory. We invested NT$25,215,000 in the food safety laboratory in 2022, accounting for about 0.650% of the revenue.	50
	A total of 637 cases were submitted in 2022. In terms of source management, the water quality of our water sources has been tested 21 times, and all test results have been satisfactory. In order to mitigate product risks, Taisun maintains strict control over the safety of its oil products and tea leaves. A total of 179 oil products have undergone inspection, while the tea leaves have been inspected 96 times, all achieving a 100% pass rate. Other types of products are also subject to inspection. Beverages were inspected 25 times, PET beverage products were submitted 86 times, canned food was submitted 57 times, packaged drinking water was submitted 17 times, and snacks were submitted 32 times. All of these products achieved a 100% pass rate. The Taisun Food Plant and Oil Plant successfully completed two mandatory audits conducted by the local government and government-appointed entities. The audit results were found to be in compliance with all requirements. In order to maintain continuous progress and uphold our food safety quality certification, Taisun successfully underwent a total of 11 food safety quality audits conducted by third-party impartial entities in 2022. Taisun promptly addresses any identified defects and consistently achieves a passing grade in all audits.	52
	List of CCP and CQP monitoring pass rates for all production lines	50
	The total energy consumption of each plant was 224,153.71 GJ. Purchased electricity accounted for 20.54% of the total energy, while Taisun Food Plant utilized biomass boilers for renewable energy, which accounted for 62.39% of the total energy consumed.	72
	Total water withdrawal 762.20 thousand cubic meters, total water discharge was 470.65 thousand cubic meters, and total water consumption was 291.55 thousand cubic meters.	70
	In 2022, Taisun had two factories, namely the Taisun Food Factory and the Taisun Oil Factory, along with ten OEM factories to support the production of Taisun-related products. The combined sales weight of all product types and OEM sales amounted to 396,217.15 tons. In 2022, two sites—Taisun Aquafeed Plant and Beidou Ranch—independently produced and marketed all livestock-related products. The combined sales of aquatic feed and pigs reached a total weight of 17,217.15 tons.	33

Appendix V: Limited Assurance Report and Table of Targets Assured

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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 Subject Matter Information") on the 2022 Sustainability Report of Taisun ("the Report") for the year ended December 31, 2022.

Reporting Criteria of the Subject Matter Information

Taisun shall prepare the Subject Matter Information in accordance with reporting criteria required by the 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 Subject Matter Information. Taisun is also responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter Information 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 TWSAE3000 – "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 Subject Matter Information 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 and Standards on Quality Management

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 the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. In addition, we applied Standards on Quality Management. Accordingly, we maintained a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements and professional standards as well as applicable legal and regulatory requirements.

Summary of Work Performed

As stated in reporting criteria of the Subject Matter Information 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 Subject Matter Information;
- On the basis of the understanding obtained mentioned above, perform analytical procedures on the Subject Matter Information 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 Subject Matter Information, 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, 2022 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 Subject Matter Information 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 Subject Matter Information 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)
Jul 28, 2023

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.

