泰山
Taisun Enterprise Co., Ltd.

2023 SUSTAINABILITY REPORT



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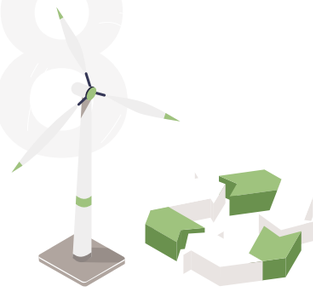


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ABOUT THIS REPORT

COMPANY NAME

Taisun Enterprise Co., Ltd.
(Hereinafter referred to as Taisun)

INDUSTRY CATEGORY

TWSE Listed Food Industry

STOCK CODE

1218

BUSINESS ACTIVITIES

Food Processing & Manufacturing
Oil Factory, Food Factory

Feed Factory
Aquatic Feed Production

Beidou Ranch
Pig Breeding, Meat Sales

FOOD PRODUCTION LINES

7 CATEGORIES

Canned snacks, Metal and aluminum cans, Refrigerated carton products, Refrigerated, PE bottles, PET bottles, Household oils, Commercial oils

OPERATING LOCATIONS AND MAIN SERVICE TARGETS

Taiwan

RELATED ENTERPRISES

Taisun's downstream food-related affiliated companies include "Pin-Tai Distribution Enterprise Co., Ltd.", mainly responsible for building sales channels in Taiwan, selling Taisun's product series, and assisting in the agency or distribution of high-quality domestic and foreign food products; "Chuang Xin Transportation Co., Ltd." serves Taiwan's food distribution logistics; "Taisun Enterprise (Zhangzhou) Food Co., Ltd." manufactures and sells in South China, currently a specialized factory for grass jelly drinks. Additionally, Taisun established "Taisun Cultural Foundation", which annually invests resources to promote family parent-child and school teacher-student relationship development, fostering education and culture to accompany public spiritual growth and create a better society.

Although the related enterprise "Central Union Oil Corp." is jointly invested by the three well-known domestic oil companies of Taisun, Fwusow Industry CO. and Formosa Oilseed Processing Co., it operates independently. Another investment, "Taiwan FamilyMart Co., Ltd.", despite Taisun holding a director position in 2023, does not affect that company's operations. Other companies such as Taiwan Nikomart CO.,LTD, Tai Shan Yuan Co., Ltd., and Cayman were not directly related to Taisun's food manufacturing or sales activities in 2023.

COMPLIANCE PRINCIPLES

This report's content structure follows the GRI Standards published by the Global Sustainability Standards Board (GSSB), using GRI Universal Standards and Topic-specific Standards for reporting. It also references the Taiwan Stock Exchange Corporation's "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" issued on January 26, 2024, and the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" issued on December 23, 2022. It is supplemented by the Sustainability Accounting Standards Board (SASB) standard for "Processed Foods", the United Nations Sustainable Development Goals (SDGs), and the Task Force on Climate-related Financial Disclosures (TCFD) framework. The content serves as the basis for compiling the report, presenting various management results. Related corresponding data can be found in "Appendix I: GRI Standards Index", "Appendix II: SASB Processed Foods Sustainability Accounting Standards Index", "Appendix III: SDGs Sustainable Development Goals Work Reference Index", "Appendix IV: Sustainability Disclosure Indicators - Food Industry and Catering Industry with Revenue Percentage Over 50%", and "Appendix V: TWSE Listed Companies Climate-Related Information".

REPORT BOUNDARY

This report discloses information from January 1 to December 31, 2023. To ensure report completeness, some social content extends before and after 2023, with relevant numerical explanations and calculation formulas provided as notes. All financial figures in the report are calculated in New Taiwan Dollars and have been audited by accountants before disclosure.

The company's financial data in this report is not consistent with the time frame and boundary of the financial statements. The financial statements use consolidated figures, only disclosing "individual" information. This is mainly because the ESG-related information and management models of subsidiaries are not yet synchronized. Therefore, the financial data and climate-related financial disclosures (Task Force on Climate-related Financial Disclosures, TCFD) in this report are based on "individual" (Taisun Enterprise Co., Ltd.) figures for operational reporting. Other non-financial social report content is not limited to Taisun and includes the work performance of subsidiary "Pin-Tai Distribution Enterprise Co., Ltd." as well as non-profit unit "Taisun Cultural Foundation", with all disclosures covering operational activities in Taiwan.

Regarding food safety and environmental management content, it covers Taisun's Tianzhong Food Plant, Tianzhong Oil Plant, Taisun Aqua Feed Plant (referred to as Feed Factory), and Taisun Livestock Farm (referred to as Beidou Ranch). Food production-related reports are limited to consumer food products bearing the Taisun LOGO, excluding OEM products and feed products. Compared to the previous year's report, there are no significant changes in the report boundary. Any updates to information from previous reports are explained in the relevant sections.

ASSURANCE VERIFICATION

This report has been reviewed and approved by Taisun Enterprise's ESG Sustainability Development Committee and then submitted to Ernst & Young for limited assurance procedures in accordance with the Assurance Standard No. 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation. The detailed opinion is provided in Appendix VI.

PUBLICATION INFORMATION

This report has been published annually since December 2015, starting with the "2014 Corporate Social Responsibility Report". The previous report was published in June 2023. Each year, the related content is placed on the Taisun Enterprise Group website under the corporate social responsibility section, available for online reading and download.

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ESG SUSTAINABILITY DEVELOPMENT COMMITTEE

2023 KEY MAJOR EVENTS

ESG Responsibility Office Reports to the Board of Directors

INTEGRITY GOVERNANCE

1 CASE

INFORMATION SECURITY

1 CASE

ESG DISCLOSURE PROGRESS

3 CASES

ORGANIZATIONAL OVERVIEW

On February 25, 2022, Taisun officially announced the ESG Sustainability Development Committee organization (restructured from the original CSR Committee). An ESG Responsibility Office was established under the committee, with four major groups executing project cooperation in corporate governance, health assurance, environmental sustainability and corporate commitment. All decision-making actions are reported to the Board of Directors and bear management responsibility.

ESG SUSTAINABILITY DEVELOPMENT COMMITTEE ORGANIZATIONAL STRUCTURE



The Chairman serves as the Chief Commissioner of the ESG Sustainability Development Committee. Committee members include the General Manager, first-level supervisors under the jurisdiction, and the spokesperson. They supervise and manage the goals, results, commitments, and planning of sustainable operations and social responsibility, fulfilling long-term commitments to stakeholders while disclosing information to the public and conducting internal audits.

The ESG Responsibility Office is responsible for coordinating and implementing related ESG strategic goal plans and actions. It regularly holds meetings to assist the committee in ensuring various commitments are completed on schedule, grasps communication information from relevant stakeholders in various departments, and regularly discloses work results.

The four major groups-corporate governance, health assurance, environmental sustainability, and corporate commitment-all report department work overviews through regular management meetings held by the Responsibility Office. They regularly report to the ESG Sustainability Development Committee for guidance. All implementation plans are executed after approval by committee members.

STABLE GOVERNANCE AND PROFITABILITY, CREATING SUSTAINABLE VALUE

In 2023, Taisun underwent significant changes and adjustments. Affected by the disposal of FamilyMart shares at the end of 2022, the company's corporate governance evaluation ranking dropped to the 5th tier in that term (9th term). After a complete re-election of directors in May, the new management team recruited several food industry professionals, conducted organizational restructuring, adjusted business strategies, and improved operational performance. From the second half of 2023, the company's operations returned to stability, and revenue gradually grew, meeting investors' expectations.

While pursuing maximum profits, Taisun also actively considers how to reduce the negative environmental impact of economic activities and expand its influence to implement corporate social responsibility, creating sustainable operational value.

In 2023, in the face of global supply chain issues, the prolonged Russia-Ukraine conflict leading to an international energy crisis, and significant increases in raw material prices, Taisun implemented flexible supply chain scheduling to reduce negative impacts on business operations. In supplier management, in addition to regular supplier evaluations, Taisun continued to implement the signing of the "Integrity and Sustainable Development Commitment" by suppliers, ensuring the strictest quality and safety controls for vendors and all raw materials.

Regarding environmental sustainability, in 2023, Taisun officially launched the construction of a natural gas high-pressure pipeline for its food factory. Upon completion, natural gas boilers will replace oil-fired boilers, increasing the proportion of renewable energy use. Additionally, the company is closely evaluating the installation of solar panels in the Tianzhong area, with suitable locations and planning methods already under consideration. Once certain projects are completed and operational, it is estimated that Taisun will make significant progress in energy conservation and carbon reduction.

Finally, in terms of employee care, in 2023, Taisun continued to receive the "Happy Enterprise" award from job banks and launched the "Zero Fee for Migrant Workers" project, ensuring migrant workers no longer need to work in debt and protecting their human rights. Additionally, a multi-skilled production training incentive system was established, providing reasonable technical allowances for employees who pass assessments and substantial rewards for instructors, greatly benefiting talent selection and retention, and aiming to attract more talent to join.

In 2023, amidst frequent food safety incidents, Taisun stood firm in its quality and beliefs, remaining unwavering. This was all thanks to the cooperation and coordination of all employees, upstream and downstream suppliers, and the support and trust of distributors and consumers. With over 70 years of food manufacturing expertise and technology, Taisun not only has brand advantages but also product advantages. Looking ahead to 2024, we are full of confidence and hope. We expect to create outstanding results through everyone's joint efforts, enabling the company to continue profiting and sharing the results with shareholders, employees, and other stakeholders.

ESG SUSTAINABILITY DEVELOPMENT COMMITTEE



COMMUNICATION AND GRIEVANCE CHANNELS

Taisun has established standard operating procedures for investigating reported issues, including proper preservation of records for case acceptance, investigation process, results, and related document production. The identity of whistleblowers and report contents are sealed and kept confidential. In 2023, there were no work rights-related complaints. There were 276 customer complaints about product conditions, including 148 non-production-related cases and 128 cases of abnormality investigation. All were responded to with improvements and handled properly.

TAISUN STAKEHOLDER LEGAL RIGHTS PROTECTION CHANNELS

TAISUN CONTACT WINDOWS FOR VARIOUS PARTIES
www.taisun.com.tw/contact-staff

PROFESSIONAL ETHICS REPORTING MAILBOX
www.taisun.com.tw/ethics-mailbox/

COMPANY RECEIVING MAILBOX
taisun1@taisun.com.tw

EMPLOYEE COMPLAINT & ETHICS REPORTING MAILBOX
taisunhr1999@taisun.com.tw

TAISUN FAN PAGE | for private message communication
www.facebook.com/TaisunFB/

CUSTOMER AND CONSUMER SERVICE HOTLINE
0800-079-080

ESG WORK STRATEGY

Creating trustworthy corporate value, promoting a healthy and beautiful life.

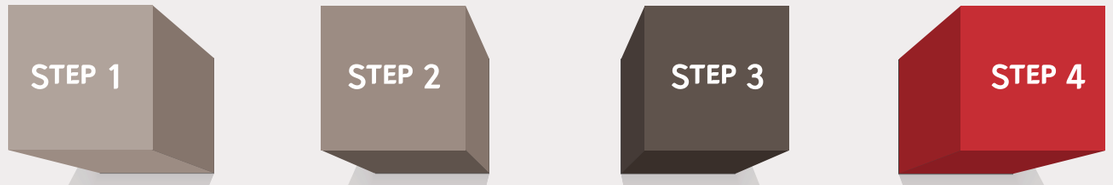
CATEGORY	SHORT-TERM GOALS	MID-TERM GOALS	LONG-TERM GOALS
Corporate Governance	Back to the top three groups of corporate governance evaluation	To be ranked among the top 5 publicly listed companies in governance evaluations by peers	To be ranked among the top 3 publicly listed companies in governance evaluations by peers
Food Safety	• Achieve zero violations in food safety regulations • "Integrity and Sustainable Development Commitment" signature rate 100% • Supplier Evaluation A+B grade suppliers not less than 97% • ESG-concept new products not less than 18% (e.g., low-sugar, no added sugar, high-fiber, low-fat, low-calorie, elderly-friendly, eco-friendly packaging, packaging reduction)	• Ensure food safety among industry peers • Continuously develop ESG-concept products	• Develop environmentally friendly factories and become a benchmark in sustainable management • Continuously develop ESG-concept products
Environmental Sustainability	• Reduce water consumption by at least 2% over three years • Achieve a waste recovery rate of at least 95% • Carbon emission intensity reduced by more than 10%	• Continuously reduce water consumption year-over-year • Achieve a waste recovery rate over 95% • Become a leader in carbon management within the industry	Establish an eco-friendly factory and strive to become a leading benchmark in management
Corporate Commitment	• Employee satisfaction above 70% • achieving 0 severe incidents and 0 occupational injuries • Establishing the ISO 45001 system • "Good Food Knowledge+" program not less than 20 sessions	• Continuously improve employee satisfaction • Obtain certifications related to health and happiness, and achieve recognition as a Happy Enterprise • Continuously expand the promotion area of the "Good Food Knowledge+"program	Foster a people-centered approach to build a healthy lifestyle and create a prosperous future together

MATERIALITY MANAGEMENT IDENTIFICATION PROCESS

IDENTIFICATION PROCESS

The compilation of the 2023 ESG Sustainability Report, based on stakeholder inclusiveness, responsiveness, impact, and sustainability perspectives, identified seven major stakeholders, same as the previous ESG Sustainability Report.

Additionally, 25 issues were identified based on food industry-related regulations. After interacting with stakeholders and discussions with the ESG Sustainability Development Committee and experts about positive, negative, and actual potential impacts (recorded in meeting minutes), 11 material issues were analyzed for this year's report. These serve as the focus of the 2023 report, with other issues voluntarily disclosed based on key food industry situations. The report will explain the management approach and related disclosure items for each material topic.



IDENTIFY STAKEHOLDERS

7 MAJOR CATEGORIES

- **INVESTMENT AND LOANS**
  Shareholders & Banking Groups
- **SALES AND PURCHASES**
  Distributors, Customers, Consumers
- **OPERATION MANAGEMENT**
  Governance Group, Employees
- **PROCESS SUPPLY**
  Suppliers, OEM Factories
- **COMMUNITY INTERACTION**
  Factory Neighbors, Charity or Environmental Groups
- **LEGAL COMPLIANCE**
  Government Units, Evaluation Units, Experts and Scholars
- **PUBLIC OPINION IMPACT**
  Media Reporters, Advertisers, PR Firms, Internet Users

IDENTIFY KEY ISSUES IN FOOD INDUSTRY

25 ISSUES

INVITE PARTICIPATION IN ANALYSIS SURVEY

336 STAKEHOLDERS
47 MANAGERS



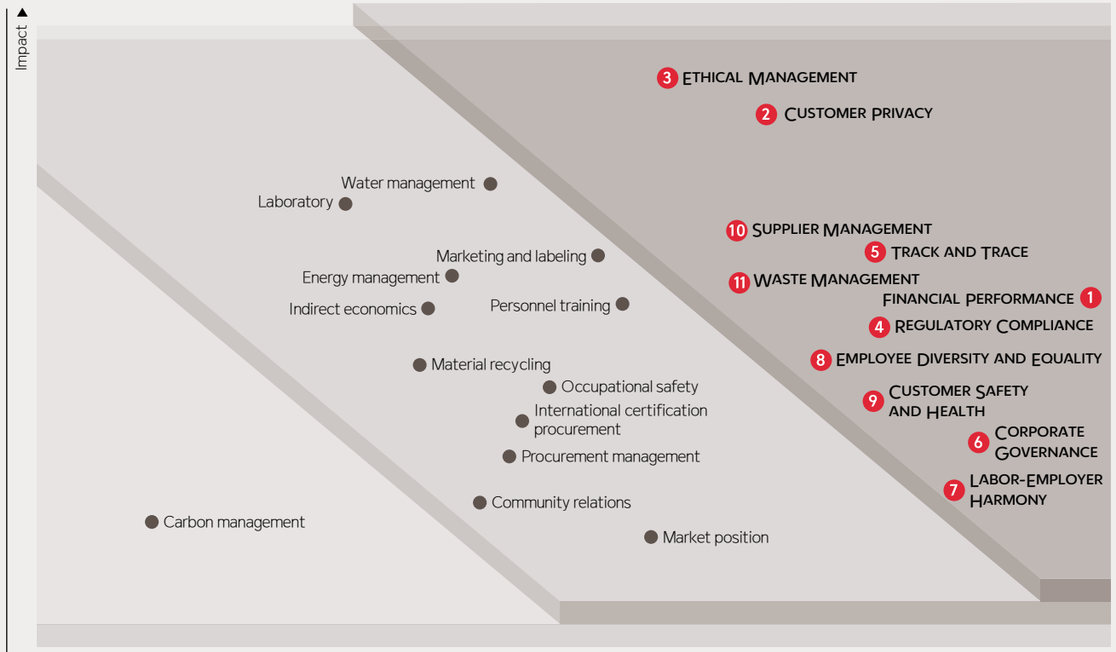
CONFIRM MATERIALITY OF ISSUES

11 ISSUES

- FINANCIAL PERFORMANCE
- CUSTOMER PRIVACY
- ETHICAL MANAGEMENT
- REGULATORY COMPLIANCE
- TRACK AND TRACE
- CORPORATE GOVERNANCE
- LABOR-EMPLOYER HARMONY
- EMPLOYEE DIVERSITY AND EQUALITY
- CUSTOMER SAFETY AND HEALTH
- SUPPLIER MANAGEMENT
- WASTE MANAGEMENT

ANNUAL CHANGES IN MAJOR FOCUS ISSUES

Compared to 2022, the changes in material themes are as follows. For each material theme, the responsible department proposes implementation plans and short, medium, and long-term goals, with regular performance reviews.





Ⓐ Investment and Loans Ⓑ Sales and Purchases Ⓒ Operation Management Ⓓ Process Supply
Ⓔ Community Interaction Ⓕ Legal Compliance Ⓖ Public Opinion Impact

PRIORITY	2022 MAJOR ISSUE	2023 MAJOR ISSUE	COMPARE 2022 TO 2023	GRI	CORRESPONDING CHAPTER	IMPACT DIRECTION (POSITIVE/NEGATIVE)	IMPACT IDENTIFICATION (ACTUAL/POTENTIAL)	IMPACTED STAKEHOLDERS	2023 IMPACT DESCRIPTION
1	Track and Trace	Financial Performance	↑4	201	Corporate Governance	Negative	Actual	ⒶⒷⒸⒹⒻⒼ	Core business revenue increased, but net profit decreased due to non-operating income and non-related management expenses compared to 2022.
2	Customer Safety and Health	Customer Privacy	New	418	Corporate Governance	Negative	Actual	ⒶⒷⒸⒹⒺⒼ	FB fan page was hacked, only affecting social media platform operation, no customer data leaked.
3	Waste Management	Ethical Management	New	416	Corporate Governance Health and Safety	Positive	Actual	ⒶⒷⒸⒹⒼ	No corruption or complaint cases received.
4	Regulatory Compliance	Regulatory Compliance	-	2-27	Corporate Governance	Negative	Actual	ⒶⒷⒸⒹⒼ	3 corporate governance, 1 advertising labeling (oil product labeling), 1 labor inspection (overtime), 1 factory registration, 1 occupational safety (burn) issues.
5	Financial Performance	Track and Trace	↓4	Custom topic	Health and Safety	Positive	Actual	ⒶⒷⒸⒹⒼ	Conducted 16 simulated recall tests, covering all product types (including OEM products), achieving 100% recall rate to ensure product traceability.
6	Corporate Governance	Corporate Governance	-	2-9~2-21	Corporate Governance	Negative	Actual	ⒶⒷⒸⒹⒼ	Due to share transfer and board reorganization, the company was fined 7.5 million for corporate governance issues.
7	Occupational Safety	Labor-Employer Harmony	New	401	Corporate Commitment	Positive	Actual	ⒶⒷⒹⒺ	Median salary of listed food companies is 50% higher than industry average.
8	Marketing and Labeling	Employee Diversity and Equality	New	405, 404-3	Corporate Commitment	Positive	Actual	ⒶⒷⒸⒹⒺⒼ	100% of employees received performance and career development reviews (excluding new hires).
9	-	Customer Safety and Health	↓7	403	Health and Safety	Positive	Actual	ⒶⒷⒸⒹⒺⒻⒼ	No major food safety incidents causing product recalls/withdrawals.
10	-	Supplier Management	New	204, 308, 414	Health and Safety	Positive	Actual	ⒶⒷⒸⒹⒺ	98% of new suppliers with transactions over 100,000 TWD signed the "Integrity and Sustainable Development Commitment".
11	-	Waste Management	↓8	306	Environmental Sustainability	Positive	Actual	ⒶⒷⒸⒹⒼ	Waste reduced by 2.5%.