KPMG

Appendix I: Summary of the Subject Matter Information

No.	Corresponding Section	Page	Subject Matter Information	Reporting Criteria	The Regulation
1	2.1.5 Laboratory Management	P.49	・Taisun's quality assurance team comprises 39 members who are committed to controlling the quality assurance system. Approximately 85% of these personnel possess academic backgrounds in food science, ensuring the quality of all products across every production line. In order to maintain food safety and quality, we consistently organize external training courses for various staff members to enhance their professional skills and acquire relevant certifications. ・In 2022, the following courses were offered for quality assurance personnel training (Unit: Number of personnel trained): 1. Quality Control Training for Can Sealage: 3 2. Quality Control Training for Can Roll Sealage: 1 3. Frozen Foods and Shelf Life: 1 4. Abnormal Products Analysis and Prevention: 1 5. Continuing Education on HACCP: 3 6. Advanced Courses on HACCP: 2 7. Practical Training on Food Protection: 1 ・2022 internal food safety training information is listed below: (Number of attendees; Class Hours) 1. Introduction to HACCP: 301; 301 2. SQF & FSSC System Introduction: 300; 300 3. Food Defense: 297;297 4. Cleanliness and Sanitation & GHP: 299; 299 5. Allergen Education and Training: 297; 297 ・A total of 12 professional external trainings were conducted for our talented employees, resulting in 1,494 participants in internal quality management promotions. Additionally, 1,494 hours of training were provided, ensuring that 100% of food products in each production lines were impacted.	■ 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	Taiwan Stock Exchange Corporation Rules Table 1-1 No.1 The evaluation and improvement regarding the company's personnel, 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.
	2.2.2 Recognizing Management Performance Through Third Parties	P.56-P.57	・The Beidou Ranch conducts annual control operations, which encompass the entire feeding process, vaccine administration, pandemic prevention measures, water quality inspection and improvement actions (including cleaning records), wastewater treatment facilities and inspection records, tracking and tracing records (for pig discharge and printing processes), entry disinfection plan and personnel control, wastewater drenching plan, personnel quarantine control, biological prevention plan, vaccine management, personnel training, pig barn isolation and setup, and feed control (including formula and dosing procedures). On July 26, the National Animal Industry Foundation confirmed that the TGAP traceability certification for pork products in Taiwan has been successfully obtained. Taisun utilizes blank feed (non-pharmaceutical production line feed) for medium and large pigs, along with on-farm animal husbandry management, without the use of drugs. This approach allows Taisun to pass the quarterly pig blood and feed inspection conducted by the National Animal Industry Foundation. Additionally, Taisun has obtained the Taiwan pig serum drug residue inspection certificate, ensuring the safety of our food source and mitigating the risk of tracking and tracing. This commitment to safety applies to 100% of products within the pork and meat category. ・Changhua, the third largest county for pig-raising in the country, has implemented the "Changhua Healthy Pork" label to help the public easily identify safe food options. The county government ensures the inspection of pig farmers' feed, pig blood, and meat at every stage. Additionally, slaughtered pigs must undergo a hygiene inspection by the veterinarian of the National Animal Industry Foundation before they can be sold to consumers at the meat market. Beidou Racnh has received an award of excellence among 611 pig farms in Changhua County for its commitment to environmental management in the barns, ensuring the well-being of the pigs, and enhancing employee efficiency. The farm's management style directly impacts the quality of all pork products sold, accounting for 100% of the category.	■ The evaluation and improvement regarding the company's personnel, 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	Page	Subject Matter Information	Reporting Criteria	The Regulation
2	2.1.7 Product Labeling	P.51	・Taisun's product labels are designed by an authorized unit that gathers relevant information from different departments. This information is then passed on to the designers, who handle the product packaging graphics' design and layout. After completing the product packaging spreadsheet, we send at least two email confirmations and online e-forms to the marketing, legal, R&D, QA, production, and accounting departments. This is done to ensure that the package labeling complies with regulations. ・In 2022, we conducted a thorough review of 440 product packaging labels. This included 35 canned snack products, 154 beverage products (comprising 115 room temperature beverages, 29 refrigerated beverages with PE and refrigerated snacks, and 10 carbonated beverages), 196 oil products, and 55 water products. We are pleased to report that zero violations were found. There were no lawsuits or financial losses incurred due to product labeling during the year.	■ The types and number of incidents of violation against the applicable food safety and sanitation laws	Taiwan Stock Exchange Corporation Rules Table 1-1 No.2 The types and number of incidents of violation against the applicable food safety and sanitation laws and noncompliance with product and service information and labeling laws; times of product recalls and weight of products recalled
	2.1.9 Mastering Updated Regulatory Standards	P.54	In 2022, there were no reports, violations, fines, recalls, or product delisting in connection with the Act Governing Food Safety and Sanitation, the Standards for Specification, Scope, Application, and Limitation of Food Additives, Methods of Test for Food Microorganisms, Product Liability Insurance for the Food Industry, the Regulations on Good Hygiene Practice for Food (GHP), the Sanitation Standard for Food Utensils, Containers, and Packages, the Standards for Pesticide Residue Limits in Foods, the Sanitation Standard for Contaminants and Toxins in Food, and the Sanitation Standard for Microorganisms in Foods, among other laws and regulations on food safety and manufacturing.	■ The types and number of incidents of violation against the applicable food safety and sanitation laws; times of product recalls and weight of products recalled	
3	2.1.3 International Procurement Management	P.45	Taisun Enterprise continues to procure soybeans from the United States, specifically those certified for sustainable production by Soy Export Sustainability, Inc. In 2022, the estimated total value of soybean imports is NT$5.642 billion. Of this amount, NT$2.452 billion, or 43.46% of the total, corresponds to soybeans meeting the sustainable production certification from the United States. This represents a significant increase compared to the previous year, accounting for 44.75% of the estimated import volume (compared to 26.34% in the previous year).	■ The percentage of soybean purchased volume in accordance with U.S. Soybean Sustainability Assurance Protocol to total soybean purchased	Taiwan Stock Exchange Corporation Rules Table 1-1 No.3 The percentage of the purchased volume in accordance with internationally recognized responsible production standards, categorized by standards.
4	2.1.8 External Assurance	P.52	Percentage of SQF certification for each product category: 1. Canned snacks: 100% 2. Snacks and beverages in the IP line: 100% 3. PET beverage products: 35.85% 4. Oil products: 67.27% 5. Carbonated beverages: 14.29% Note 1: The OEM has not yet applied for the relevant certification due to business considerations. Note 2: Imported oil products are not produced in Taisun Tianzhong Plant. Note 3: SQF is certification system, and the production lines that have obtained this certification comply with the regulations.	■ The percentage of the output of each product category that has obtained SQF certification to the total output	Taiwan Stock Exchange Corporation Rules Table 1-1 No.4 The percentage of the production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.
			Percentage of FSSC 22000 certification for each product category: 1. Canned snacks: 100% 2. Snacks and beverages in the IP line: 100% 3. PET beverage products: 61.62% 4. Tetra Pak beverages: 100% 5. Oil products: 100% 6. Carbonated beverages: 15.39% Note 1: The OEM has not yet applied for the relevant certification due to business considerations. Note 2: FSSC 22000 is certification system, and the production lines that have obtained this certification comply with the regulations.	■ The percentage of the output of each product category that has obtained FSSC22000 certification to the total output	