STAKEHOLDER ENGAGEMENT ISSUES LIST

STAKEHOLDER GROUP		SIGNIFICANCE TO COMPANY	FOCUS ISSUES	COMMUNICATION AND ENGAGEMENT	COMMUNICATION CHANNEL	2023 KEY RESPONSE ACTIVITIES
INVESTMENT AND LOANS	• Shareholders • Banking Groups	Shareholders are key investors with voting rights and profit-sharing. Banking groups are crucial for financial management and support.	• Financial Performance • Customer Privacy • Ethical Management • Corporate Governance • Human Rights Protection • Indirect Economics	• Annual shareholders' meeting • Immediate announcements for major events • Daily shareholder communication	VP of Finance Dept. 02-25064152 ext. 9307	• June 30 annual shareholders' meeting, approved 0.56 TWD cash dividend per share • Responded to financial institutions and investors' inquiries • Nov. 23 online investor conference with Yuanta Securities
SALES AND PURCHASES	• Distributors • Customers • Consumers	Provide stable long-term revenue. Company should maintain brand value, product quality, and customer satisfaction.	• Financial Performance • Ethical Management • Regulatory Compliance • Track and Trace • Marketing and Labeling • Customer Safety and Health • Laboratory	• Regular visits to channel partners • Consumer market surveys • Daily customer service hotline • Online product and company information • Product labeling disclosure	Marketing Dept. 02-25064152 ext. 9201 Customer Service 0800-079-080	• Regular channel partner communications • 2,437 market survey participants • 276 consumer feedback cases handled and addressed
OPERATION MANAGEMENT	• Governance Group • Employees	Employees are the foundation of company operations. Company commits to providing a diverse and healthy work environment.	• Financial Performance • Regulatory Compliance • Labor-Employer Harmony • Employee Diversity and Equality • Human Rights Protection • Personnel Training • Occupational Safety	• Regular meetings (weekly, monthly) • Employee complaint box • Activities and satisfaction surveys	HR Management Dept. 02-25064152 ext. 9368	• 67.31% employee satisfaction rate • 0 complaint cases • The total remuneration of employees in 2023 is 2,305 thousand TWD.
PROCESS SUPPLY	• Suppliers • OEM Factories	Maintain long-term stable supply relationships and balance supply-demand. Collaborate for better labor and social environment.	• Financial Performance • Supplier Management • Waste Management • International Certification Procurement • Procurement Management	• Regular supplier evaluations • Incoming material inspections • Quality discussion meetings	QA Dept. Manager 04-8742211 ext. 315	• 99.3% raw material acceptance rate • 55.8% of suppliers have food safety certifications • 98% new suppliers signed integrity commitment • 99.9% of evaluated suppliers met standards
COMMUNITY INTERACTION	• Factory Neighbors • Charity Organizations • Environmental Groups	Implement environmental controls to minimize operational impact and create a better living environment.	• Water Management • Waste Management • Energy Management • Carbon Management • Material Recycling • Community Relations	• Daily community hotline • Sponsorships and improvements • Volunteer activities • NGO participation • Facility tours	Management Dept. 04-8742211 ext. 564	• Sponsored 19 organizations, 27 activities, donated 1,735 boxes of products • Sponsored local marathon event with 3,499 boxes of products • No facility tours due to COVID-19 until May • No environmental complaints in 2023
LEGAL COMPLIANCE	• Government Units • Evaluation Units • Experts and Scholars	Ensure compliance with regulations and government inspections.	• Ethical Management • Regulatory Compliance • Track and Trace • Corporate Governance • Laboratory • Customer Safety and Health	• Government inspections • Participation in policy meetings or seminars	QA Dept. Manager 04-8742211 ext. 315	• Established air pollution prevention system • 1,155 third-party product inspections, 100% pass rate • Passed 4 mandatory government audits • Passed 8 third-party food safety audits
PUBLIC OPINION IMPACT	• Media Reporters • Advertisers • PR Firms • Internet Users	Public opinion represents societal expectations and can help improve brand value and stimulate progress.	• Market Position • Customer Safety and Health	• Press releases • Website announcements • Media briefings/dinners • Social media interaction	PR Dept. 02-25064152 ext. 9203	• 53 major news releases • Media engagement events during Chinese New Year and Mid-Autumn Festival • 460,000 website visits • New Facebook page launched in November for customer interaction

CORPORATE GOVERNANCE

MATERIALITY	CORPORATE GOVERNANCE				
IMPORTANCE TO THE COMPANY	POLICY COMMITMENT	OBJECTIVES	DEVOTE RESOURCES	GRIEVANCE MECHANISM	EVALUATION MECHANISM
Fulfilling the responsibilities of managers, protecting shareholder rights, and considering the interests of other stakeholders.	Refine and implement corporate governance to create maximum company value.	Short-term: Back to the top three groups of corporate governance evaluation. Medium to long-term: Rank among the top 3 listed companies in the industry for corporate governance evaluation.	• Total board member training hours exceeded 6 hours • Governance executives completed 18 hours of training courses	Public Relations Department/ Stakeholders can provide feedback through the official website, 0800 customer service hotline, or Taishan Fan Group.	Taisun achieves top 10 ranking in the 2023 Corporate Governance Evaluation for Its Industry Category.



STABLE GOVERNANCE PERFORMANCE, BALANCING STAKEHOLDERS' INTERESTS

Taisun adheres to the values of pragmatism, mindfulness, empathy, and diligence in its daily operations. Transitioning from a family business to corporate governance, the company solidifies its foundation, pioneers new initiatives, and creates opportunities. In the food industry, where profits come from small margins, Taisun is committed to providing reasonably priced, healthy, and delicious products. We appreciate all stakeholders for supporting and understanding, balancing the concerns and interests of all parties involved.

BOARD OPERATIONS

The Board of Directors is the highest governance body of the company. On March 8, 2020, the Board resolved to establish a Corporate Governance Officer to safeguard shareholders' rights and enhance the Board's functions. Annual corporate governance goals are set and regularly reviewed. The 2023 goals and performance are as follows:

ITEM	GOAL	PERFORMANCE
Board Operations Effectiveness	• Achieve an average attendance rate of over 90% for the Board of Directors • Achieve an attendance rate of over 90% for Functional Committees	• The 22nd Board achieved an average attendance rate of 99% • The 23rd Board achieved an average attendance rate of 94% • The Audit and Compensation Committees of the 22nd Board had 100% attendance • The Audit and Compensation Committees of the 23rd Board had 96% attendance
Annual Training for Board Members	The target for all directors is over 6 hours of annual training	All Board members completed at least 6 hours of training, with some exceeding this requirement
Annual Training for Corporate Governance Officer	Complete over 12 hours of annual training	Accumulated 18 hours of training
Corporate Governance Evaluation Results	Due to controversies arising from the disposal of FamilyMart shares in December, until the extraordinary shareholders' meeting on May 31, 2023, when a new Board was elected, efforts were made to enhance corporate governance performance. The new team aims to maintain at least the 51%–65% (fifth) percentile and strive to return to the 21%–35% (third) percentile.	In 2023, frequent governance issues led to fines by regulatory authorities, impacting the corporate governance evaluation results.

SELECTION, STRUCTURE & TENURE OF BOARD MEMBERS

The Board of Directors is the highest operational decision-making center and the highest governance body of the company. To ensure clear organizational structure and operational independence, the Chairperson does not concurrently serve as the President. According to the company's Articles of Incorporation, the Board comprises five to seventeen directors elected by shareholders from a list of candidates, with a term of three years, eligible for re-election. The Board follows the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies," holding meetings at least quarterly to review operational performance and discuss key strategies. Major strategic directions and significant issues affecting stakeholders are determined during these meetings. The Board authorizes senior management to establish the ESG Sustainable Development Committee to supervise and manage economic, environmental, and social issues arising from operational activities, with regular reports to the Board to ensure transparency of all business and financial information.

Board Diversity and Structure Taisun implements board diversity in its composition. The 22nd term board members included 5 directors and 3 independent directors, totaling 8 seats (independent directors accounting for 37.5%). Among them, 6 were male (75%) and 2 were female (25%). The Audit Committee is composed of all independent directors, with a female independent director serving as the convener of the Audit Committee.

On May 31, 2023, at the extraordinary shareholders' meeting, a complete re-election of directors was held. The 23rd term board members include 6 directors and 3 independent directors, totaling 9 seats (independent directors accounting for 33.3%). Among them, 7 are male (77.8%) and 2 are female (22.2%). The Audit Committee is composed of all independent directors, with independent director Chen Wei-Yu serving as the convener of the Audit Committee. Each term of directors serves for 3 years.

BOARD COMPOSITION DIVERSITY STATISTICS BY YEAR

CATEGORY		2021		2022		2023	
		PERSON	%	PERSON	%	PERSON	%
Gender	Male	8	88.89%	7	87.50%	7	77.78%
	Female	1	11.11%	1	12.50%	2	22.22%
Age group	Under age 50	1	11.11%	1	12.50%	1	11.11%
	50–60	4	44.44%	4	50.00%	4	44.44%
	Over age 60	4	44.44%	3	37.50%	4	44.44%
Education	Graduate	3	33.33%	3	37.50%	6	66.67%
	College	6	66.67%	5	62.50%	3	33.33%

22ND BOARD COMPOSITION*

Term until May 30, 2023

BOARD OF DIRECTORS MEMBERS
8 SEATS

INDEPENDENT DIRECTORS
3 SEATS

NAME	GENDER	AGE GROUP 41-50	AGE GROUP 51-60	AGE GROUP 61-70	INDEPENDENT DIRECTOR	EDUCATION BACKGROUND	KEY AREAS OF EXPERTISE (TOP 5 ITEMS) ACCOUNTING	LAW	FINANCE	MANAGEMENT	LEADERSHIP & DECISION MAKING	INDUSTRY KNOWLEDGE	CRISIS MANAGEMENT	INTERNATIONAL MARKET INSIGHT
Chan Ching-Chao	Male		●			Master Degree, Utah State University			●	●	●		●	●
Chen Nuo-Hua	Female	●				LLB, Department of Law, National Taipei University	●		●	●			●	●
Chan Hao-Jun	Male	●				University of British Columbia, Canada, Bachelor Degree			●	●	●	●	●	●
Liu Wei-Lung	Male		●			College of Law, National Taiwan University	●		●	●			●	●
Han Tai-Sheng	Male		●			Department of Physics, Tamkang University		●	●	●			●	●
Chen Min-Hsun	Female		●		●	MBA, Drucker School of Management Claremont Graduate University, USA B.S., Business (Financial Management), University of Southern California		●	●	●			●	●
Li Ming-Hui	Male			●	●	Stevens Institute of Technology, Master of Business Administration		●	●	●			●	●
Tu Ying-Ta	Male			●	●	College of Law, National Taiwan University	●		●	●			●	●

* As of May 31, 2023, an extraordinary shareholders' meeting was held to comprehensively re-elect the Board of Directors, and the 23rd Board members assumed office.

23RD BOARD COMPOSITION

Term starting from May 31, 2023

NAME	GENDER	AGE GROUP 41-50	AGE GROUP 51-60	AGE GROUP 61-70	INDEPENDENT DIRECTOR	EDUCATION BACKGROUND	KEY AREAS OF EXPERTISE (TOP 5 ITEMS) ACCOUNTING	LAW	FINANCE	MANAGEMENT	LEADERSHIP & DECISION MAKING	INDUSTRY KNOWLEDGE	CRISIS MANAGEMENT	INTERNATIONAL MARKET INSIGHT
Liu Wei-Lung	Male		●			College of Law, National Taiwan University	●			●	●		●	●
Han Tai-Sheng	Male			●		Department of Physics, Tamkang University			●	●	●		●	●
Liu Huang-Chi	Male		●			Master of Law, College of Social Sciences, Tunghai University	●			●	●		●	●
Yang Wen-Ching	Male			●		PhD, Economic Law, School of Law, Peking University	●			●	●		●	●
Fu Chen-Hsiang	Male		●			Master of Business Administration in Technology, Rensselaer Polytechnic Institute, New York, USA			●	●	●		●	●
Chen Nuo-Hua	Female	●				LLB, Department of Law, National Taipei University		●		●	●		●	●
Hsiao Sheng-Hsien	Male			●	●	PhD, Graduate Institute of Law, University of International Business and Economics (China)	●			●	●		●	●
Chen Wei-Yu	Male			●	●	MBA, University of California, Los Angeles	●			●	●		●	●
Huang Hui-Ping	Female		●		●	Bachelor of Laws, Department of Law, National Chung Hsing University		●		●	●		●	●

BOARD OF DIRECTORS MEMBERS
9 SEATS

INDEPENDENT DIRECTORS
3 SEATS

To mitigate the risks borne by directors and key personnel in exercising their rights and fulfilling their obligations and to ensure smooth operations, the company annually insures "Directors, Supervisors, and Key Personnel Liability Insurance." Additionally, the "Board Performance Evaluation Measures" are established to conduct an internal evaluation annually. The performance evaluation results of the Board of Directors, Board members, Audit Committee, and Compensation Committee are reported to the Board. Performance evaluations promptly respond to the suggestions given by each director to assist the Board in achieving optimal efficiency.



ETHICAL MANAGEMENT

MATERIALITY	ETHICAL MANAGEMENT
IMPORTANCE TO THE COMPANY	Establishing a corporate culture of integrity management helps the company's healthy development, consolidates a good business operational framework, and protects the rights and interests of all stakeholders.
POLICY COMMITMENT	The Board of Directors has approved the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Development and Guidelines for Conduct," which are implemented by all Board members and employees. The company is committed to operating all business activities with integrity management principles, striving for the best operational performance.
SHORT-TERM GOALS	• Ensure 100% of new suppliers with transactions exceeding TWD 100,000 sign the "Integrity and Sustainable Development Commitment." • Continue to conduct educational training and awareness programs for all Board members and employees regarding relevant laws and regulations.
MID-AND LONG-TERM GOALS	• Enhance information transparency. • Expand corporate influence and continue to promote sustainable development through the ethical management principles and supplier evaluations, thereby enhancing the sustainable value of the company.
DEVOTE RESOURCES/ CONCRETE RESULTS	• Organize internal and external training sessions and awareness programs on integrity management topics, including the ethical corporate management best practice principles, procedures for ethical management and guidelines for conduct, and the management procedures for preventing insider trading. • Achieve 98% of suppliers with transactions exceeding TWD 100,000 signing the "Integrity and Sustainable Development Commitment." • The Integrity Management Task Force reports the results to the Board of Directors once a year.
GRIEVANCE MECHANISM	Human Resources Department through the Corporate Ethics Mailbox: www.taisun.com.tw/ethics-mailbox
EVALUATION MECHANISM	No complaints were filed in 2023.

The Board of Directors has approved the "Corporate Governance Best Practice Principles," the "Ethical Corporate Management Best Practice Principles," and the "Corporate Sustainable Development Best Practice Principles." These principles are implemented by all Board members and employees, committed to running all business activities based on integrity management principles, and striving for the best operational performance. To uphold the direction of mutual prosperity between the company and society, the following goals are pursued:

PROTECTING SHAREHOLDERS' RIGHTS AND TREATING SHAREHOLDERS EQUITABLY → ENHANCING THE STRUCTURE AND OPERATION OF THE BOARD OF DIRECTORS → IMPROVING INFORMATION TRANSPARENCY → PROMOTING SUSTAINABLE DEVELOPMENT AND ENHANCING CORPORATE SUSTAINABLE VALUE

Taisun has established internal regulations, including the "Procedures for Ethical Development and Guidelines for Conduct" and the "Management Procedures for Preventing Insider Trading," disclosed on the company's website to regulate the ethical conduct of internal members. Additionally, at least once a year, education and training on relevant laws and regulations are provided to current directors, managers, and employees. The course content includes the confidentiality of significant information, explanations of insider trading causes, transaction examples, and the ethical management best practice principles and operational procedures. Employees are required to adhere to internal regulations and avoid unethical behavior, participate in public affairs lawfully, and ensure related actions are disclosed truthfully according to law. Annually, the specific results and promotion of integrity management are reported to the Board of Directors.



ETHICAL MANAGEMENT TOPICS TOTAL TRAINING HOURS

1,322 HOURS

Taisun emphasizes integrity management and corporate social responsibility, educating employees on a culture of integrity and responsibility from the start of employment. In 2023, internal and external training and awareness promotion related to integrity management issues (including the ethical management best practice principles, procedures for ethical management and guidelines for conduct, and management procedures for preventing insider trading) were conducted.

Furthermore, the company promotes the signing of the "Integrity and Sustainable Development Commitment" with suppliers, aiming to reach a consensus on integrity management and sustainable development with partner suppliers. The commitment includes Taisun Enterprise Co., Ltd.'s ethical management best practice principles, procedures for ethical management and guidelines for conduct, corporate social responsibility best practice principles, and human rights protection declarations.

In 2023, the company's corporate governance evaluation results fell between 66% and 80% due to significant losses and regulatory penalties arising from internal control violations in the first half of the year. Since the new team assumed office in the second half of 2023, corporate governance has been continuously implemented, with ongoing efforts to improve.

PRINCIPLE OF DIRECTOR INTEREST AVOIDANCE

Following Article 32 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", when discussing agenda items related to conflicts of interest, directors should explain the important content of their interests at the board meeting. If there is a concern of harm to the company's interests, they should not participate in the discussion and voting, and should recuse themselves during discussion and voting, and cannot exercise voting rights on behalf of other directors. In 2023, there were 5 matters requiring interest avoidance, all of which complied with Taisun's board meeting regulations and will be disclosed in the 2024 annual shareholders' meeting report.

COMMUNICATION OF CRITICAL CONCERNS

Following Article 10 of the "Procedures for Handling Material Inside Information", the disclosure of material information should be accurate, complete, timely, based on facts, and fairly disclosed. In the first half of 2023, Taisun experienced a major corporate governance event: Due to Taisun's plan to dispose of its shares in Taiwan FamilyMart Co., Ltd. at the end of 2022, subsequent disputes attracted high attention from regulatory authorities. After the complete re-election of directors at the extraordinary shareholders' meeting on May 31, 2023, corporate governance was restored. However, the corporate governance evaluation ranking for that term (10th term) in 2023 still dropped to the 66%-80% tier. The management team will continue to strive for trust from all sectors and investor confidence in 2024. For information related to investors, please refer to the 2024 annual shareholders' meeting report and relevant information on the company's official website.

DIRECTOR TRAINING

To assist directors in effectively exercising their duties and enhancing their professional skills and regulatory knowledge, in response to domestic and international corporate governance and sustainability-related issues, all directors follow the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" and the "Regulations Governing Establishment of Internal Control Systems by Public Companies".

The company periodically offers courses on economic, environmental, and social issues related to operations or operational strategies related to finance, risk management, business, commerce, legal affairs, accounting or internal control systems, financial reporting responsibilities, etc. Based on feedback from the annual director self-assessment, the content of Taisun's reports in various aspects is strengthened. Director training is arranged according to the needs of board members and in line with the focus of annual strategic development, planning and arranging at least 6 hours of training for director members each year.



23RD BOARD OF DIRECTORS TRAINING

NAME	COURSE NAMES	HOURS
Liu Wei-lung	2023 Cathay Sustainable Finance and Financial Change Summit	6
Han Tai-sheng	Analysis of Latest Corporate Governance Policies, Regulations, and Common Deficiencies	3
	Business Tax Regulations and Practices	3
Liu Huang-chi	Trade Secret Protection and Non-compete Clauses	3
	Carbon Reduction Related Issues and Their IFRS Accounting Treatment	3
	Big Data Analysis and Fraud Detection and Prevention	3
	Implementing TCFD from a Board Perspective	3
Yang Wen-ching	Advanced Practical Seminar for Directors, Supervisors (including Independent) and Corporate Governance Officers〔Carbon Trading Mechanism, Carbon Management Application, and Resource Circulation〕	3
	Advanced Practical Seminar for Directors, Supervisors (including Independent) and Corporate Governance Officers〔Practical Discussion on Anti-Money Laundering and Countering Terrorism Financing〕	3
Chen Nuo-hua	How to Conduct Board Meetings? Practical Sharing of Common Deficiencies in TWSE/TPEx Listed Companies' Board Meeting Operations (3 hours)	3
	Advanced Practical Seminar for Directors, Supervisors (including Independent) and Corporate Governance Officers〔How Non-Financial Background Directors and Supervisors Should Review Financial Reports〕	3
	Family Charter and Family Office	3
	Analysis of Foreign Investors' Voting Practices Cases, International Perspective on Directors' and Supervisors' Responsibilities	3
Fu Zhen-Xiang	Advanced Practical Seminar for Directors, Supervisors (including Independent) and Corporate Governance Officers〔Analysis of Common Illegal Cases in the Securities and Exchange Act〕	3
	Advanced Practical Seminar for Directors, Supervisors (including Independent) and Corporate Governance Officers〔Establishment of Corporate Whistleblower Protection and Reporting System〕	3
Hsiao Sheng-hsien	Enhancing 2023 Board of Directors Should Set ESG Sustainable Governance Strategies	3
	Emerging Corporate Risk: Climate Change	3
Chen Wei-yu	Enhancing Information Security Literacy and Personal Data Protection	3
	Latest Trends in Anti-Money Laundering and Business	3
Huang Hui-ping	Practical Analysis of Common Deficiencies in "Financial Report Review" and Important Internal Control Regulations	6
	How to Analyze Key Corporate Financial Information to Strengthen Crisis Warning Capabilities	6

TOTAL COURSE HOURS

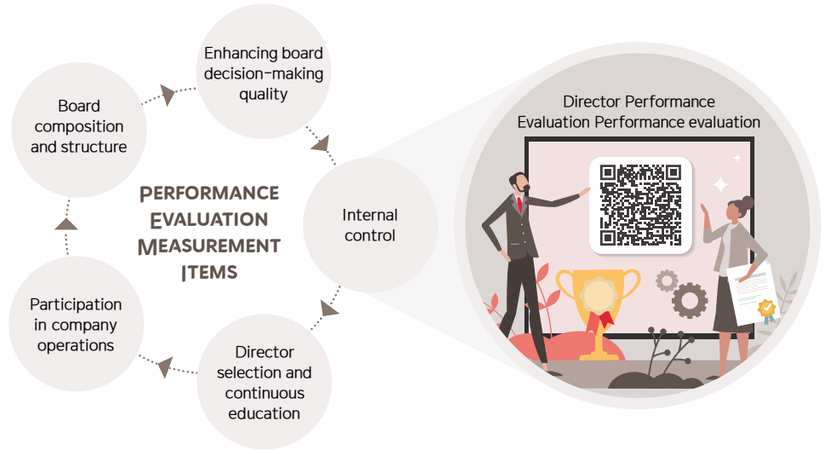
72 HOURS

2023 CORPORATE GOVERNANCE OFFICER TRAINING

NAME	TRAINING TOPICS	HOURS
Li Shu-hui	Advanced Practical Seminar for Directors, Supervisors (including Independent) and Corporate Governance Officers〔Analysis of Common Illegal Cases in the Securities and Exchange Act〕	3
	Advanced Practical Seminar for Directors, Supervisors (including Independent) and Corporate Governance Officers〔Introduction to Short-term Trading by Company Insiders and Case Analysis〕	3
	Advanced Practical Seminar for Directors, Supervisors (including Independent) and Corporate Governance Officers〔Carbon Trading Mechanism and Enterprise Management Application〕	3
	Advanced Practical Seminar for Directors, Supervisors (including Independent) and Corporate Governance Officers〔Risks and Opportunities of Climate Change and Net-zero Emission Policies on Business Operations〕	3
	Using "Intellectual Property Management" to Improve Corporate Governance and Internal Control Compliance	6

BOARD PERFORMANCE EVALUATION

To implement corporate governance and enhance board functions, in accordance with Article 37 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", our company has established the "Board Performance Evaluation Method" approved by the board of directors. We complete the performance evaluation of the board, individual directors, and functional committees for the previous year before the first quarter of each year, and report the evaluation results to the board. The self-evaluation measurement items for Taisun's board and functional committee members cover the following five major aspects. The board performance evaluation method and the annual performance evaluation methods and results of the board, individual directors, and each functional committee are disclosed on the company's official website's investor section and the Market Observation Post System.



BOARD OPERATION

- In 2023, the 22nd Board of Directors held 5 meetings, with an average director attendance rate higher than 92%; the 23rd Board of Directors held 8 meetings, with an average director attendance rate higher than 94%. For board meeting records and resolution contents, please refer to pages 83-87 of the 2024 Annual Shareholders' Meeting Report.
- For the board's independence and diversity policy, specific management objectives and implementation, please refer to page 28 of the 2024 Annual Shareholders' Meeting Report.
- In addition to regularly obtaining the "Accountant Independence Statement" each year, we also obtain the "Audit Quality Indicators (AQIs)" issued by accountants as a reference for evaluating the independence and competence of certified accountants, which has been reported to the first quarter board meeting in 2024.
- Our company has established internal operating procedures to handle shareholder suggestions, doubts, disputes, and litigation matters in accordance with corporate governance practices, and executes them according to procedures. Additionally, our company's official website has set up an investor section and investor mailbox: taisunir@taisun.com.tw, with dedicated personnel to respond to opinions raised by shareholders.

SHAREHOLDER EQUITY | EARNINGS DISTRIBUTION

Unit: TWD Thousand

CATEGORY	2021	2022	2023
After-tax Profit	591,827	5,918,495	(80,870)
Earnings Per Share	1.22	12.17	(0.17)
Dividend Per Share	1.0	0.56	-



FUNCTIONAL COMMITTEES AND INTERNAL CONTROL

REMUNERATION COMMITTEE

To ensure a sound remuneration system for company directors and managers, our company established the "Remuneration Committee Charter" in 2011 to assist the board in evaluating the remuneration policies and systems for directors and managers. Our company's Remuneration Committee is composed of all independent directors and exercises its powers according to law. A meeting is held at least twice a year and can convene meetings at any time as needed, providing timely recommendations to the board for decision-making reference.

REMUNERATION COMMITTEE CHARTER

REMUNERATION DETERMINATION PROCESS

The company's Articles of Incorporation stipulate that if there is a profit in the current year, more than 2% should be allocated as employee compensation and less than 5% as director compensation. However, if the company still has accumulated losses, it should reserve the amount for compensation in advance. The recipients of the aforementioned employee compensation in stocks or cash may include employees of controlling or subordinate companies who meet certain conditions. Managers' remuneration includes salary and bonuses. The salary takes into account industry standards as well as job title, position, education (experience), professional ability, and responsibilities. Bonuses are based on an overall consideration of managers' participation in company operations and performance evaluations. Evaluation items include financial indicators (financial and business performance indicators) and non-financial indicators (leadership, moral conduct, regulatory compliance of supervised departments) and measure other special contributions, considering future company risks, incorporating them into performance evaluation and remuneration distribution considerations, reviewed by the Remuneration Committee and submitted to the board for resolution. For the actual remuneration paid in 2023, please refer to the "Remuneration Paid to Directors, Supervisors, General Manager, and Deputy General Managers in the Most Recent Year" section of the 2024 Annual Shareholders' Meeting Report; the employee compensation and director compensation distribution proposals are specially resolved by the board and reported to the shareholders' meeting.

REMUNERATION COMMITTEE OPERATIONS

KEY MANAGEMENT ITEMS

- Regularly adjust salary and benefit standards according to industry market conditions and employee needs, and submit suggestions to the board for discussion.
- Responsible for establishing and reviewing performance evaluation and remuneration policies, systems, standards, structures, and individual remuneration for directors and managers.
- Establish and regularly review performance evaluation policies and indicators for the board and functional committees.
- Our company is gradually incorporating ESG goals and performance into KPI items, linking them to the personal remuneration of the board and managers.

MARKET OBSERVATION POST SYSTEM

Related appointment proposals

2023 OPERATION

- In 2023, the 5th Remuneration Committee held 3 meetings, with an average committee member attendance rate of 100%; the 6th Remuneration Committee held 5 meetings, both with an average committee member attendance rate of 100%.
- At the end of 2023, the Remuneration Committee conducted a performance self-evaluation, with results "exceeding standards".
- Key proposals passed during the period:

✓ 2022 Director Compensation Distribution Proposal	✓ 23rd Board of Directors and Chairman Remuneration Proposal
✓ 2022 Appointed Manager Employee Compensation Distribution Proposal	✓ Nomination of the 6th Remuneration Committee Convener Proposal
✓ Financial Officer Remuneration Proposal	✓ Corporate Governance Officer Remuneration Proposal
✓ Accounting Officer Change Proposal	✓ Audit Officer Appointment Proposal

AUDIT COMMITTEE

The Audit Committee aims to assist the Board of Directors in effectively fulfilling its oversight of the internal control mechanism's effectiveness. It supervises the effective implementation of the company's internal control system and the handling procedures for significant financial and business activities in accordance with the tasks assigned by the Company Act, Securities and Exchange Act, and other relevant laws and regulations. It implements supervisory functions to help the management team improve operational efficiency. Our company established the Audit Committee in 2016, composed of all independent directors. Following the regulations of the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies", it maintains at least one meeting per quarter. All important proposals of the company are first submitted to the Audit Committee for review according to law, and then submitted to the Board of Directors for resolution based on the Audit Committee's decision.

KEY MANAGEMENT ITEMS

- Responsible for establishing and amending the internal control system.
- Handling procedures for significant financial and business activities, reviewing the acquisition or disposal of securities, financial reports, matters involving directors' personal interests, etc.

2023 OPERATION

- The company's 3rd Audit Committee held 3 meetings with an average committee member attendance rate of 100%; the 4th Audit Committee held 6 meetings both with an average committee member attendance rate of 100%.
- Relevant Audit Committee meeting records and resolution contents are all disclosed on the company's official website, annual report, and Market Observation Post System.
- All matters stipulated in Article 14-5 of the Securities and Exchange Act were passed without objection and submitted to the Board of Directors for resolution.
- Discussed and resolved the results of financial statements audited or reviewed by certified public accountants, and arranged at least one communication between accountants and independent directors annually.
- Discussed and amended important company regulations.
- The Audit Committee conducted a performance self-evaluation with results "exceeding standards".

AUDIT COMMITTEE CHARTER

AUDIT COMMITTEE RESOLUTIONS

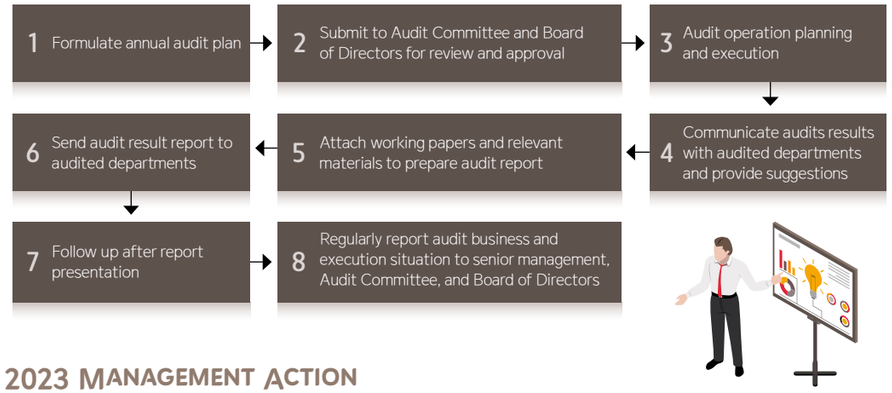
INTERNAL CONTROL SYSTEM

To implement effective corporate risk control and achieve sustainable operation, our company has established an internal control system and internal audit implementation rules to reasonably ensure the achievement of operational effectiveness and efficiency, reliability of financial reporting, and compliance with relevant laws and regulations.

The company's internal audit unit reports directly to the Board of Directors, and the appointment and dismissal of the audit supervisor are approved by the Audit Committee and the Board of Directors. Each business unit implements internal control management, with the audit unit responsible for supervision and continuous evaluation, assisting the Board of Directors and managers in checking, reviewing, and strengthening the promotion and implementation of the company's internal control system to reduce errors, prevent malpractices, improve operational efficiency, and thereby enhance the company's overall interests.

Audit operations are conducted and executed in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies", covering all operational activities of Taisun Enterprise, assisting the Board of Directors and managers in checking and reviewing the company's internal control management status, and appropriately providing improvement suggestions.

The qualified and full-time personnel of the audit unit complete the statutory training hours as required and participate in the company's internal education and training courses, internal audit association regional meetings, and regulatory authority seminars to strengthen professional knowledge and risk management awareness. The audit unit mainly manages: audit planning and execution, internal control self-assessment operations, statutory education and training, and other tasks.



2023 MANAGEMENT ACTION

- In 2023, there were 5 audit plans, execution situations, and improvement tracking, covering 32 operations. These were approved by the Board of Directors, including statutory audit items and audit operations planned after risk assessment. The execution situation and improvement tracking were reported in the first half of the following year. A cumulative 5 improvement suggestions were proposed to enhance internal control management operations.
- Internal control self-assessment was conducted in December 2023, and after approval by the Board of Directors, Taisun Enterprise issued the "Internal Control System Statement" for 2023.
- Audit room members accumulated 52 hours of external education and training courses in 2023, and reported the list of audit personnel and education hours according to legal requirements.
- Regularly reported internal audit matters to senior management, the Audit Committee, and the Board of Directors.
- If internal audit personnel discover violations or potential significant damage to the company, they immediately prepare a report for approval and notify superior supervisors.

BUSINESS OPERATIONS AND TAISUN KEY REVIEWS

MAINTAINING STABILITY PRODUCTION AND SALES AMID ENVIRONMENTAL CHALLENGES

As a food manufacturing company, Taisun actively monitored market conditions in 2023, adjusting order timing and raw material inventory management in response to raw material cost increases due to war and global situations, maintaining stable operation of various production lines (canned snacks, PET bottle drinks, refrigerated drinks, cooking oil products, refrigerated carton fresh products).

There were no significant changes in Taisun's production line items compared to 2022. Domestic sales of canned snack products include "Taisun Grass Jelly", "Healthy Dessert" series, "Taisun Peanut Soup", "Red Beans Soup with Black Glutinous Rice", "Pearl Barleys", "Milk Red Beans Soup", "Oatmilk with Peanut", etc. Products like "Taisun Grass Jelly", "Taisun Mixed Congee", "Chestnut Oatmeal" have been sold overseas for many years. The PET bottle production line mainly produces the "Bing Jeon" series and "Fruit Water". The refrigerated carton fresh house production line mainly produces the "Grass Jelly" series, "Bing Jeon" series, and "Big Straw" series products. The cooking oil product line produces household oils like "Pure Canola Oil", blended oil "Balance 369", and imports high-quality foreign household oils like "Chief Oil", offering consumers various flavors. It also manufactures 18kg large barrel blended oil series products for the catering industry, such as the "Taisun Good Oil" series.

Due to limited factory production line capacity, Taisun invites suitable OEM manufacturers to assist in production. Products include: "Cha Chi Chu", "Fruit Water", some specifications of "Bing Jeon", "Taisun Pure Water", "Twist Water", "Cheers" series, "Mesona Tea", "Woo Tang", "BUFF", while also supporting peers in producing various beverages, maintaining mutual benefits in the industry.

NEW PRODUCTS LAUNCHED IN 2023

1 Nut Work
Oat Walnut Nut Milk

2 Nut Work
Premium Soybean Walnut Nut Milk

3 High Cereal Extract Rice Bran Oil (sesamin)

In 2023, Taisun's consumer food products were produced by 2 factories (Taisun Food Factory, Taisun Oil Factory) and 10 OEM factories. The total sales volume of various products, including OEM and distribution, was 421,354,772 tons. Besides consumer goods, Taisun's Aquatic Feed Factory and Beidou Ranch hog farming business also faced international raw material price surges, causing feed and farming cost increases that squeezed profits. However, livestock-related businesses have limited input in Taisun's operations, with minimal impact on overall operations. In 2023, all Taisun livestock-related products were self-produced and sold by Taisun Aquatic Feed Factory and Beidou Ranch, with total sales of aquatic feed sale hogs reaching 13,489 tons.

2023 TIMELINE OF MAJOR EVENTS FOR TAISUN ENTERPRISE

JAN
- Launched tea drinks with 20% rPET packaging in the Taipei market.

FEB
- Started construction of high-pressure natural gas pipeline, replacing oil-fired boilers with natural gas boilers in the food factory.

MAY
- Launched pure water products without labels, reducing packaging and plastic use.
- Implemented "Migrant Worker Zero Fee" policy to protect migrant workers' rights, effective January 1, 2024.
- Held 2023 extraordinary shareholders' meeting to elect the 23rd Board of Directors.

JUN
- Appointed Cai Zhanlong as Chairman.
- At the shareholders' meeting, resolved to distribute 2023 surplus, with a cash dividend of TWD 0.57 per share.

JUL
- Obtained exclusive distribution rights for Mazu Brewery in Taiwan, expanding sales to both sides of the strait.

OCT
- Launched "Good Food Knowledge+" online distance learning course, promoting food safety education for elementary school students.

NOV
- Won the "Happy Enterprise Award" from 1111 Job Bank for the third consecutive year.

DEC
- Food factory, oil factory, and Taipei Long'an Administrative Building passed the "Healthy Workplace Activation Mark" audit.
- Completed 6 oil product traceability inspections in preparation for ISO 14067 certification.