No.	Corresponding Section	Page	Subject Matter Information	Reporting Criteria	The Regulation
			Percentage of TQF certification for each product category: 1. Canned snacks: 94.79% 2. Snacks and beverages in the IP line: 89.85% 3. PET beverage products: 71.32% 4. Tetra Pak beverages: 92.77% 5. Packaged drinking water: 100% 6. Oil products: 43.03% 7. Carbonated beverages: 88.22% Note 1: For business considerations, certification has not been sought for special specification products. Note 2: The percentage of TQF certified products is determined by dividing the volume of certified products by the total production volume.	■ The percentage of the output of each product category that has obtained TQF certification to the total output	
			Percentage of HALAL certification for each product category: 1. Canned snacks: 95.90% 2. Snacks and beverages in the IP line: 70.24% 3. PET beverage products: 35.28% 4. Oil products: 46.52% Note 1: For business considerations, certification has not been sought for special specification products. Note 2: The percentage HALAL certified products is determined by dividing the volume of certified products by the total production volume.	■ The percentage of the output of each product category that has obtained HALAL certification to the total output	
5	2.1.2 Domestic Procurement Management	P.43-P.44	・ Raw Material Suppliers' Certifications: (Unit: Number of suppliers) 1. SQF：4 2. FSSC 22000：26 3. BRC：1 4. ISO 14001：7 5. ISO 22000：70 6. ISO 9001：34 7. HACCP：55 ・ Supplier Evaluation Every year, we convene a team of relevant personnel to assess our suppliers. This process involves creating a supplier evaluation plan and conducting evaluations either in writing or on-site, in accordance with the plan. We expect our suppliers to propose improvement measures or plans to address any defects and ensure the quality of deliveries. The evaluation results serve as a basis for future collaboration. In 2022, our evaluation was centered on social issues and environmental protection. The aim was to encourage suppliers to prioritize their social responsibility and adhere to ethical, legal, and environmental standards. Our goal is to foster sustainable partnerships with suppliers through a practical management approach. Supplier Evaluation Process: Development of a plan > Review by relevant department > On-site evaluation > Tracking of defect improvements > Management of evaluation and classification. Management Evaluation Items: Operations Management (25%), Incoming Material Control (25%), Process Control (30%), and Finished Goods Control (20%). ・ Evaluation Results Due to the pandemic in 2022, on-site evaluation was not feasible. Instead, evaluations were carried out through written or online means. A total of 58 suppliers, representing 31.02% of the raw materials suppliers engaged in procurement activities in 2022, were assessed. 1. A Level (Score 90-100): Prioritized for inquiry and purchase: 11 suppliers 2. B Level (Score 80-89): Price inquiry, and purchase: 39 suppliers 3. C Level (Score 70-79): Encouraged to improve quality management standards: 8 suppliers 4. D Level (60-69): Reduce purchases and provide guidance about quality if needed: 0 supplier 5. E Level (< 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 have obtained international certification as a percentage of the total number of raw materials suppliers ■ The number of raw material suppliers who actually perform the evaluation as a percentage of the total number of raw materials suppliers	Taiwan Stock Exchange Corporation Rules Table 1-1 No.5 The number and percentage of suppliers audited, and the audit items and results
	2.1.4 OEM Management	P.47	・ Taisun is obligated to visit all OEMs participating in the co-production program in order to evaluate the operational conditions, perform quality testing, and validate the products. The items to be verified are as follows: inspection of sampled products from each batch, daily production audit (graded management), GMP audit (graded management), quality meeting	■ Based on 「The OEM evaluation and guidance implementation	