FINANCIAL PERFORMANCE

2023 REVENUE

TWD 9,724,014 THOUSAND

INCREASE COMPARED TO THE PREVIOUS YEAR

1.12%



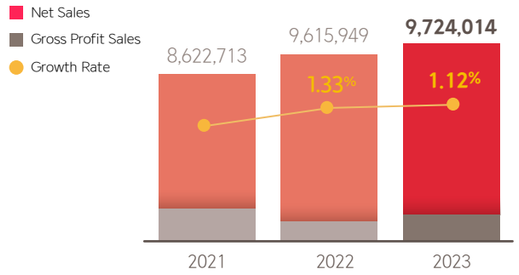
MATERIALITY	FINANCIAL PERFORMANCE
IMPORTANCE TO THE COMPANY	Financial performance's strengths and weaknesses not only reflect the company's good operations but also relate to the company's growth and development. Stable financial conditions and operating performance help enhance the company's competitiveness and strengthen investor and shareholder confidence.
POLICY COMMITMENT	• Actively respond to raw material price fluctuations and supply chain disruptions caused by changes in the international economic situation, stabilizing production costs. • Continue to invest funds and manpower to develop new products and improve manufacturing technology. Grasp the quality of raw material sources and, in response to future market demands, timely launch new products that meet hygiene, health, and safety standards, seizing the best profit opportunities.
SHORT-TERM GOALS	• Update equipment and expand new production capacity. • Develop new products and expand new markets. • Adhere to ESG principles and sustainable operations.
MID-TO-LONG-TERM GOALS	**FUTURE COMPANY DEVELOPMENT STRATEGIES** • **Consumer-oriented product development:** Continuously observe social trends, collect relevant market data to analyze and judge consumer preference trends, actively develop products that meet potential consumer demands. • **Comprehensive sales channel layout:** Strengthen modern and traditional channels, and actively develop catering and e-commerce channels, to build a comprehensive sales channel network, allowing products to be sold nationwide and improve operational efficiency. • **Complete quality management and system certification:** The company's various management systems and products have obtained certification, serving as a guarantee of product quality, enhancing product competitiveness and gaining trust from society and customers. • **Implement ESG sustainable operations:** Actively participate in carbon reduction, wastewater treatment, and green energy improvement activities to gain support from the majority of investors.
DEVOTE RESOURCES/ CONCRETE RESULTS	• Food factory and oil factory have obtained SQF 9.0 version certification, strengthening source management and product certification, and have been approved by GFSI. • Improved laboratory testing expertise, obtaining TAF laboratory ISO/IEC 17025 certification. • Upgraded production lines, improved old equipment, and adopted energy-saving measures to improve production efficiency.
GRIEVANCE MECHANISM	Finance Department/Investor Mailbox: taisunir@taisun.com.tw
EVALUATION MECHANISM	Actively build and integrate resources, maximize benefits, and enhance profitability.

PROFIT RESULTS AND STRUCTURE

Taisun Enterprise continuously improves production quality and enhances business operations, resulting in stable revenue growth each year. In 2023, net sales reached TWD 9,724,014 thousand, a 1.12% increase compared to 2022. For related financial information, please refer to Taisun Enterprise's individual financial report on the Market Observation Post System.

ANNUAL REVENUE TRENDS

Unit: TWD Thousand



NET INCOME AFTER TAX
TWD (80,870) THOUSAND

EARNINGS PER SHARE
TWD (0.17)

EMPLOYEE COMPENSATION
TWD 2,305 THOUSAND

CONDENSED INCOME STATEMENT

Unit: TWD Thousand

ACCOUNTING ITEMS	2021	2022	2023
Operating Revenue	8,622,713	9,615,949	9,724,014
Gross Profit Operating	1,015,577	882,066	965,244
Expenses Operating	904,253	1,382,356	1,117,944
Net Profit	111,324	(500,290)	(152,700)
Non-operating Income and Expenses	516,800	6,706,533	265,242
Net Profit Before Tax	628,124	6,206,243	112,542
Income Tax Expense	36,297	287,748	193,412
Net Profit After Tax	591,827	5,918,495	(80,870)
Earnings Per Share	1.22	12.17	(0.17)
Net Profit Margin	6.86%	61.55%	(0.72)%

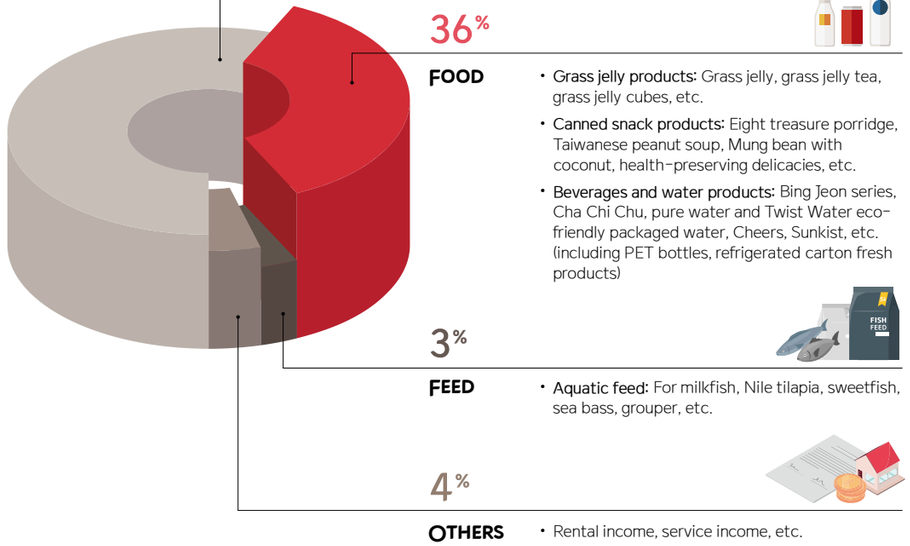
ECONOMIC VALUE DISTRIBUTION REVENUE

Unit: TWD Thousand

ITEMS	2021	2022	2023
Income	8,622,713	9,615,949	9,724,014
Operating Costs	7,606,870	8,728,603	8,761,369
Employee Salaries and Benefits	480,592	761,270	437,872
Payments to Providers of Capital	710,650	526,582	305,559
Payments to Government	36,297	288,228	200,912
Community Investments	6,645	7,614	10,456
Retained Economic Value	-218,341	-696,348	7,846

Taisun Enterprise's main business activities are sourced from Taiwan. The company adheres to local tax regulations where it operates, honestly reports and timely completes tax obligations, fulfilling its social responsibility.

PROPORTION OF MAIN OPERATING REVENUE SOURCES





RISK MANAGEMENT RESULTS

Stable and appropriate financial risk management is the cornerstone of sustainable business operations. To timely and effectively reduce and manage risks related to procurement, accounts receivable, inventory, capital, and foreign exchange in business activities, Taisun identifies risks, responds to risks, and monitors risks to prevent possible financial losses. The following were carried out in 2023:

RISK MANAGEMENT RESPONSE MEASURES

CATEGORY	DESCRIPTION		MANAGEMENT STRATEGY
Sustainable Environment		Continuous increase in greenhouse gas emissions	Annual review of utility-consuming equipment, setting grades and timelines for replacement.
		Increase in waste handling / decrease in recycling rate	Annual review of waste quantity changes, establishing management and personnel cultural promotion for waste recycling.
Employee Care		Occupational accidents	• Monthly occupational accident prevention promotion to raise safety awareness. • Implement safety inspections, improve unsafe equipment and environments. • Strengthen workplace and traffic safety promotion. • Investigate the true causes of occupational accidents and improve deficiencies to prevent recurrence.
		Occupational burnout (long working hours)	• Use production line shifts, cultivate multi-skilled workers, combined with outsourcing to vitalize human resource allocation and cross-production line support. • Use overload questionnaires or work pattern assessments to evaluate work load levels and manage employee health.
Operational Performance		Market risk	Track market changes, use inventory management systems, apply the first-in-first-out principle for goods, and conduct regular inventory checks to reduce inventory risks. Make corresponding adjustments to relevant accounts at year-end based on market conditions.
		Product responsibility	• Regularly commission external inspections to ensure food safety. • Establish food safety management systems certified by third-party verification agencies.
		Sustainable supply chain interruption	Re-examine reasonable safety stock levels to avoid stock-out risks, and stabilize supply sources by increasing the number of qualified suppliers.
		Information security incidents	Established an Information Security Management Committee in 2023 and joined the Taiwan Computer Emergency Response Team / Coordination Center (TWCERT/CC) to share information security intelligence and joint defense mechanisms.

INFORMATION SECURITY MANAGEMENT

MATERIALITY	CUSTOMER PRIVACY
IMPORTANCE TO THE COMPANY	Maintain normal company operations without being affected by internal information leakage. Policy Commitment: Implement information security policy
POLICY COMMITMENT	Implement information security policy
OBJECTIVES	• Organize information security education and training, promote employee awareness of information security, and strengthen their understanding of related responsibilities. • Protect company business activity information, prevent unauthorized access and modification, and ensure its accuracy and completeness. • Use legally licensed software to ensure that related operations can be implemented securely. • Ensure that the company's key core systems maintain a certain level of system availability.
DEVOTE RESOURCES/ CONCRETE RESULTS	• Establish an Information Security Management Committee and implement an information security framework. • Conduct regular information security risk management, identify unacceptable risk levels, and implement subsequent improvement measures.
GRIEVANCE MECHANISM	IT Department/Company Receiving Mailbox: taisun1@taisun.com.tw
EVALUATION MECHANISM	• Conduct annual security assessments. • Strengthen the company's information security crisis awareness and the response capabilities of information security personnel to enable proactive prevention and effective detection and obstruction of threats in the first instance. • The company annually announces and promotes information security policies and cultivates employees with information security awareness. • Report to the Information Security Committee at least once a year and summarize the overall information security risk situation. • No incidents impacting company operations or infringing on customer privacy rights occurred in 2023.

The unit responsible for information security in our company is the "Information Security Management Committee," composed of IT department personnel. It oversees the Information Security Working Group, Information Security Audit Group, and Emergency Response Group, coordinating information security-related policy formulation, implementation, risk management, and compliance audits. The highest supervisor of the Information Security Management Committee reports annually to the Board of Directors on information security management effectiveness, related issues, and directions.

To effectively control information security, the Information Security Committee is responsible for formulating information security strategies and ensuring internal compliance with information security-related guidelines, procedures, and regulations. The Information Security Management Committee holds at least one management review meeting annually to review and resolve information security policies and implement the effectiveness of information security management measures. The Information Security Audit Group conducts an internal audit once a year, and the company's audit department also performs an information security audit annually. If there are deficiencies, they are required to propose relevant improvement plans and report to the Board of Directors, with regular follow-ups on improvement effectiveness to reduce internal information security risks.

The operation and implementation of information security risk management for 2023 were reported to the Board of Directors on December 21, 2023. In response to network attacks, regulatory compliance, vendor cooperation norms, and internal and external risk control audits, the company uses ISO 27001 as a reference and considers its operational characteristics to formulate appropriate information security system documents and control measures. These cover various aspects of information management, including policies, organization, personnel, physical environment, network security, operational management, access control, development and maintenance, security incidents, and disaster drills. Based on the plan-do-check-act management cycle mechanism, the company reviews the applicability of information security policies and protection measures, and regularly reports implementation status to the Information Security Management Committee to ensure continuous business operations, provide stable information services, ensure the confidentiality, integrity, and availability of managed information assets, and protect personnel data privacy. The company has established an information business continuity plan and operates information business activities in compliance with relevant regulatory requirements.

The company has established network and computer-related security protection measures. Through continuous review and assessment of its information security regulations and procedures, it introduces new technologies to strengthen endpoint protection and data protection, enhances personnel security awareness, and conducts social engineering drills to ensure their appropriateness and effectiveness. In 2023, the company joined the Taiwan Computer Emergency Response Team / Coordination Center (TWCERT/CC) to share information security intelligence and joint defense mechanisms.

INFORMATION SECURITY MANAGEMENT MEASURES

CATEGORY	DESCRIPTION	MANAGEMENT MEASURES
Access Control Management	Personnel account and access management and system operation behavior management measures	• Personnel account access management and audit • Regular checks on personnel account permissions
Access Control	Control measures for personnel accessing internal and external systems and data transmission	Internal/external access control measures
External Threats	Virus prevention and protection measures	• Host/computer update measures • Firewall protection • Virus protection and malicious program detection
System Availability	Measures for handling system availability interruptions during services	• System/network availability monitoring and notification mechanism service interruption response measures • On/off site backup regular disaster recovery drills
Personnel training	Personnel information security awareness training measures	• Information security education for new employees upon arrival • Regular company-wide information security promotion • Social engineering drills

CASE **INFORMATION SECURITY INCIDENTS**

INCIDENT DESCRIPTION	IMPACT AND FOLLOW-UP HANDLING
In November 2023, Taisun's official Facebook fan page "Taisun Enterprise" had its management account stolen, causing media and internet attention.	This incident did not affect company operations, personal information, or network systems. Improvement measures were taken: setting up two-factor authentication, establishing social media management methods, limiting management permissions, and having the responsible department manage the account to prevent recurrence.

REGULATORY COMPLIANCE



MATERIALITY	REGULATORY COMPLIANCE
IMPORTANCE TO THE COMPANY	Compliance with laws and regulations is the foundation for sustainable corporate development and the cornerstone for maintaining good relations with local governments and communities. Once a company violates the law, it will severely damage its financial and corporate image; compliance records will also affect shareholders' and customers' recognition of the company.
POLICY COMMITMENT	The company strategically implements "Integrity Management Guidelines", "Prevention of Insider Trading Management Procedures", "Human Rights Protection Declaration", "Sexual Harassment Complaint and Handling Measures", "Execution of Job Duties and Acceptance of Improper Benefits Prevention Plan" education and promotion to prevent employees from violating laws and regulations due to lack of understanding or intentionally violating relevant legal provisions, causing litigation or losses.
SHORT-TERM GOALS	The company pays immediate attention to various laws that may affect the company's finances and operations to ensure compliance with all operational activities.
MID TO LONG-TERM GOALS	Ensure that all company operational activities comply with or are superior to national laws and regulations.
DEVOTE RESOURCES/ CONCRETE RESULTS	In 2023, 1,303 people participated in the "Integrity Management Guidelines" training course, with an average training time of 1,303 hours per person. For the "Prevention of Insider Trading Management Procedures" course, 1,303 people participated, with an average training time of 1,303 hours per person. Training is provided according to employee position and corresponding needs, including new employee training, practical courses, departmental promotions, and external training. Through regional bulletins and internal network pages, legal compliance guidelines are provided to enhance all employees' awareness of regulations.
GRIEVANCE MECHANISM	Each regulatory compliance unit/Ethics mailbox: www.taisun.com.tw/ethics-mailbox
EVALUATION MECHANISM	In 2023, there were 4 violations, with a total fine of 8.46 million TWD.

The company regularly pays attention to various laws and regulations issued by competent authorities. When business departments receive new regulatory information, they regularly distribute it to relevant responsible units to review work processes and make necessary improvements. Regulations are the minimum protection basis, and compliance is the bottom line for the food industry. Adhering to standards that meet or exceed national regulations is the foundation of Taisun's safe, healthy, and delicious products.

CASE MAJOR VIOLATION PENALTY RECORDS/CORPORATE GOVERNANCE

2023.1.3
TWD 2 MILLION

The 8th meeting of the 22nd Board of Directors on December 2, 2022, resolved to dispose of shares in FamilyMart Co., Ltd., an OTC-listed company. The deficiencies have been continuously improved according to the competent authority's suggestions.

2023.4.25
TWD 2.5 MILLION

Taisun paid 80 million TWD in brokerage fees, purchased two paintings for 70 million TWD, and provided a 30 million TWD guarantee note for purchasing 3 billion TWD worth of land. The audit found these transactions existed, but there were deficiencies in the approval process for the consulting contract with Kuan Liang International Company, lack of approval records for high-value artwork purchases, some contract dates preceding approval dates, and lack of proper evaluation and approval procedures before signing major real estate purchase contracts. These deficiencies are being continuously improved as per the competent authority's suggestions.

2023.5.11
TWD 3 MILLION

Delayed or unreported items on the Market Observation Post System (MOPS) include:

- On April 21, 2023, Taisun Company applied to the Intellectual Property and Commercial Court to prohibit Long Bon International Co., Ltd. and six other shareholders from convening Taisun's second Extraordinary Shareholders' Meeting of 2023. This action was found to be in accordance with Article 4, Paragraph 1, Item 2 of the Taiwan Stock Exchange's "Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities". However, the company delayed entering this material information into the MOPS until 20:41 on May 4, which violated the aforementioned procedures.
- At 15:00 on May 6, 2023, Taisun Company held a press conference to explain the equity investment case of Jkopay Co., Ltd. This was found to be in accordance with Article 4, Paragraph 1, Item 20 of the same procedures. The material information should have been entered on the date of occurrence (May 5), but it was delayed until 00:26 on May 8 before being entered into the MOPS, which violated the aforementioned procedures.
- On May 8, 2023, Taisun Company released material information announcing "The Company's Acquisition of a Non-Certified Accountant Internal Control Project Review Report". Regarding the accountant's reservations, the company failed to disclose details fully. Despite being contacted for corrections, these have not been made, violating Article 3 of the same procedures.
- On May 9, 2023, Taisun Company released material information announcing "The Company's Independent Director Chen Min-Hsun's De Facto Dismissal According to Law". This was inconsistent with the instructions from the competent authority. The Taiwan Stock Exchange contacted the company on May 10 to make corrections on the same day, but this has not been done, violating Article 3 of the same procedures.

2023.8.17
TWD 0.96 MILLION

The 10th Audit Committee meeting was held on April 20, 2023. However, for some discussion items (equity investment case, bottled water plant expansion case), notification was not made until April 14, 2023. This failed to provide meeting materials to independent director members 7 days before the meeting, violating Article 7, Paragraph 2 of the Audit Committee Regulations.

Furthermore, the aforementioned Audit Committee meeting did not resolve or have the chairman announce a date for continuation. The Audit Committee meeting on May 5, 2023, should have been a new meeting rather than a continuation. Moreover, the original Audit Committee chairman, Du Yingda, had resigned on May 4, 2023. Taisun Company convened the May 5, 2023 Audit Committee meeting on its own as a continuation, rather than having it convened by a qualified Audit Committee member. This meeting also failed to provide meeting materials to independent director members 7 days before the meeting and did not set up a sign-in book for attending independent directors. These actions violated Article 7, Paragraphs 2 and 3, and Article 8, Paragraph 1 of the Audit Committee Regulations.

MEMBERSHIP OF ASSOCIATION

MEMBERSHIP STATUS

ASSOCIATION NAME	POSITION
Taiwan Vegetable Oil Manufacturers Association	Chairman
Taiwan Feed Industry Association	Member
Total Quality Food Association (TQF)	Member
Taiwan Food Industry Development Association	Member
Taiwan Association for Food Science and Technology	Member
Marketing Communications Executives International	Member
The Institute of Internal Auditors-Chinese Taiwan	Member
Food Industry Research and Development Institute	Member
Taiwan Canners Association	Member
Chinese Excellent Management Association	Member
Taiwan Advertisers' Association	Member
Taiwan Beverage Industries Association	Member
Taiwan Japan Association for Business Communication	Member
Changhua Union of Vocational Labor	Member
Changhua County Industrial Association	Member
Changhua County Industrial Labor Union	Member
Taiwan Confectionery, Biscuit and Floury Food Industry Association	Member
Council for Industrial & Commercial Development	Member
Changhua County Police Friends Association – Tianzhong Branch	Member
Changhua County Police Friends Association – Yuanlin Office	Member
Changhua County Rice Industry Association	Member
Changhua County Swine Association	Member
Beidou Raise Hog and Marketing Group	Group Member
GS1 Taiwan	Member
SQF Annual Conference	Corporate Specialist
Taiwan Stock Affairs Association	Member

HEALTH AND SAFETY



CREATING A HEALTHY, SAFE, AND DELICIOUS EVERY DAY

Behind the well-known household products is a group of professional colleagues in research and development, purchasing, manufacturing, marketing, and distribution who safeguard and manage the production and sales lines. From professional trend education and training, research and development to improve product nutritional value, selection of quality suppliers and OEM factories, raw material purchasing and laboratory testing, improvement of manufacturing processes, quality assurance case volume, marketing packaging, to channel arrangement - all these efforts are aimed at creating a healthy, safe, and delicious every day for customers.