No.	Corresponding Section	Page	Subject Matter Information	Reporting Criteria	The Regulation
			communication and review (graded management), and annual evaluation (graded management). Arrange for quality assurance personnel to visit the OEMs periodically to monitor the quality. In addition to the OEMs' inspections, samples of the products are taken and sent back to Taisun for inspection. This is done to ensure that the products meet our requirements and to prevent any defective products from entering the market, which could negatively impact the Company's reputation. ・ Every year, Taisun develops an evaluation plan and conducts on-site inspections at the OEMs. These evaluations assess the organization and personnel, plant facilities and factory environment, machinery and equipment, hygiene management, process management, and quality management. The results of these evaluations serve as the foundation for future cooperation and graded management. ・ In 2022, nine OEMs signed OEM contracts. Due to product adjustments made by Taisun, the total number of OEMs decreased by one compared to 2021. It is worth noting that all OEMs have successfully obtained 100% of the necessary food safety certificates. We are actively promoting our OEMs to acquire food safety and quality certification. The current status of the nine OEMs that have successfully obtained international certification is as follows: ・ Percentage of International Certifications: 1. HACCP: 100% 2. ISO22000: 100% 3. FSSC22000: 22% ・ In 2022, a total of seven original equipment manufacturers (OEMs) successfully completed on-site audits, representing 78% of all OEMs. Among them, five OEMs were assessed at the B level, while two OEMs attained the A level. 1. A Level (85 points (inclusive) or higher): 2 suppliers 2. B Level (70 points (inclusive)- 85 points): 5 suppliers 3. C Level (60 points (inclusive)- 69 points): 0 supplier 4. D Level (59 points (inclusive) or lower): 0 supplier	standards」 set by Taisun ■ The number of OEMs that have obtained international certification as a percentage of the total number of OEMs ■ The number of OEMs who actually perform the evaluation as a percentage of the total number of OEMs	
6	2.1.6 Track and Trace	P.51	・ In 2022, we conducted a total of 20 simulated recycling tests to cover all product types, including OEM products. These tests achieved a 100% recycling rate, ensuring that the production history of the products can be tracked and traced. ・ To ensure the tracking and tracing of product flow and the identification of raw material sources, the government mandates that oil manufacturers, tea beverage manufacturers, and soybean, oil, and tea importers upload every batch of their products onto the tracking e-platform. We have complied 100% with this requirement by uploading a total of 280 batches from the manufacturing industry and 40 items from the importing industry onto the Food and Drug Administration's Tracebook system in 2022. (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 Health and Welfare	Taiwan Stock Exchange Corporation Rules Table 1-1 No.6 The product trace and track management conducted voluntarily or according to the applicable laws, and the percentage of such relevant products to the whole products.
	2.2.2 Recognizing Management Performance Through Third Parties	P.56	The certification system for agricultural products, which considers production and marketing history, places significant importance on batch control. In the event of food safety risks, the competent authorities and certification organizations can promptly identify non-compliant batches through traceability codes. This enables them to activate movement control and recall Taisun's 2022 products from store shelves immediately, ensuring the protection of consumer rights and interests. Certification organizations	■ The percentage of traceable pork category product	