ENSURING CUSTOMER HEALTH & SAFETY



MATERIALITY	CUSTOMER SAFETY AND HEALTH
IMPORTANCE TO THE COMPANY	Customer safety and health fundamentally rely on the manufacturing process. From R&D and laboratory quality management to ensuring product safety, confirming health and nutritional value, and building public trust. Taisun's strict factory internal controls and post-production risk reduction protect consumer trust and reputation.
POLICY COMMITMENT	• Enhance food safety testing capabilities, 100% pass internal and external safety inspections, prioritizing public health. • Strictly control product raw materials, research and develop products with better health properties. • All product packaging labels comply with laws and regulations.
SHORT-TERM GOALS	• ESG-concept new products not less than 18% (e.g., low-sugar, no added sugar, high-fiber, low-fat, low-calorie, elderly-friendly, eco-friendly packaging, packaging reduction). • Achieve zero violations in food safety regulations. • Improve supply chain management quality and efficiency.
MID TO LONG-TERM GOALS	• Professional focus on ensuring food safety. • Collaborate with the industry to create an excellent food safety culture. • Continuously develop ESG-concept products.
DEVOTE RESOURCES/ CONCRETE RESULTS	In 2023, a total of 1,155 inspections were conducted: 18 water source quality inspections, 365 raw material food safety and hygiene item inspections, 71 packaging material inspections, all passing the tests. 283 oil product inspections, 56 refrigerated beverage inspections, 31 room temperature beverage inspections, 281 canned food inspections, 19 packaged drinking water inspections, and 31 snack inspections, all with a 100% pass rate.
GRIEVANCE MECHANISM	Product Research Business Group/Customer and Consumer Service Hotline: 0800-079-080
EVALUATION MECHANISM	• In 2023, sample products and raw materials were sent for third-party unit inspections, with a 100% pass rate. • Food and oil factories underwent 4 mandatory audits by local government and central government-commissioned units in 2023, meeting average requirements. • Underwent 8 food safety quality audits by third-party units, immediately improving any deficiencies found, generally passing the audits.

HEALTH-ORIENTED NEW PRODUCTS

Taisun observes market demands and actively develops products that are both healthy and nutritious while satisfying different consumer groups. Adhering to the goals of safety, health, and taste, Taisun continues to move towards less sugar and fewer additives, meeting consumer needs with safe and simple ingredients.

Over the years, Taisun has launched many products that align with health concepts, such as the "Zhengu Yi Series" with Clean Label certification and AA additive-free certification, "Taisun Plant Sterol Sunflower Oil" which obtained health food certification, and the "Cha Chi Chu" series which uses simple ingredients without flavoring or tea powder. The annual revenue from these products is about 948 million TWD. In 2023, Taisun launched several products combining health and taste, such as "Nut Work" Oat Walnut Nut Milk, Premium Soybean Walnut Nut Milk, and "High Cereal Extract Rice Bran Oil".

The basics of customer safety and health lie in the manufacturing process, from R&D, raw material and OEM management to process management and laboratory control, and third-party quality testing. Taisun is committed to ensuring product safety, confirming health and nutritional value, creating public trust, and minimizing risk damage from strict incoming quality assurance to post-production, striving to maintain consumer trust and company reputation.

HIGH CEREAL EXTRACT RICE BRAN OIL

BRINGING HEALTH INTO EVERY FAMILY

- The rice bran and phytosterols contained in Rice Bran oil make daily nutrient intake easier and are suitable for various types of cooking.
- The product specially adds sesame extract (containing sesamin), which helps improve sleep quality, making health simple and accessible.





LABORATORY MANAGEMENT

Taisun has 3 laboratories: a food laboratory, a microbiology laboratory, and a cooking oil products laboratory. The current laboratory equipment configuration complies with the "Food Factory Building and Equipment Factory Standards" announced by the Ministry of Health and Welfare. Equipment is sent to impartial units for annual calibration. Laboratories have significant influence in R&D and quality assurance stages. To enhance product quality control capabilities, Taisun improves equipment, talent, and experimental expertise. The laboratories are established based on ISO/IEC 17025, building a certified laboratory quality management system to serve as professional food and oil product testing laboratories, safeguarding food hygiene and safety quality.

1. EQUIPMENT MANAGEMENT

In 2023, 104 external calibrations were commissioned. Some equipment was internally calibrated by qualified trained personnel, with 222 internal calibrations in 2023.

2. LABORATORY TESTING CAPABILITY COMPLIANCE

=	FOOD AND MICROBIOLOGY LABORATORY Snacks, Beverages, Packaged Water	COOKING OIL PRODUCTS LABORATORY
PHYSICAL TESTS	PET bottle pressure resistance leak test, high sugar content detection, carbonated drink CO_2 volume measurement, can seam test, can vacuum leak test, can vacuum measurement, paper box sealing leak test, cardboard bursting strength, cap torque, microscopic projection (max 200x magnification), fresh rice analysis, color Lab value, moisture content (oven method, infrared method), T% (transmittance), HOBO temperature monitoring, specific gravity, sugar content, viscosity, weight, environmental monitoring (including HOBO temperature and humidity monitoring), canned food heat preservation test, reliability test, water quality test (including effective residual chlorine, turbidity, conductivity, hardness, salinity), sensory evaluation	Moisture, color, smoke point, absorbance, container leak test, reliability test, cardboard bursting strength, viscosity weight, bottle cap leak test, sensory evaluation, low-temperature property test, frying test, cooking test, rising melting point, deterioration test, UV spectrophotometry for olive oil grade identification
		
CHEMICAL TESTS	pH value, total acidity titration, formaldehyde nitrogen, tea polyphenol test, allergen test, pesticide residue (organophosphorus and carbamate series pesticides)	Acid value, peroxide value, GC detection of fatty acid composition (trans fat, saturated fatty acids, unsaturated fatty acids), total polar compounds, erucic acid, iodine value
MICROBIOLOGICAL TESTS	Microbiological tests (including total bacterial count, E. coli, coliform, Pseudomonas aeruginosa, fecal streptococci, Salmonella, mold/yeast, spore-forming bacteria, Enterobacteriaceae), ATP fluorescence rapid microbial detection, environmental monitoring (RCS air collection test)	

3. TALENT TRAINING

Taisun's quality assurance team has 35 members responsible for quality assurance system control. About 86% of QA personnel have food science-related educational backgrounds, impacting 100% of all products on various production lines. To ensure food safety and quality, we continuously arrange for different personnel to participate in external training courses to improve professional competencies and obtain professional certifications.

2023 EXTERNAL TRAINING COURSES RELATED TO PRODUCT ASSURANCE

TRAINING COURSE	NUMBER OF PARTICIPANTS	HOURS
Complete Management of Hermetic Sealing	1	6
Training for Crimping Hermetic Seals	2	38
International Seminar on Food Safety Risk Factors and Mitigation Strategies	3	15
Internal Auditing and Verification for Food Safety Management Systems	1	6
HACCP Continuous Education	4	28
SPC Statistical Process Control Training	2	12
FSSC/ISO 22000 Internal Auditor Training for Food Safety Management Systems	2	12
Advanced Microbiology Testing Course (Pathogen Testing)	1	17
External Training for the Latest Requirements of FSSC 22000 (Version 6)	3	18
Laboratory Certification Training for ISO/IEC 17025	3	54
Seminar on Measurement Uncertainty	1	12
Seminar on Corrective Action Implementation	2	12
Internal Review Seminar for the Laboratory Department	1	12

PROFESSIONAL TALENT TOTAL EXTERNAL TRAINING HOURS

242 HOURS

In addition to arranging personnel to participate in external training to obtain food safety-related certifications, Taisun also continues to cultivate talent to obtain internal instructor qualifications to conduct various food safety internal education and training courses, enhancing employee food safety awareness.

2023 INTERNAL EMPLOYEE FOOD SAFETY RELATED EDUCATION AND TRAINING COURSES

FOOD SAFETY RELATED TRAINING	NUMBER OFPARTICIPANTS	HOURS
HACCP Introduction	324	324
SQF & FSSC 22000 System Introduction	334	334
Food Defense	318	318
Cleaning & Hygiene & GHP	323	323
Allergen Education and Training	321	321

TOTAL EXTERNAL TRAINING HOURS

1,620 HOURS

4. TAF LABORATORY ISO/IEC 17025 CERTIFICATION MAINTENANCE

Since obtaining TAF certification in 2021, we have continuously maintained the certificate's validity. On March 10, 2023, we passed the TAF Foundation's annual supervision evaluation.



TAF CERTIFICATE OF ACCREDITATION

CERTIFICATE NO.	L3836-230614
EFFECTIVE PERIOD	June 2, 2021 to June 1, 2024
ACCREDITED SCOPE	Total Plate Count, Coliform Group, Escherichia coli, Acid Value, Peroxide Value



5. LABORATORY TESTING RELATED EXPENSES

In 2023, Taisun launched a food safety risk substance monitoring project. In addition to the legally required pesticide residue testing, we also added other non-required items and increased testing frequency to ensure food safety. In the future, we will also assess higher-risk raw materials based on the Food and Drug Administration's "Border Inspection Non-conforming Food Information Inquiry" system to implement food safety early warning principles.

ANNUAL LABORATORY TESTING EXPENSES

Unit: TWD Thousand



Total investment in food safety laboratory

Ratio of total investment in food safety laboratory to revenue
= (Identification cost + Prevention cost + Fixed testing expenses) / Tianzhong Production Department revenue * 100%

6. SELF-INSPECTION PASS RATE

TESTED PRODUCTS	TEST ITEMS	2021	2022	2023
CANNED SNACK PRODUCTS (Eight Treasure and Grass Jelly lines)	Product heat preservation test*	100%	100%	100%
	CCP&CQP monitoring pass rate	100%	100%	100%
FRESH HOUSE SNACK BEVERAGE PRODUCTS (IP line)	CCP&CQP monitoring pass rate	100%	100%	100%
PET BOTTLE TEA BEVERAGE PRODUCTS	Product heat preservation test	100%	100%	100%
	CCP&CQP monitoring pass rate	100%	100%	100%
COOKING OIL PRODUCTS	CCP&CQP monitoring pass rate	100%	100%	100%

* CCP&CQP monitoring pass rates are calculated based on the monitoring results of items specified in the company's quality plan.

TRACK AND TRACE

MATERIALITY	TRACK AND TRACE
IMPORTANCE TO THE COMPANY	Effective and reliable control of raw material and supplier information tracking, product flow tracking, when major product abnormalities occur, can enable immediate response, confirm the true cause of abnormalities, and quickly and accurately remove abnormal products, protecting consumer health, reducing company losses, and preventing recurrence.
POLICY COMMITMENT	Implement a traceability system, grasp abnormal flows within 24 hours, and quickly establish a recall network.
SHORT-TERM GOALS	Conduct annual drills, aiming to complete within 2 hours.
MID TO LONG-TERM GOALS	Comply with regulatory requirements, with no violation incidents occurring.
DEVOTE RESOURCES/ CONCRETE RESULTS	• In 2023, 16 simulated recall tests were conducted, covering all product types (including OEM products for customers), with a 100% recovery rate, implementing product production history traceability. • Ensure product raw material traceability and flow tracking. Oil product manufacturers, tea beverage manufacturers, and soybean, oil, and tea importers are required to upload information for each batch of products to the food and drug administration's "Food Traceability Administration System" electronic platform.
GRIEVANCE MECHANISM	Quality Assurance Department/Customer and Consumer Service Hotline: 0800-079-080
EVALUATION MECHANISM	• In 2023, the manufacturing industry uploaded a total of 251 product items, and the import industry uploaded 23 product items, all 100% uploaded to the Food Traceability Administration System. • All 16 simulated recall tests in 2023 were completed within 2 hours

When major product abnormalities occur, to protect consumer health and reduce company losses, Taisun quickly traces food raw material supplier information from the problematic product end or rapidly tracks product flow from problematic food raw materials, swiftly and accurately removing problematic products. When abnormal products are quickly recalled, we immediately trace the root cause to prevent recurrence. Taisun implements a tracking system according to the "Identification and Traceability Management Procedure Manual", grasping abnormal flows within 24 hours and quickly establishing a recall network.

In 2023, 16 simulated recall tests were conducted, covering all product types (including OEM products for customers). The statistical recovery rate for all quantities reached 100%, and data collection could be completed within 2 hours, ensuring that product production history can be effectively tracked and traced.

To ensure traceability of product flow and raw material sources, the government requires oil product manufacturers, tea beverage manufacturers, and soybean, cooking oil and tea importers to upload information for each batch of products to the Taiwan Food and Drug Administration's traceability management information system "Food Traceability Administration System" electronic platform. Taisun complies with these regulations. In 2023, a total of 251 manufacturing industry product items and 23 import industry product items were uploaded, with a 100% completion rate.

FOOD TRACEABILITY ADMINISTRATION SYSTEM

PRODUCT LABELING

Product packaging labels are an important basis for consumers to understand products. All label text must comply with regulations and provide honest and transparent product information to consumers. Taisun's internal product label review is conducted through an electronic system for application and approval in order to ensure that all label details comply with management regulations.

All of Taisun's product labels are collected from relevant information from various departments by the responsible unit, then sent to design for product packaging file design and layout. After the product packaging layout is completed, it is confirmed at least twice through email and online electronic forms with the marketing, legal, R&D, quality assurance, production, and accounting departments to ensure that the packaging labels comply with regulations.

In 2023, there were 310 product packaging label reviews, including 14 for canned snack products, 143 for beverage products (including 58 room temperature beverages, 65 refrigerated beverages including PE and refrigerated snacks, 20 carbonated beverages), 38 for oil products, 103 for water series products, 6 for commercial room temperature products, and 6 for others (concentrated liquid). There was 1 case of product label violation: In July 2023, Taisun received a notice from the competent authority that the phrase "Oil supplied to Japanese elementary and middle school lunch catering" on the front packaging of Taisun Rice Bran oil violated regulations, resulting in a fine of TWD 40,000. Immediate corrections were made to the relevant labels to comply with regulatory requirements.

All of Taisun's products containing genetically modified ingredients are labeled on the packaging according to law. None of the food products produced use genetically modified ingredients. Some oil products use refined genetically modified soybean raw materials, but the refined oil products no longer contain genetically modified components. The annual revenue from oil products refined using genetically modified soybeans is approximately TWD 2.05 billion, while the revenue from non-genetically modified products is approximately TWD 3.8 billion.

In response to frequent food adulteration and counterfeiting in recent years, Taisun has implemented enhanced management for high-risk raw materials such as honey and non-GMO canola oil. Suppliers are required to provide qualified COA reports for each batch, as well as "Carbon-13 Isotope Analysis" reports for honey. In the future, honey will be sampled and sent externally for "Carbon-13 Isotope" analysis upon receipt, based on batch numbers, to ensure there are no concerns about adulteration. For non-GMO canola oil, manufacturers are requested to provide "Transgene Screening" tests based on batch numbers to ensure compliance with product label claims.



ACCEPTANCE OF EXTERNAL AUDITS AND CERTIFICATIONS

To ensure the safety and quality of every can of product in consumers' hands, Taisun samples products and raw materials annually and sends them to third-party certification units for inspection, such as local health bureaus, the Food Industry Research and Development Institute, and third-party certification units (like SGS, Intertek). In 2023, a total of 1,155 samples were sent for inspection. For source management, water source quality was inspected 18 times, raw material food safety and hygiene items were inspected 365 times, and packaging materials were inspected 71 times, all passing the inspections. Furthermore, to control product risks, Taisun strictly monitors oil product safety, with a total of 283 oil products sent for inspection, achieving a 100% pass rate. Other product categories such as refrigerated beverages (56 inspections), room temperature beverages (31 inspections), canned foods (281 inspections), packaged drinking water (19 inspections), and snacks (31 inspections) all achieved a 100% pass rate.

In addition to self-initiated external product inspections, in terms of food safety work management, Taisun's food factory and oil factory underwent 4 mandatory audits by local government and government-commissioned units in 2023, all meeting requirements. To continuously improve and maintain food safety quality certifications, Taisun underwent 8 food safety quality audits by third-party certification units in 2023. When deficiencies were found during audits, Taisun actively made improvements and passed all audits.

PRODUCT FOOD SAFETY CERTIFICATIONS OBTAINED

	INTERNATIONAL CERTIFICATION		NATIONAL CERTIFICATION	HALAL CERTIFICATION
		FSSC 22000	TQF	HALAL
Canned Snacks	100%	100%	79.54%[3]	82.36%[3]
FRESCO Snacks & Beverages	100%	100%	59.33%[3]	58.89%[3]
PET Bottle Beverages	21.82%[1]	52.76%[1]	53.66%[3]	21.82%[3]
Tetra Pak Beverages		100%	92.17%[3]	
Packaged Drinking Water		29.82%[4]	100%	
Cooking Oil Products	73.79%[2]	100%	54.77%[3]	73.55%[3]
Carbonated Beverages	12.48%[1]	12.48%[1]	83.01%[3]	

FSSC 22000 and SQF are system certifications; production lines that pass these certifications comply with their respective standards. The percentages for TQF and HALAL certifications are calculated by dividing the production volume of certified products by the total production volume.

1) Some OEM factories have not applied for relevant certifications due to business considerations.

2) Imported oil products are not produced at Taisun's Tianzhong factory.

3) Some special specification products have not applied for certification due to business considerations.

4) One OEM packaged water product obtained FSSC 22000 certification in 2023.

GRASPING REGULATORY UPDATES AND UPDATING STANDARDS

The food manufacturing industry needs to build consumer trust. Regularly reviewing food management regulations to protect public health is the key to ensuring continued consumer support. Regulations are the minimum foundation for protecting public health, and compliance is the bottom line for the food industry. Adhering to standards that meet or exceed national regulations is the foundation of Taisun's safe, healthy, and delicious products. Taisun sets zero violations, zero complaints, and zero fines as its basic food management goals. It regularly reviews regulatory draft announcements and release dates, and confirms the need for improvements or updates to raw material intake or production line processes before laws come into effect, while also notifying relevant departments to avoid legal violations.

In 2023, Taisun had no reported incidents, violations, fines, recalls, or product withdrawals related to various food safety manufacturing regulations, including the "Food Safety and Sanitation Management Act," "Standards for Scope, Application and Limitation of Food Additives," "Food Microbiological Testing Methods," "Food Business Operators' Product Liability Insurance," "Good Hygiene Practice (GHP)," "Sanitation Standard for Food Utensils, Containers and Packages," "Pesticide Residue Limits in Foods," "Sanitation Standard for Contaminants and Toxins in Food," and "Microbiological Standards for Foods."

FOOD SAFETY-RELATED REGULATORY UPDATES AND RESPONSES

	2023.1.11	2023.8.17	2023.9.22	2023.11.10	2023.11.13
LEGAL STANDARDS	**AMENDMENT TO "SANITATION STANDARD FOR FOOD UTENSILS, CONTAINERS AND PACKAGES"** This revision of the Sanitation Standard for Food Utensils, Containers and Packages aims to strengthen the management of metal alloy materials and clarify some standard provisions. It amends the management regulations for non-reusable plastic containers and the test item regulations for various materials, moving them to an appendix, and adds provisions for material tests and migration tests for metal alloy materials.	**SECOND ANNOUNCEMENT OF DRAFT AMENDMENTS TO "REGULATIONS GOVERNING NUTRITION LABELING FOR PREPACKAGED FOOD PRODUCTS"** 4. Nutrition claims should be made according to the following regulations: (2) Nutrients that need to be consumed in appropriate amounts: For solid (semi-solid) foods, if the nutrients listed in the first column of Table 1 are labeled as "none," "does not contain," "zero," or equivalent terms, the amount of that nutrient in 100 grams of the food must not exceed the amount shown in the second column of Table 1.	**AMENDMENT TO "GOOD HYGIENE PRACTICE GUIDELINES FOR EDIBLE OIL MANUFACTURERS" AND RENAMED TO "GUIDELINES FOR EDIBLE OIL MANUFACTURERS TO COMPLY WITH FOOD GOOD HYGIENE PRACTICE PRINCIPLES"** This guideline, first announced in 2017, was revised again in September 2023. Edible oil manufacturers should comply with the Food Safety Act and Good Hygiene Practice (GHP) principles and other relevant regulations.	**AMENDMENT TO "STANDARDS FOR PESTICIDE RESIDUE LIMITS IN FOODS" ARTICLE 3 APPENDIX 1, ARTICLE 4 APPENDIX 3, AND "STANDARDS FOR PESTICIDE RESIDUE LIMITS IN ANIMAL PRODUCTS" ARTICLE 3** The "Standards for Pesticide Residue Limits in Foods" adds allowable limits for certain pesticides in rice, soybeans, honey, and other crops, and adds phosphine limits for other dry beans and sunflower seeds. According to Article 15, Paragraph 1, Item 5 of the Food Safety and Sanitation Management Act, foods with pesticide residues exceeding safe allowable limits must not be manufactured, processed, etc.	**ANNOUNCEMENT OF AMENDMENT TO "SANITATION STANDARD FOR CONTAMINANTS AND TOXINS IN FOOD" ARTICLE 6 AND ARTICLE 3 APPENDIX 1** Article 3 Appendix 1 of the "Sanitation Standard for Contaminants and Toxins in Food" adds cadmium limits for nuts and oilseeds, to be implemented from July 1, 2024.
RESPONSE MEASURES	Taisun's PET bottles, metal cans, and refrigerated cartons comply with standards. Suppliers provide relevant test reports, and Taisun conducts self-initiated tests.	For the "Jenguyi" snack series products, labeling must comply with Table 1 to claim "none, does not contain"... However, as the product's sugar content exceeds the standard, to avoid consumer misunderstanding, it should not be labeled "no added sugar" if it doesn't meet the sugar-free definition. The wording will be removed according to regulations. The fat content of the "Ten Treasure Mixed Congee"snack exceeds the standard and cannot be labeled "0 fat". This was revised in the second half of 2023 to comply with regulations.	Taisun has established standard operating procedures based on the guidelines to ensure product hygiene and safety.	Rice, soybeans, and honey are tested according to their standards: non-compliant items are rejected and returned.Following the phosphine allowable limit of 0.01 PPM, agricultural products such as mung beans are tested, with non-compliant items rejected and returned.	Taisun conducted heavy metal cadmium tests on peanuts and sesame by the end of 2023, with results complying with regulations.

SUSTAINABLE SUPPLIER MANAGEMENT

MATERIALITY	SUSTAINABLE SUPPLIER MANAGEMENT
IMPORTANCE TO THE COMPANY	• Raw materials are the source of food safety. Careful selection of suppliers can ensure quality and reduce food safety risks. • In response to risks such as raw material price fluctuations, regional political risks, and climate change, stabilize supply sources and delivery times.
POLICY COMMITMENT	Conduct transactions with qualified suppliers and stabilize sources to ensure the provision of higher quality and healthier products to consumers.
SHORT-TERM GOALS	Achieve a 57% adoption rate of food safety quality management system certification among suppliers.
MID TO LONG-TERM GOALS	Achieve a 60% adoption rate of food safety quality management system certification among suppliers.
DEVOTE RESOURCES/ CONCRETE RESULTS	• SSAP soybean import volume in 2023 was about 72,013 tons, accounting for approximately 30.94% of total soybean imports. • Arrange on-site evaluations.
GRIEVANCE MECHANISM	Human Resources Management Department/Employee Ethics Reporting Mailbox: www.taisun.com.tw/ethics-mailbox
EVALUATION MECHANISM	• In 2023, the supplier certification adoption rate reached 55.8%. • In 2023, 59 local suppliers were evaluated, with 96% of suppliers rated B grade or above.

DOMESTIC PROCUREMENT MANAGEMENT

Domestic Procurement Management: Raw materials are the source of food safety. Careful selection of suppliers ensures stable quality and reduces food safety risks, safeguarding corporate reputation and sustainable operation goals. Taisun regularly audits suppliers, retains the best and eliminates the worst, and checks the qualification rate of suppliers' raw materials as a key management focus for incoming raw materials.

1. SUPPLIER MANAGEMENT STRATEGY

To avoid risks of cost increases or supply abnormalities, the purchase strategy focuses on diversified suppliers. Under reasonable prices, long-term cooperation models are established with suppliers to maintain price and quality levels, stabilize sources, and reduce raw material supply management risks. While maintaining good mutual trust and cooperation relationships with existing suppliers, Taisun continuously develops new suppliers and cultivates suppliers that meet requirements.

For raw material supplier selection, Taisun conducts strict reviews. Cooperating suppliers must operate legally, and their products or services must meet production requirements, with reasonable prices and high cooperation. The entire raw material procurement process must be reviewed and confirmed by relevant departments such as R&D and quality assurance, with priority given to suppliers with food-related certifications to enhance quality management standards.

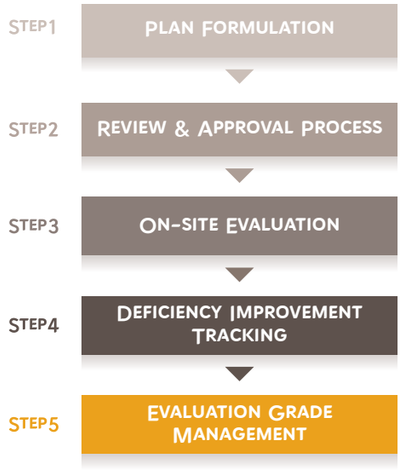
Additionally, Taisun actively promotes the signing of the "Integrity and Sustainable Development Commitment" by suppliers. The commitment covers integrity management, labor rights, environmental protection, consumer protection, and respect for third-party intellectual property rights, advocating for suppliers to value corporate social responsibility. In 2023, 14 new raw material suppliers with transaction amounts over 100,000 TWD all signed the integrity management commitment, achieving a 100% signing rate.

2. SUPPLIER EVALUATION

Taisun conducts annual supplier audits, gathering relevant personnel to fill out the "Taisun Cooperative Supplier Management Review Scoring Form." Based on the review scores, a supplier evaluation plan is drafted, and written or on-site evaluations are conducted according to the plan. For deficiencies or improvement plans, suppliers are required to propose improvement measures to ensure delivery quality standards. Evaluation results serve as a reference for subsequent follow-ups.

Since 2022, safety, health, and environmental protection have been included in the evaluation items, hoping that suppliers will pay more attention to social responsibility and meet social ethics, legal, environmental, and public requirements standards. Through practical management methods, Taisun maintains sustainable cooperative relationships with suppliers.

SUPPLIER EVALUATION PROCESS



EVALUATION ITEMS



3. EVALUATION ITEMS

Upon the arrival of the raw materials at the factory, quality assurance personnel conduct inspections according to the item specifications. If they do not meet acceptance standards, suppliers are notified for return. Once the inspection is completed and the conformity is confirmed, they are screened again during production to control quality.

4. MANAGEMENT RESULTS

① LOCAL PROCUREMENT OF SUPPLIERS

In 2023, 55.8% of first-tier suppliers obtained certifications. Due to insufficient production in Taiwan, major commodities like soybeans and edible crude oil are mainly purchased from abroad. Other raw materials prioritize local Taiwanese vendors. Excluding soybeans and edible crude oil, the procurement amount from local suppliers in Taiwan accounts for 95.9% of raw material procurement costs. Raw materials from first-tier suppliers that have passed GFSI-recognized food safety certification standards account for 10.8% of raw material procurement costs. First-tier raw material suppliers from high or extremely high water stress areas account for 3.0% of raw material procurement costs. In the future, Taisun will strengthen its influence and urge suppliers to propose Water Resources Management policies to ensure sustainable Water Resources Management.

1) First-tier suppliers refer to vendors who issue invoices.
2) Certification broadly refers to vendors who have passed quality, food safety, environmental protection, and occupational safety certifications and obtained third-party verification.

② EVALUATION RESULTS

ON-SITE EVALUATIONS CONDUCTED FOR
59 SUPPLIERS

According to Taisun's "Cooperative Supplier Management Review Scoring Form," supplier comparisons are conducted. Risk scoring items are divided into four major aspects: stability, importance, quality, and delivery time. When the risk score reaches 75 or above, or there are other consideration factors, on-site evaluations are required. In 2023, on-site evaluations were conducted for 59 suppliers, accounting for 29.6% of this year's total number of suppliers. The results of the on-site evaluations are shown as below, with Grades A and B combined accounting for 96.61%.

SUPPLIER ON-SITE EVALUATION RESULTS

GRADE	SCORE RANGE	MANAGEMENT APPROACH	NUMBER OF SUPPLIERS
A	90-100	Priority consultation and purchase quotation	9
B	80-89	Consultation and purchase quotation	48
C	70-79	Encourage suppliers to improve quality standards	2
D	60-69	Reduce purchase quotation, quality guidance based on needs	0
E	<60	Eliminate supplier	0

③ RAW MATERIAL ACCEPTANCE STATUS

RAW MATERIAL ACCEPTANCE QUALIFICATION RATE
99.3%

ITEM	AGRICULTURAL PRODUCTS	OILS AND FATS	PAPERBOARD	PACKAGING CONTAINERS	CONCENTRATED JUICES	OTHERS	OVERALL AVERAGE
Factory Acceptance Rate	99.4%	99.9%	99.8%	98.9%	100%	99.5%	99.3%
Usage Acceptance Rate	99.7%	100%	100%	99.9%	100%	99.7%	99.9%

MATERIAL INSPECTION QUALIFICATION RATE
99.9%

In 2023, the total weight of externally purchased packaging materials was 12,539 tons, with 89% being recyclable materials. Following the "Application Process for Suitability of Recycled PET Resin Raw Materials for Food Container and Packaging Manufacturing" announced by the Food and Drug Administration in 2022, Taisun will discuss its feasibility with packaging material suppliers in the future and work towards the goal of reducing packaging materials to decrease environmental impact.

INTERNATIONAL PROCUREMENT MANAGEMENT

1. SOYBEAN AND VEGETABLE OIL RAW MATERIAL PROCUREMENT

Taisun's international procurement mainly focuses on soybeans and vegetable oil raw materials, with particular emphasis on controlling "quality" and "quantity." They must meet the quality control specifications and standards set in contracts, balancing company profits and ensuring consumer food safety, supporting sustainable agricultural production through actual procurement actions. Taisun strictly reviews suppliers and controls the raw materials to comply with procedures from procurement to delivery. This is mainly achieved through implementing supplier evaluation and management, verifying official certifications related to raw materials, quality inspection certificates, or sustainable production certifications to ensure procurement safety.

Taisun chooses international large-scale grain merchants or well-known traders as raw material suppliers. Before procurement, thorough investigations of the vendor's basic information and official registration of their manufacturing plants are conducted, as well as whether they have obtained relevant food quality system certifications. After procurement, product quality management evaluations are implemented, selecting the strong and eliminating the weak. Each batch of imported raw materials must be accompanied by certificates of origin, phytosanitary certificates, third-party quality inspection certificates, etc., to ensure that the raw materials meet contract standards.

INTERNATIONAL RAW MATERIAL SUPPLIER DISTRIBUTION

	SOYBEAN	PALM OIL	CANOLA OIL	SUNFLOWER OIL	OLIVE OIL	RICE BRAN OIL	GRAPE SEED OIL
PROPORTION	USA 38.1% Brazil 60.6% Canada 1.3%	Malaysia 100%	Australia 100%	UK 42% Spain 58%	Spain 100%	Spain 22.1% Thailand 77.9%	Spain 100%
SUPPLIERS	12	1	2	4	1	2	1

The United States, Brazil, and Argentina are the world's main soybean producing and exporting countries. Taisun Enterprise continues to purchase U.S. soybeans certified for sustainable production by the U.S. Soy Export Sustainability, LLC. In 2023, the total import value of soybeans was 4.584 billion TWD, of which soybeans meeting U.S. sustainable production certification amounted to 1.375 billion TWD, accounting for 29.99% of the total; the estimated proportion based on import quantity was 30.94%. Each year, Taisun sends representatives to visit production states with the U.S. Soybean Export Council and interacts with local suppliers and farmers to understand the overall raw material production process. According to the U.S. Soy Sustainability Assurance Protocol (SSAP), through crop rotation and reduced tillage, energy consumption is reduced to achieve sustainable production goals and protect farmland. According to statistics from the U.S. Soybean Export Council, U.S. farmers adopting sustainable production farming methods can reduce greenhouse gas (GHG) emissions by 42% per bushel of soybeans produced, improve irrigation water efficiency by 61%, increase land use efficiency by 47%, improve energy use efficiency by 45%, improve soil protection by 35%, and increase production per unit of land by 130%. Moreover, with the continuous improvement of breeding technology, production machinery, and input varieties, even with unchanged land area and reduced use of natural resources, the average yield of soybeans can still continue to grow, achieving a balance between environmental protection and overall demand.

2. STABILIZING FEED RAW MATERIAL PRICES

To reduce the feed cost burden for domestic poultry and livestock farmers, Taisun works to lower bulk raw material procurement costs and control stable raw material prices. This is achieved through implementing raw material position management, strictly controlling procurement costs and delivery gaps, avoiding supply shortages that could lead to market price spikes, and maintaining long-term close relationships with overseas raw material suppliers to avoid excessive raw material fluctuations.

After the COVID-19 pandemic in 2020, logistical disruptions and the La Niña phenomenon caused global climate chaos. Agricultural areas faced rapid climate changes, leading to reduced crop yields. International tensions, such as the Russia-Ukraine war in 2022 and the Israel-Palestine conflict in 2023, further exacerbated the supply of bulk agricultural raw materials. To stabilize consumer prices and reduce the cost burden on edible oil and feed manufacturers, the Taiwanese government extended the import business tax exemption period for soybeans, wheat, and corn to avoid price fluctuations affecting the domestic economy.

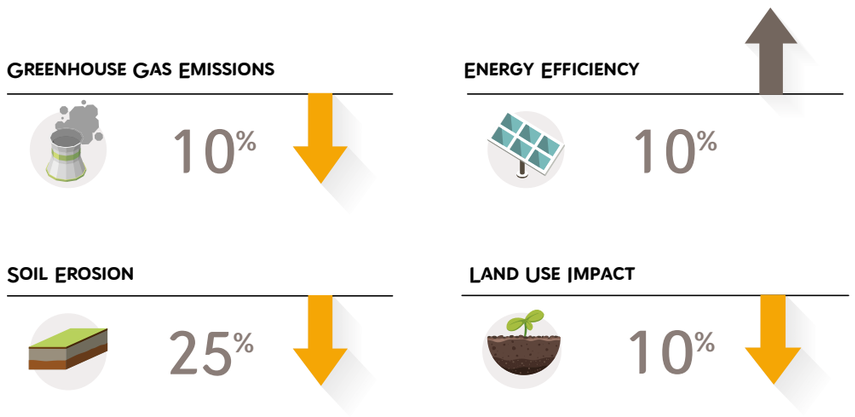
To cooperate with the government's price stabilization efforts, Taisun actively coordinates soybean supplies and strictly controls procurement costs. They closely monitor domestic market demand for raw material shipment schedules to avoid production halts due to supply interruptions, stabilizing domestic soybean supply. On the cost side, they strictly implement position management, closely monitoring soybean growth conditions in producing areas and international agricultural product supply and demand dynamics to reduce import procurement costs.

Looking at 2023, the first half of the year saw weak market demand and abundant soybean production, causing international soybean meal prices to fall. In the second half of the year, under a series of economic issues, soybean meal prices continued to bottom out. Companies should take advantage of the low international market prices to manage costs effectively. Taisun reduced its profit margins to align with international market conditions, thereby benefiting consumers and creating a win-win situation.



U.S. Soy Sustainability certificates

U.S. SOYBEAN EXPORT COUNCIL (USSEC) 2025 SUSTAINABLE PRODUCTION GOALS



OEM MANAGEMENT

Due to limited space in Taisun's factories and production line limitations, they cooperate with excellent industry peers to complement their capabilities. OEM factories are important partners for Taisun, significantly impacting product reputation and company image. They must follow Taisun's operational standards for product manufacturing. Taisun also hopes to exchange and learn from OEMs to create a mutually beneficial food industry environment and jointly build a good food safety environment in Taiwan.

Taisun selects excellent OEMs based on the "Outsourced OEM Factory Evaluation and Guidance Implementation Standard." They evaluate suitable OEM factories based on product characteristics, with specific conditions required to be included in the inquiry list (must have obtained HACCP certification, have legal factory registration and business registration certificates, beverage products must have qualified water rights usage certificates, and no illegal incident records). Taisun encourages OEMs to improve factory management to meet international standards and ensure production quality meets regulatory requirements.

All cooperating OEM must undergo factory visit evaluations of their operating environment, production quality testing, and product verification. Verification items include: sampling for headquarters inspection for each batch, routine production checks (graded management), GHP audits (graded management), quality meeting communication reviews (graded management), and annual evaluations (graded management). Taisun periodically arranges quality assurance personnel to conduct quality monitoring at OEM factories. In addition to the OEM's own inspections, samples are also sent back to Taisun for inspection, ensuring double-checking to ensure products meet Taisun's requirements and prevent substandard products from entering the market and affecting the company's reputation.

In addition, according to the annual evaluation plan, Taisun conducts on-site audits of OEMs, evaluating six major areas: organizational personnel, plant facilities and environment, machinery and equipment, sanitation management, process management, and quality management. The evaluation results serve as a basis for subsequent cooperation and graded management.

CONTRACTED OEM
10 MANUFACTURERS

FOOD SAFETY RELATED CERTIFICATION ACQUISITION RATE
90%

ON-SITE EVALUATED OEM
6 MANUFACTURERS

PERCENTAGE OF TOTAL OEM
66%

PERCENTAGE OF OEM OBTAINING INTERNATIONAL CERTIFICATIONS

INTERNATIONAL CERTIFICATIONS	2021	2022	2023
HACCP	100%	100%	90%
ISO22000	100%	100%	90%
FSSC22000	30%	22%	30%*

* 2 OEMs originally passed FSSC 22000, with 1 new addition in 2023, totaling 3 manufacturers.

OEM EVALUATION RESULTS

GRADE	SCORE	NUMBER OF OEM
A	85 points or above	0[1]
B	70-85 points	6[2]
C	60-69 points	0
D	59 points or below	0

1) In 2022, there were 2 Grade A manufacturers. On-site evaluations are conducted once every 2 years, so they were not included in the 2023 on-site evaluation plan.
2) On-site evaluations were planned for 7 manufacturers, but 1 manufacturer couldn't accommodate the schedule and is planned for evaluation in 2024.

MEAT SOURCE MANAGEMENT AT TAISUN BEIDOU RANCH

THIRD-PARTY RECOGNITION OF MANAGEMENT PERFORMANCE

1. PASSED THE NATIONAL ANIMAL INDUSTRY FOUNDATION'S CONSECUTIVE THIRD YEAR OF STRICTER TGAP NEW VERSION

The Taiwan Good Agricultural Practice (TGAP) traceability system for agricultural products emphasizes batch control. When food safety risks occur, competent authorities and certification bodies can identify products needing recall through the traceability code of the non-compliant batch, immediately activating product movement control and recall to protect consumer rights. 100% of pork products are traceable.