No.	Corresponding Section	Page	Subject Matter Information	Reporting Criteria	The Regulation
			and agricultural product operators can effectively identify the causes of problems and improve production operations through production records, as the production and marketing of agricultural products can be traced back to the location of production and operational processes, ensuring 100% traceability of pork products.		
7	2.1.2 Domestic Procurement Management	P.44	・ Inspection of Raw Materials The quality assurance personnel inspect incoming raw materials in accordance with the specifications. If the materials fail to meet the acceptance criteria, the supplier will be notified and the materials will be returned. Accepted raw materials undergo further screening during production to ensure quality control. ・ Raw Material Evaluation Status 1. Agricultural products - Pass rate of incoming materials: 99.2% - Pass rate of materials used: 98.3% 2. Carton - Pass rate of incoming materials: 99.6% - Pass rate of materials used: 99.9% 3. Packaging containers - Pass rate of incoming materials: 99.4% - Pass rate of materials used: 99.9% 4. Juice concentrate - Pass rate of incoming materials: 100% - Pass rate of materials used: 100% 5. Oils - Pass rate of incoming materials: 100% - Pass rate of materials used: 100% 6. Others - Pass rate of incoming materials: 99.8% - Pass rate of materials used: 99.8% 7. Average - Pass rate of incoming materials: 99.5% - Pass rate of materials used: 99.8%	■ The percentage of the number of qualified items of incoming and used materials to the total number of inspected items	Taiwan Stock Exchange Corporation Rules Table 1-1 No.7 The food safety laboratories established voluntarily or according to the applicable laws, testing items, testing results, relevant expenses and the percentage of such expenses to the net revenue.
	2.1.5 Laboratory Management	P.48、P.50	・ Taisun operates three laboratories: the Food Laboratory, Microbiology Laboratory, and Oil Laboratory. These laboratories are equipped with instruments and equipment that meet the Ministry of Health and Welfare's Establishment Standards of Construction and Equipment of a Food Factory. Additionally, all instruments and equipment undergo annual calibration and approval by an impartial institution. The laboratory plays a crucial role in research and development as well as quality assurance. To strengthen our ability to control product quality and enhance our equipment, talent, and experimental capabilities, Taisun has established a certified laboratory quality management system in accordance with ISO/IEC 17025. This system serves as a professional testing laboratory for food and oil products, ensuring the quality and safety of food hygiene. ・ Equipment Management In 2022, a total of 109 calibrations were outsourced, while some equipment was calibrated internally by qualified and trained personnel. Additionally, there were 214 internal calibrations conducted during the same year. ・ Compliance with Laboratory Testing Capabilities 1. Food and microbiology laboratory (snacks, beverages, and packaged water) - Physical testing: Pressure resistance and leak testing of PET bottles, high sugar content testing, measurement of soda CO2 gas volume, can seaming testing, vacuum leak testing of cans, measurement of can vacuum, leak testing of carton sealing, carton bursting strength, cap torque, micro projection (maximum magnification 200 times), analysis of white rice freshness, color lab value, moisture content (using oven-drying method and infrared method), T% (transmittance), temperature monitoring using HOBO, specific gravity, sugar content, viscosity, weight, environmental monitoring (including HOBO temperature and humidity monitoring), thermal insulation testing of cans, reliability testing, water quality testing (including effective residual chlorine, turbidity, conductivity, hardness, and salinity), and sensory evaluation	■ Circumstances in which a food safety laboratory is set up according to the requirements of the「Act Governing Food Safety and Sanitation」or voluntarily ■ 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	Page	Subject Matter Information	Reporting Criteria	The Regulation
			- Chemical testing: pH value, total acidity titration, formazan nitrogen, tea polyphenol testing, allergen testing, pesticide residue analysis (specifically, organophosphate and carbamate pesticides) - Microbiological testing: Microbiological examination, including assessment of total bacterial count, E. coli, E. coli group, Pseudomonas aeruginosa, Streptococcus faecalis, salmonella, mycobacterium/Saccharomyces cerevisiae, sporotrichum, enterobacteriaceae, and Listeria monocytogenes, ATP fluorescent detection and environmental monitoring (RCS air sample testing) 2. 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 test, cooking test, 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 ・ 2022 Investment in laboratory quality inspection related funds: - Total cost invested in food safety laboratory (thousand TWD): $25,219 thousand TWD - Percentage of the amount invested in the food safety laboratory of the revenue：0.650% *Note: The percentage of the amount invested in the food safety laboratory of the revenue= (accreditation cost + prevention cost + regular testing cost) / revenue of Production Department in Tianzhong * 100% ・ Passed the supervision and evaluation of TAF Foundation on April 26, 2022. The 2022 TAF laboratory professional certificates were obtained as follows: 1.Laboratory certification standard ISO/IEC 17025 training: 2 trainees 2.Seminar on Measuring Uncertainty: 1 trainee ・ Pass rate of self-inspection: The CCP and CQP monitoring pass rates for Canned Snack Products (Mixed Congee, Grass Jelly products), Fresh Home Snacks and Beverages (IP Line), PET Beverage Products, and oil products in 2022 were all 100%. The product insulation test for Canned Snack Products (Mixed Congee, Grass Jelly products), and PET Beverage Products was also 100%. Notes: The pass rate of CCP & CQP monitoring is calculated according to the results of the items monitored as per the Company's quality plan.		
	2.1.8 External Assurance	P.52	・ To guarantee the safety and quality of each can in the possession of consumers, we annually submit our sampled products and raw materials for inspection to reputable third-party entities. These include the local health bureau, the Food Industry Research and Development Institute, and certified notary units such as SGS and Intertek. In 2022, a total of 637 product samples were sent for inspection. In terms of source management, the water quality of our water sources has been tested 21 times, and all test results have been satisfactory. In order to mitigate product risks, Taisun maintains strict control over the safety of its oil products and tea leaves. A total of 179 oil products have undergone inspection, while the tea leaves have been inspected 96 times, all achieving a 100% pass rate. Other types of products are also subject to inspection. Beverages were inspected 25 times, PET beverage products were submitted 86 times, canned food was submitted 57 times, packaged drinking water was submitted 17 times, and snacks were submitted 32 times. All of these products achieved a 100% pass rate. ・ In 2022, the Taisun food plant and oil plant underwent two mandatory audits conducted by the government and government-appointed entities for food safety management. These audits included product sampling for testing. We are pleased to report that we successfully passed all of these audits. In order to maintain continuous progress and uphold our food safety quality certification, Taisun successfully underwent a total of 11 food	■ The percentage of qualifying items of each product category to the total number of inspected items	