Beidou Ranch undergoes annual control operations, including the entire breeding process, vaccine prevention, water quality testing and improvement actions, wastewater treatment facilities and inspection records, Track and Trace records, entry disinfection plans and personnel security control, wastewater irrigation plans, personnel entry and exit epidemic prevention control, biological control plans, vaccine management, personnel training, hog house isolation facilities at various stages, and feed control (formula/medication procedures). On May 17, 2023, the National Aminal Industry Foundation confirmed the TGAP certification for Taiwanese pork traceability for the third consecutive year.

Taisun uses non-medicate finisher hog feed feed (non-medicate production line) for growing hogs and does not add drugs in farm breeding management. It passes the annual blood and feed inspections by the National Animal Indrstry Foundation, obtaining Taiwan hog serum drug residue inspection certificates to ensure food source safety and avoid traceability risks, affecting 100% of all pork product categories.



TGAP Certification of National Animal Industry Foundation



Meat Product Drug Inspection Report



Fisisher hog feed Inspection Report

2. RECEIVED THE EXCELLENT AWARD FOR HEALTHY PORK IN CHANGHUA COUNTY MEAT MARKET FOR FIVE CONSECUTIVE YEARS

Changhua county is the third-largest hog farming county in Taiwan. The county government uses "Changhua Healthy Pork" to help consumers identify food safety options, with layer-by-layer inspections from feed, hog blood, to meat products. Beidou Ranch received recognition among 611 hog farms in Changhua County due to careful management of hog housing environments, hog health, and employee skill enhancement. The overall management method affects 100% of all pork product categories sold.



Changhua Healthy Pork Excellence Award

3. PASSED CARREFOUR CQL (CARREFOUR QUALITY LINE) CERTIFICATION EFFECTIVENESS EVERY TWO YEARS SINCE 2014

The meat quality produced by Taisun Beidou Ranch passed Carrefour's C.Q.L. (Carrefour Quality Line) quality control mechanism in 2014. The entire production process complies with EU standards, with end-to-end control from production to shelf, becoming a choice for Carrefour's own brand fresh products and providing consumers with natural, safe products.



SUSTAINABLE ENVIRONMENT



STRIVING FOR BALANCE BETWEEN PRODUCTION PERFORMANCE AND ENVIRONMENTAL MANAGEMENT

As a food manufacturer, Taisun cares about source management of food and naturally focuses on the factory's impact on the land. Taisun's factories are located in Taiwan's important agricultural core production areas. They have a responsibility to balance industrial and environmental impacts in waste disposal, air emissions, wastewater treatment, and greenhouse gas and environmental issues guided by global trends, minimizing negative impacts. While developing the economy, they also include environmental costs as a key management focus.

CLIMATE CHANGE RISKS AND OPPORTUNITIES

In recent years, extreme weather events have become increasingly frequent, and the crisis of global warming has become more prominent. Additionally, international research reports and governments worldwide are paying more attention to climate change issues. This has led to strengthened regulatory measures and legal amendments in various countries to address areas where change is possible, prompting businesses to incorporate climate change issues into their operational management. Taisun, besides learning to identify operational risks brought about by climate change, also refers to the TCFD (Task Force on Climate-Related Financial Disclosures) recommendations published by the Financial Stability Board (FSB). The company has incorporated the four core disclosure elements – "Governance," "Strategy," "Risk Management," and "Metrics and Targets" – into its operational management. Furthermore, Taisun discloses the impacts of climate change-related risks and opportunities, as well as potential response measures, in its sustainability report.



MANAGEMENT OPERATION METHOD

1. GOVERNANCE

The ESG Sustainable Development Committee is responsible for overseeing climate-related risk management and approving climate strategies and targets. Climate-related response measures are jointly decided by the ESG Committee and approved by the chief commissioner for implementation. The committee reports to the board of directors annually, with the board monitoring implementation effectiveness. In 2023, one report was made to the board regarding significant opportunity and risk assessments, including financial risks, product opportunity risks, and carbon fee impacts.

2. STRATEGY

The company refers to the IPCC's Sixth Assessment Report (AR6) and the Environmental Protection Administration's goal of limiting temperature rise to 1.5 ° C. They use the TCCIP (Taiwan Climate Change Projection Information and Adaptation Knowledge Platform) tools to assess physical risk scenarios. The company has adopted a scenario of limiting global warming to below 2 ° C for assessing physical and regulatory transition risks.

① TRANSITION RISK | POLICY AND REGULATORY RISK

The "Climate Change Response Act" will impose carbon fees on high-emission products with direct or indirect emissions starting in 2025, potentially increasing our company's operational costs, although it won't impact overall operations. Our company completed greenhouse gas inventory education and training in 2020 and has introduced management approaches such as utility equipment replacement. We plan to establish reasonable and achievable carbon reduction targets in 2024.

After the century's severe drought, there's a consensus among political and social sectors regarding the Water Resources Agency's plan to levy water consumption fees. Our company was included in the "water consumption fee" collection targets in 2022, bringing groundwater into the national charging system. In compliance with government policies, we're approaching this from water conservation and recycling perspectives, with food safety as the fundamental principle. We've begun economizing on product cooling, packing materials improvements, and personnel water usage to reduce water withdrawal.

② PHYSICAL RISK | IMMEDIATE

Due to increased extreme weather events, the frequency of typhoons, heavy rains, thunderstorms, and high temperatures has increased. Although our factories are located in central Taiwan near mountainous areas with relatively low probabilities of wind and flood disasters in the past, poor management of oil waste products potentially caused by high temperatures could lead to spontaneous combustion. Sudden storms will also increase operational impacts such as water source purity treatment and equipment damage in the plant area, causing financial losses.

Although our factory equipment and warehouses have little experience with major water disasters, Taisun still prioritizes waste recycling management, preventive maintenance of plant drainage systems and equipment, installation of water and disaster prevention response systems, and increasing and flexibly adjusting storage space. This ensures normal products load-out while also preparing mechanisms to deal with disasters affecting consumer food group customer warehouses and livestock group customers, maintaining operational development and reducing immediate significant risks.

Moreover, extreme climate affects raw material procurement, upstream and downstream transportation interruptions, and personnel safety. We expect this situation to lead to short-term cost increases in various areas. Our company uses diverse procurement channel cooperation, combined order transportation, transportation route consolidation, and alternative subcontracting to achieve carbon reduction and avoid product and human resource losses.

③ RESOURCE EFFICIENCY OPPORTUNITIES

In addition to complying with government water resource conservation policies, our company has begun to inquire about water recycling system planning. However, due to equipment system and recycling site factors, the Sustainable Development Committee currently has no optimal solution after evaluation. We expect this case may increase operational costs financially, but in the long run, it's still an effective solution that is environmentally friendly and gradually reduces clean raw water extraction.

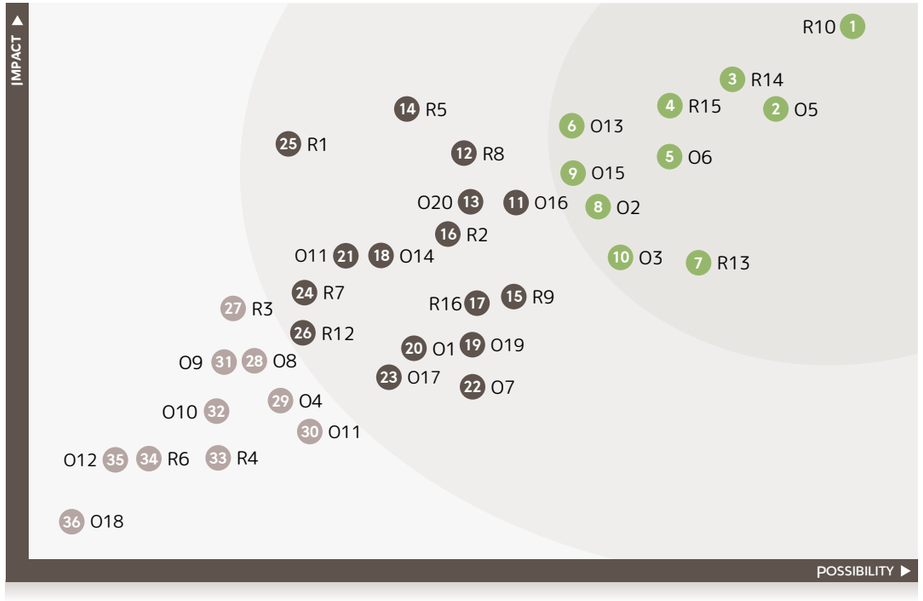
3. RISK MANAGEMENT

In 2022, our company's ESG Sustainable Development Committee launched a "TCFD Climate Change-related Financial Disclosure" survey. They convened relevant members in meetings to jointly assess potential risks the company may face due to climate change, identifying risk sources, conducting risk analysis and assessment, and addressing risks to continuously reduce impact. They discussed and identified transition risks (policy and regulations, technology, market, reputation), physical risks (immediate risks, long-term risks), and opportunities (resource efficiency, energy sources, products/services, market, resilience). Considering the time frame, the assessment intervals are short-term (1-3 years), medium-term (3-5 years), and long-term (over 5 years). The top 10 in each interval are prioritized, with short-term risks addressed first. Medium and long-term risks are evaluated based on company resources. Annual reviews of strategic actions assess the effectiveness of target implementation. If necessary, risk discussions and identification are conducted again. In principle, risk management items are reviewed every 3 years for appropriateness.



Severe
Moderate
Light

R: Opportunity
O: Transition Risk or Physical Risk



PRIORITY	CATEGORY	CLIMATE-RELATED ISSUE	TIME FRAME
1 R10 Transition Risk	Market	Raw material cost increase	Short, Medium, Long term
2 O5 Opportunity	Resource Efficiency	Reduce water usage and wastewater	Short, Medium term
3 R14 Physical Risk	Long-term	Changes in rainfall (water) patterns and extreme variability in climate patterns	Short, Medium, Long term
4 R15 Physical Risk	Long-term	Rising mean temperatures	Short, Medium, Long term
5 O6 Opportunity	Energy Source	Use of lower-emission sources of energy	Short, Medium, Long term
6 O13 Opportunity	Products & Services	Development and innovation of new Products & Services	Short, Medium, Long term
7 R13 Physical Risk	Acute	Increased severity of extreme weather events such as typhoons and floods	Short term
8 O2 Opportunity	Resource Efficiency	Use of more efficient production and distribution processes	Short term
9 O15 Opportunity	Products & Services	Shift in consumer preferences	Short, Medium, Long term
10 O3 Opportunity	Resource Efficiency	Recycling	Short term
11 O16 Opportunity	Market	Access to new markets	-
12 R8 Transition Risk	Market	Changing customer behavior	-
13 O20 Opportunity	Resilience	Energy source substitution/diversification	-
14 R5 Transition Risk	Technology	Substitution of existing Products & Services with lower emissions options	-
15 R9 Transition Risk	Market	Uncertainty in market signals	-
16 R2 Transition Risk	Policy and Legal	Enhanced emissions-reporting obligations	-
17 R16 Physical Risk	Long-term	Rising sea levels	-
18 O14 Opportunity	Products & Services	Diversification of business activities	-
19 O19 Opportunity	Resilience	Participation in renewable energy programs and adoption of energy-efficiency measures	-
20 O1 Opportunity	Resource Efficiency	Use of more efficient modes of transport	-
21 O11 Opportunity	Products & Services	Development and/or expansion of low emission goods and services	-
22 O7 Opportunity	Energy Source	Use of supportive policy incentives	-
23 O17 Opportunity	Market	Use of public-sector incentives	-
24 R7 Transition Risk	Technology	Costs to transition to lower emissions technology	-
25 R1 Transition Risk	Policy and Legal	Increased pricing of GHG emissions	-
26 R12 Transition Risk	Reputation	Increased stakeholder concern or negative stakeholder feedback	-
27 R3 Transition Risk	Policy and Legal	Mandates on and regulation of existing Products & Services	-
28 O8 Opportunity	Energy Source	Use of new technologies	-
29 O4 Opportunity	Resource Efficiency	Move to more efficient buildings	-
30 R11 Transition Risk	Reputation	Shifts in consumer preferences - stigmatization of sector	-
31 O9 Opportunity	Energy Source	Participation in carbon market	-
32 O10 Opportunity	Energy Source	Shift toward decentralized energy generation	-
33 R4 Transition Risk	Policy and Legal	Exposure to litigation	-
34 R6 Transition Risk	Technology	Unsuccessful investment in new technologies	-
35 O12 Opportunity	Products & Services	Development of climate adaptation and insurance risk solutions	-
36 O18 Opportunity	Market	Product liability insurance is required for export to new market	-

RESPONSE MEASURES FOR TOP TEN ISSUES

MATERIALITY ISSUES	FINANCIAL IMPACT	RESPONSE MEASURES
R10 Raw material cost increase	• Raw material costs increase due to climate-related transportation factors • Climate factors lead to insufficient raw material production or poor quality, causing capital issues • Costs increase due to ESG-related requirements	• Expand development of alternative suppliers; establish alternative raw material principles and response plans • Prepare for space expansion, increase raw material inventory to stabilize prices • For existing and relatively stable raw materials, adopt contract methods or self-production to stabilize prices • Monitor price fluctuations, grasp procurement timing to fix future price fluctuation risks • When raw material costs continue to increase, adjust selling prices within a reasonable time frame and product range • Research and develop new formulas to reduce demand for high-priced raw materials and sensitivity to price fluctuations
O5 Reduce water usage and wastewater	• Improve water-saving equipment management • Water recycling and reuse facilities • Manufacturing process management improvements	• Install water recycling and reuse facilities for each production line • New factory buildings incorporate water resource recycling systems, reducing consumption by 12% • Upgrade oil boilers to improve efficiency and reduce water use • Increase the rate of wastewater irrigation for napier grass at the ranch to reduce water treatment usage
R14 Changes in rainfall patterns and climate	• Increased equipment damage and maintenance costs • Increased energy consumption for water treatment facilities • Water shortage issues leading to production stoppage • Increased contract default penalties • Increased personnel safety risks during shifts	• Install water recycling and reuse facilities for each production line • New factory buildings incorporate water resource recycling systems, reducing consumption by 12% • Increase groundwater source rights and natural water facilities • Increase water-saving measures at the ranch, such as elevated hog pens
R15 Rising mean temperatures	• Increased cold storage energy loss and damage • Shortened shelf life of refrigerated products • Increased risk of oil waste spontaneous combustion • Overheating of equipment/ warehouse space • Increased warehouse management costs	• Warehouse temperature monitoring and control (cold chain management from production to logistics) • Adjust product preservation conditions and safety periods • Monitor production efficiency and quality improvement • Shorten oil waste handling time • Improve waste storage space and temperature control • Regularly monitor refrigeration equipment energy efficiency to reduce energy consumption and emissions • Invest in automated warehouse facilities to reduce product movement-induced temperature changes
O6 Use of lower-emission energy sources	• Lower operating costs (e.g., through use of lowest cost abatement) • Reduced exposure to future fossil fuel price increases • Reduced GHG emissions and less sensitivity to changes in carbon costs • Returns on investment in low-emission technology • Increased capital availability • Reputational benefits resulting in increased demand for goods/services	• Improve production and management efficiency to reduce costs and expenses, mitigating the impact of increased carbon taxes • Pay attention to policy development and apply for carbon reduction subsidies • Increase the proportion of green energy use (e.g., solar power facilities) and replace high-carbon equipment (e.g., replace oil boilers with natural gas) • Continuously enhance product added value, increase profit margins, and mitigate the impact of cost increases • Long-term monitoring of low-carbon preferential raw materials (e.g., use of low-carbon feed and replacement rate for ranches) • Obtain ISO 50001 Energy Management System certification; manage energy use norms • Continue to research new energy sources; promote alternative solutions for non-petrochemical fuels, including biogas, hydrogen energy, geothermal energy, and energy storage

MATERIALITY ISSUES	FINANCIAL IMPACT	RESPONSE MEASURES
O13 Development and innovation of new Products & Services	• Increased R&D test costs • Increased promotion costs for new products	• Consider sustainability issues in new product development; cultivate employees' sustainability awareness • Continue to develop ESG-certified raw materials and packaging; develop products with ESG-related concepts • Continue to develop ESG products and sales models • Pay attention to consumer trends at any time; actively research and introduce new products to meet demands
R13 Increased severity of extreme weather events such as typhoons and floods	• Increased equipment damage and maintenance costs • Increased contract default penalties • Increased personnel safety risks during shifts	• Regularly review and revise emergency response management plans • Promote ISO 45001 Occupational Health and Safety Management System certification; strengthen management processes and personnel • Comprehensively strengthen personnel and equipment disaster prevention measures • Install underground water pumps to ensure uninterrupted operation and prevent flooding; set up flood prevention and drainage systems • Increase the number of aquatic feed warehouses away from urban areas (e.g., Tainan, Pingtung) to enhance safety stock; establish emergency response plans for employee dormitories at the ranch • Install satellite base stations for aquatic feed warehouses and multiple ranches in each region
O2 Use of more efficient production and distribution processes	• Automation of production equipment improvements • Personnel education and training • Distribution process improvements	• Improve equipment and strengthen testing to enhance production efficiency • Increase capacity and centralize production • Strengthen education and training for each unit; cultivate equipment and work deputies (multi-skilled workers) • Research production line automation equipment specifications and investments, and related supporting measures (personnel and equipment) to build a high-efficiency product distribution process system
O15 Shift in consumer preferences	• Increased costs for consumer research • Increased domestic and foreign market research costs • Increased frequency of consumer trend analysis surveys	• Regularly investigate customer needs; study domestic and foreign consumer trends; develop products in line with trends • Regularly monitor and study the effectiveness of using imported vs. domestic raw materials • Integrate ESG concepts to enhance product value
O3 Recycling	• Equipment improvement costs • Waste management process improvements	• Establish management and personnel culture to increase business waste recycling rate (currently over 95%) • Research and improve water recycling solutions (food factory's cooling water for canned snack line, ranch liquid manure irrigation) • Research and improve waste gas reuse • Promote ISO 14001 Environmental Management System • Cooperate with suppliers to promote waste recycling and product transformation; achieve zero waste targets

4. METRICS AND TARGETS

- Since 2020, the company has been conducting annual internal greenhouse gas emission inventories following ISO 14064-1:2018, with third-party verification planned for 2026.
- Annual budgets are allocated for process improvements and equipment updates to reduce energy consumption.
- The company aims to increase the rate of ranch wastewater irrigation for napier grass to 10% by 2026, reducing water treatment usage. The 2023 target of 5% was successfully achieved.
- After implementing water recycling policies in 2023, water withdrawal was reduced by 2%, with a target of 5% reduction by 2026.
- The company has established a management and personnel culture to increase business waste recycling rates, achieving over 95% in 2023 and aiming to maintain this level.

REDUCING THE ENVIRONMENTAL IMPACT OF WASTE



WASTE MANAGEMENT

MATERIALITY	WASTE MANAGEMENT
IMPORTANCE TO THE COMPANY	Waste disposal
POLICY COMMITMENT	Environmental feedback and sustainability
SHORT-TERM GOALS	Achieve a waste recovery rate of at least 95%
MID TO LONG-TERM GOALS	Achieve a reuse and recycling rate of over 95%
DEVOTE RESOURCES	Implement ISO 14001 system
GRIEVANCE MECHANISM	Factory Affairs Department: 04-87422111 ext. 351
EVALUATION MECHANISM	In 2023, the food factory produced a total of 1,442 tons of resource-type waste, with a recycling rate target of 95%, achieving an actual rate of 95.99%.