No.	Corresponding Section	Page	Subject Matter Information	Reporting Criteria	The Regulation
			safety quality audits conducted by third-party impartial entities in 2022. Taisun promptly addresses any identified defects and consistently achieves a passing grade in all audits.		
8	3.4.1 Factory management	P.72	・ Non-renewable energy - Purchased electricity: 46,041.20 GJ - Boiler oil: 34,647.45 GJ - Natural gas: 2,059.90 GJ - Liquefied petroleum gas: 1,416.13 GJ - Diesel fuel [2]: 129.87 GJ - Subtotal: 84,294.55 GJ ・ Renewable energy - Biomass energy - purchased steam[3]: 139,859.16 GJ ・ Total energy consumption: 224,153.71 GJ ・ Percentage of purchased electricity: 20.54% ・ Percentage of renewable energy used: 62.39% ・ Remarks: 1. The coefficients used, except for biomass energy, which is based on external test reports, and the calorific values used for the other categories are based on the Environmental Protection Administration's Greenhouse Gas Emission Factor Management Table, version 6.0.4; Electricity 1kWh = 3,600 KJ; Boiler oil 1L = 9,600 kcal; Natural gas 1M3 = 8,000 kcal; Liquefied petroleum gas 1L = 6,635kcal; Diesel fuel 1L = 8,400kcal; Biomass energy 1KG = 4,475kcal. 2. The calculation of diesel fuel consumption for generators was determined by considering the model number and frequency of usage. Similarly, the calculation of diesel fuel consumption for forklifts was based on the average price of diesel fuel in 2022, as provided by the Bureau of Energy's Petroleum Price Information Management and Analysis System. 3. The supplier uses wood pellets as fuel.	■ Details on energy usage	Taiwan Stock Exchange Corporation Rules Table 1-1 No.8 Total energy consumption, percentage of purchased electricity, renewable energy utilization rate.
9	3.3 Water Management and Effluent Discharge	P.70	・ Total water withdrawal: 762.20 thousand cubic meters ・ Total water consumption: 291.55 thousand cubic meters ・ Notes: Due to a malfunction, one of the groundwater meters at the food plant failed to record water withdrawals until September 2022. As a result, the average of the preceding four months was utilized to approximate the water withdrawals for the initial eight months.	■ Details on water resources usage	Taiwan Stock Exchange Corporation Rules Table 1-1 No.9 Total Water Withdrawal and Consumption.
10	1.3.1 Stabilizing production and sales in the face of environmental challenges	P.33	・ In 2022, Taisun had two factories, namely the Taisun Food Factory and the Taisun Oil Factory, along with ten OEM factories to support the production of Taisun-related products. The combined sales weight of all product types and OEM sales amounted to 396,217.15 tons. ・ In 2022, two sites- Taisun Aquafeed Plant and Beidou Pig Farm independently produced and marketed all livestock-related products. The combined sales of aquatic feed and pigs reached a total weight of 17,217.15 tons.	■ Details on products sold and the number of production facilities	Taiwan Stock Exchange Corporation Rules Table 1-1 No.10 Weight of Products Sold, Number of Production Facilities.

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