Taisun actively implements three main goals for waste management: “Minimize waste production, maximize resource recycling, and optimize Supplier Management.” Through production process control and operational improvements, the company reduces in-plant waste while also reducing waste treatment costs. The entire plant operates on the principle that “reduction is better than treatment, and source control is better than recycling.” Annual audits of contracted vendors and transportation management are conducted to ensure legal waste handling and prevent illegal dumping. The company takes responsibility for waste collection, treatment, and flow management, tracking vendors’ implementation of waste treatment and resource recycling. This is reported to the ESG Sustainability Development Committee, with the industrial waste management plan serving as the main tracking mechanism.

FOOD FACTORY MANAGEMENT RESULTS

- In 2023, there were 4 identified types of waste handled by contracted vendors. A tracking responsibility survey of their waste management was conducted, with 6 inspections and 3 transportation follow-ups conducted and with all meeting regulatory requirements. These are included in the waste vendor selection list.
- The food factory produced 58 tons of non-resource waste in 2023. Due to intermittent maintenance of the Xizhou incinerator starting in December 2022, active search for incineration treatment led to concentrated disposal reporting in 2023, resulting in a 35-ton increase compared to the previous year.
- Items still within expiration date are mainly used for animal feed and employee distribution to reduce waste.

RESOURCE-TYPE WASTE RECYCLING RATE

95.9%

WASTE CLASSIFICATION[1]		2021		2022		2023		CHANGE IN 2 YEARS
		TONS	%	TONS	%	TONS	%	
Non-resource Type[2]	Garbage (incineration)	29	1.9%	22	1.4%	58	3.8%	35
	Boiler ash	9	0.6%	7	0.5%	4	0.3%	-3
Resource Type	Boiler slag	111	7.4%	168	10.9%	199	13.2%	31
	Sludge, tea residue, recyclable items, etc.	1,354	90.1%	1,345	87.2%	1,243	82.7%	-102
	Subtotal	1,465	97.5%	1,513	98.1%	1,442	95.9%	-71
Total		1,503	100%	1,542	100%	1,504	100%	-38

1) The small amount of waste from the oil factory is included in the food factory calculation.

2) All non-resource type waste is incinerated; resource type slag is reused in unreinforced concrete; sludge is used as regenerated fuel, tea residue is composted into fertilizer.





Annual waste contractor inspections and transportation monitoring are conducted to ensure proper waste handling after leaving Taisun’s facilities.

AQUATIC FEED FACTORY MANAGEMENT RESULTS (INCLUDING RANCH)

The aquatic feed factory (including ranch) produced a total of 116.54 tons of industrial waste in 2023, of which 114.17 tons were resource-type waste, achieving a recycling rate of 97.97%.

WASTE CLASSIFICATION		2021		2022		2023		CHANGE IN 2 YEARS
		TONS	%	TONS	%	TONS	%	
Non-resource Type	General waste (incineration)	2.44	3.54%	2.61	1.25%	2.37	2.03%	-0.24
Resource Type	Beidou Ranch -pig manure (including sludge)	33.00	47.83%	180	86.31%	84.00	72.08%	-96
	Aquatic factory -waste feed	26.50	38.41%	18.95	9.09%	17.28	14.83%	-1.67
	Waste iron, waste paper, waste plastic	0	0	0	0	3.82	3.28%	3.82
	Waste wooden pallets	7.05	10.22%	6.98	3.35%	9.07	7.78%	2.09
	Subtotal	66.55	96.46%	205.93	98.75%	114.17	97.97%	-16.2
Total		68.99	100%	208.54	100%	116.54	100%	-92

RESOURCE-TYPE WASTE RECYCLING RATE

97.97%

The aquatic factory offers preferential programs to encourage customers to use bulk feed, reducing plastic packaging use. It subsidizes new bulk container installations, helping customers save labor and feeding time while indirectly reducing plastic packaging use. Some raw materials storage methods have been adjusted from bagged to bulk, indirectly reducing plastic use when processing into granules.

PREFERENTIAL SUBSIDY PROGRAM

Unit: kg

CONCRETE ACTION	PLASTIC REDUCTION	CO_2e REDUCTION
Reduce plastic bag packaging for raw materials; use bulk packaging for transportation	2,627.31	8,249.76
Change to automatic date stamping machines; reduce plastic label stickers	143.80	451.52
Encourage customers not to use bagged feed (plastic packaging); change to bulk feed	3,557.47	11,170.47
Adjust raw material processing; use bulk transportation; reduce plastic bags	1,553.75	4,878.78
Total	7,882.33	24,750.52

PLASTIC REDUCTION

7,882.33KG

CARBON REDUCTION

24,750.52KG

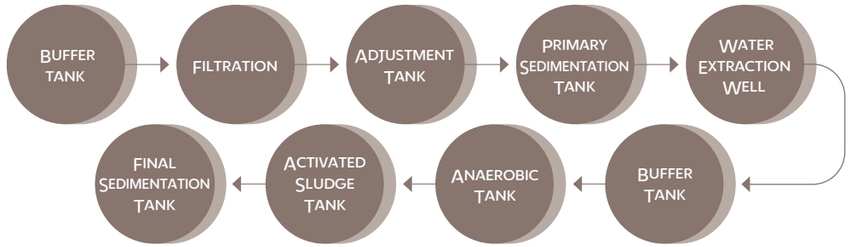
WATER RESOURCES MANAGEMENT AND WASTEWATER DISCHARGE

As a major food manufacturer, Taisun requires water resources for raw material and equipment cleaning, beverage production, and machine sanitation. Effective water management is crucial. Taiwan faces climate change and environmental impacts, leading to uneven rainfall distribution, increased heavy rainfall, insufficient flood drainage systems, and river sedimentation reducing reservoir capacity. This has resulted in recurring droughts and floods in recent years, with clean river water sources also decreasing.

Taisun's production mainly uses groundwater, which undergoes treatment and sterilization. Daily pH and residual chlorine checks and monthly microbiological tests are conducted to control water quality. Water resource usage is controlled, and process management improves water conservation efficiency.

Food manufacturing wastewater often contains suspended solids, oils, and sugars from raw materials. Production wastewater cannot be reused in-plant and requires treatment before discharge to ensure it doesn't impact nearby farmland and sewers.

WASTEWATER TREATMENT PROCESS



DECREASED WATER WITHDRAWAL
(Compared to 2022)

17.44KM³

DECREASED WATER DISCHARGE
(Compared to 2022)

72.77KM³

TAISUN FACTORY AREA PRODUCTION WATER RESOURCE WITHDRAWAL AND DISCHARGE INFORMATION

Unit: km³

ITEM	2022 1)			2023			DIFFERENCE
	FOOD FACTORY	OTHER AREAS 2)	TOTAL	FOOD FACTORY	OTHER AREAS	TOTAL	
Water withdrawal	716.82	45.38	762.20	693.49	51.27	744.76	-17.44
Water discharge	458.23	12.42	470.65	384.86	13.02	397.88	-72.77
Water consumption	258.59	32.96	291.55	308.63	38.25	346.88	55.33

1) One of the groundwater meters in the food factory only started recording water withdrawal in September 2022; the average from September to December 2022 was used to estimate the first 8 months.

2) Other areas: Oil factory + Aquatic feed factory + Beidou Ranch

Quarterly monitoring of wastewater's Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), and Suspended Solids (SS) is conducted. Sludge is regularly reported through waste clearance forms and legally transported for disposal.

WASTEWATER DISCHARGE INSPECTION REPORTS

4 TIMES, ALL COMPLIANT

FOOD FACTORY WASTEWATER DISCHARGE INSPECTION

Unit: mg/L

ITEM	LEGAL STANDARD	2021	2022	2023
BOD (Biological Oxygen Demand)	<30mg/L	37.4	9.2	10.2
COD (Chemical Oxygen Demand)	<100mg/L	10.9	23.5	42.3
SS (Suspended Solids)	<30mg/L	15.1	2.1	9.5

WASTEWATER DISCHARGE INSPECTION REPORTS

2 TIMES, ALL COMPLIANT

COD DECREASED

(Compared to 2022)

19 mg/L

BEIDOU RANCH WASTEWATER DISCHARGE INSPECTION

Unit: mg/L

ITEM	LEGAL STANDARD	2021		2022		2023	
		FIRST HALF	SECOND HALF	FIRST HALF	SECOND HALF	FIRST HALF	SECOND HALF
BOD (Biological Oxygen Demand)	<80mg/L	67.4	69.6	64.4	69	74.1	61.8
COD (Chemical Oxygen Demand)	<600mg/L	562	513	540	504	531	475
SS (Suspended Solids)	<150mg/L	127	100	132	102	110	110



BEIDOU RANCH WASTE LIQUID RECYCLING PROJECT

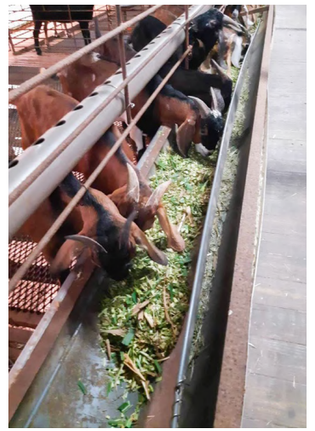
The feces and urine wastewater produced by the livestock industry, which are the most harmful pollutants in farming industry would cause pollution if directly discharged into rivers. However, if treated, it can be transformed into agricultural fertilizer, not only reducing river pollution but also reducing electricity costs and chemical fertilizer use, leading to healthier and more productive crops. In January 2023, Taisun's Beidou Ranch obtained a legal permit for waste liquid irrigation from the Changhua County Government, resourcefully using livestock manure. The first phase recycles 5% of waste liquid, used to irrigate napier grass planted at the ranch, and provides it to nearby farmers as forage for sheep, promoting a circular economy.











1 2
3 4

① Legal permit for waste liquid irrigation
② Waste liquid irrigation of napier grass
③ Villagers harvesting napier grass
④ Sheep eating napier grass

ENERGY CONSERVATION & CARBON MANAGEMENT

Corporate energy management must continuously plan, execute, check, and act to improve and optimize from both management and technical aspects to reduce energy consumption, improve energy use efficiency, and reduce greenhouse gas emissions. By reducing energy costs, it can enhance the company's competitive advantage and achieve the goals of sustainable operation and environmental protection.

FACTORY MANAGEMENT STATUS

In 2023, various factory energy improvement operations were actively carried out, including:

- Food factory natural gas boiler replacement project: In 2023, the construction of high-pressure natural gas pipeline began. After completion in January 2024, the natural gas boiler installation project will immediately commence, expected to be completed in the third quarter.
- Initiated green energy survey, establishing the "Tianzhong Solar Energy Evaluation Research Project" to provide recommendations on solar energy installation locations and usage value for the Tianzhong factory.

In 2023, the total energy consumption of the food factory was 206,969.45 GJ; the oil factory's total energy consumption was 2,934.23 GJ. The food factory used biomass boiler renewable energy, accounting for 60.34% of the food factory's energy use, a decrease compared to 2022 due to increased production capacity, but the efficiency of the biomass boiler is fixed, resulting in an overall percentage decrease.

Taisun's energy management focuses on biomass energy. The secondary energy source - boiler oil - is the main source of carbon emissions. The planned switch to natural gas boilers in 2024 will greatly contribute to carbon reduction. Additionally, effective control of unit electricity consumption is also a key to achieving net-zero carbon emissions. The company aims to reduce annual unit electricity usage through regular internal energy consumption statistics, early replacement or reduction of old machinery, and process improvements to control energy consumption.

2023 ENERGY CONSUMPTION BY FACTORY AREA

Unit: GJ

CATEGORY		FOOD FACTORY	OIL FACTORY	AQUATIC FEED FACTORY	BEIDOU RANCH	TOTAL
Non-renewable Energy Sources	Purchased Electricity	36,531.94	2,116.47	5,761.37	1,807.72	46,217.50
	Boiler Oil	43,014.00	525.78	8,331.10	-	51,870.88
	Natural Gas	1,649.93	-	106.23	-	1,756.16
	Liquefied Petroleum Gas	868.03	290.54	102.95	-	1,261.52
	Diesel[1)]	11.50	1.44	-	-	12.94
	Subtotal	82,075.40	2,934.23	14,301.65	1,807.72	101,119.00
Renewable Energy Sources	Biomass Energy - Purchased Steam[2)]	124,894.05	-	-	-	124,894.05
Total Energy Consumption		206,969.45	2,934.23	14,301.65	1,807.72	226,013.05
Percentage of Purchased Electricity						20.45%
Percentage of Renewable Energy Use						55.26%

The coefficients used, except for biomass energy which references external test reports, are based on the heat values from the Environmental Protection Administration's Greenhouse Gas Emission Factor Management Table version 6.0.4: Electricity: 1 kWh = 3,600 KJ, Boiler oil: 1 L = 9,600 kcal, Natural gas: 1 M^3 = 8,000 kcal, Liquefied petroleum gas: 1 L = 6,635 kcal, Diesel: 1 L = 8,400 kcal, Biomass energy: 1 kg = 4,475 kcal

1) The diesel usage for generators is calculated based on the model and frequency of use: forklift procurement volume is calculated using the average diesel price for 2023 from the Bureau of Energy's Oil Price Information Management and Analysis System.

2) According to the Kyoto Protocol regulations, wood pellet fuel is classified as biomass fuel, which is an emerging renewable energy source. Therefore, the use of wood pellets as fuel is considered renewable, and the suppliers are approved by the Environmental Department to obtain reuse permits.

TOTAL ENERGY CONSUMPTION INCREASED BY
(Compared to 2022)
2,147.38 GJ

UNIT ENERGY CONSUMPTION (b/a) DECREASED BY
(Compared to 2022)
2.02%

TOTAL ENERGY CONSUMPTION INCREASED BY
(Compared to 2022)
307.11 GJ

UNIT ENERGY CONSUMPTION (b/a) INCREASED BY
(Compared to 2022)
6.21%

TOTAL ENERGY CONSUMPTION DECREASED BY
(Compared to 2022)
561.54 GJ

INCREASED UNIT ENERGY CONSUMPTION (b/a) INCREASED BY
(Compared to 2022)
17.65%

1. FOOD FACTORY

In 2023, the total energy consumption, from highest to lowest proportion, was: biomass energy, fuel oil, electricity, natural gas, liquefied petroleum gas, and diesel. In 2024, there are plans to invest 20 million TWD to replace oil-fired boilers with natural gas boilers to reduce carbon emissions.

CATEGORY		2021	2022	2023	CHANGE IN 2 YEARS
Non-renewable Energy Sources	Purchased Electricity	33,293.52	35,884.58	36,531.94	647.36
	Boiler Oil	25,687.80	26,046.49	43,014.00	16,967.51
	Natural Gas	2,972.02	2,059.90	1,649.93	-409.97
	Liquefied Petroleum Gas	855.33	960.44	868.03	-92.41
	Diesel	11.50	11.50	11.50	0.00
	Subtotal	62,820.17	64,962.91	82,075.40	17,112.49
Renewable Energy Sources	Biomass Energy -Purchased Steam	133,732.21	139,859.16	124,894.05	-14,965.11
Total Energy Consumption		196,552.39	204,822.07	206,969.45	2,147.38
Percentage of Purchased Electricity		16.94%	17.52%	17.65%	0.13%
Percentage of Renewable Energy Use		68.04%	68.28%	60.34%	-7.94%
Total Production (10,000 boxes)		785.2	811.76	837.2	25.44
Average Energy Consumption (GJ/10,000 boxes)		250.32	252.32[a)]	247.22	-5.10[b)]

Unit: GJ

2. OIL FACTORY

Energy consumption in 2023 increased compared to the previous year, mainly due to adjustments in oil production process equipment settings leading to increased electricity usage. Future improvements will be made at the source to reduce additional electricity consumption.

CATEGORY		2021	2022	2023	CHANGE IN 2 YEARS
Non-renewable Energy Sources	Purchased Electricity	1,799.88	1,838.61	2,116.47	277.86
	Boiler Oil	711.54	476.55	525.78	49.23
	Liquefied Petroleum Gas	318.55	310.51	290.54	-19.97
	Diesel	1.44	1.44	1.44	0.00
Total Energy Consumption		2,831.41	2,627.12	2,934.23	307.11
Percentage of Purchased Electricity		63.57%	69.99%	72.13%	2.14%
Total Production (10,000 boxes)		258.28	247.07	259.8	12.73
Average Energy Consumption (GJ/10,000 boxes)		10.96	10.63[a)]	11.29	0.66[b)]

Unit: GJ

3. AQUATIC FEED FACTORY

The total energy consumption in 2023 decreased compared to 2022, but unit energy consumption increased. This was mainly due to high raw material costs, sharp decreases in customer breeding and order quantities, and reduced production unable to concentrate production. Future plans include coordinating with customers to adjust delivery times for concentrated production.

CATEGORY		2021	2022	2023	CHANGE IN 2 YEARS
Non-renewable Energy Sources	Purchased Electricity	6,105.72	6,476.67	5,761.37	-715.3
	Boiler Oil	7,958.27	8124.41	8331.10	-206.69
	Liquefied Petroleum Gas	182.68	145.18	106.23	-38.95
	Diesel	177.64	116.93	102.95	-13.98
Total Energy Consumption		14,424.31	14,863.19	14,301.65	-561.54
Percentage of Purchased Electricity		42.33%	43.58%	40.28%	-3.3%
Total Production (tons)		21,627.26	21,826.86	17,933.16	-3,893.70
Average Energy Consumption (GJ/ton)		0.67	0.68[a)]	0.80	0.12[b)]

Unit: GJ

TOTAL ENERGY CONSUMPTION DECREASED BY
(Compared to 2022)
33.6 GJ

UNIT ENERGY CONSUMPTION (b/a) INCREASED BY
(Compared to 2022)
25.38%

4. BEIDOU RANCH

The main reason for the increase in unit energy consumption in 2023 is the consideration of animal welfare (Animal welfare), adding an uninterruptible power system to the farrowing house (allowing continuous ventilation fans for sows and heat lamps for piglets, reducing cold stress on pigs during cold waves even if power is cut).

CATEGORY	2021	2022	2023	CHANGE IN 2 YEARS
Electricity consumption (GJ)	1,894.97	1,841.34	1,807.72	-33.60
Pig sales tonnage	833.10	937.50	730.60	-206.90
Average energy consumption (GJ/ton)	2.28	1.97[a)]	2.47	0.50[b)]

GHG EMISSION MANAGEMENT

After internalizing greenhouse gas emissions as an environmental cost for the enterprise, reducing greenhouse gas emissions will effectively lower operating costs and increase profitability, verifying that greenhouse gas reduction can improve operational performance and implement the concept of sustainable operation.

Following the ISO 14064-1 certification obtained in June 2022, which recognized the carbon management results for 2020 and 2021, in 2023 Taisun independently completed carbon footprint inventories for 6 oil products, including 18L salad oil, 18L premium soybean salad oil, 18Kg eco-friendly iron drum salad oil, 3L premium soybean salad oil, 0.6L salad oil, and 3Kg salad oil, in preparation for introducing ISO 14067 product carbon footprint.

The Taipei headquarters adjusted official vehicles and replaced ice water units in 2023, reducing Scope 1 and Scope 2 carbon emissions. The Tianzhong feed factory saw a significant decrease in Scope 2 carbon emissions due to reduced production and lower electricity consumption. However, the food factory's overall carbon emissions increased due to increased production. Future plans include monitoring production efficiency and testing various improvement measures, such as centralized production management for material and production-related scheduling, reducing cleaning, conversion, and transportation operations to effectively manage carbon emissions.

EMISSION INTENSITY INCREASED BY
(Compared to 2022)
11.88%

CATEGORY	REGION	2021	2022	2023	CHANGE IN 2 YEARS, N (%)
① Direct greenhouse gas emissions and removals	Headquarters	46.41	28.11	9.55	-18.56 (-66.03%)
	Food Factory	2,328.86	2,437.31	3,741.64	1,304.33 (53.52%)
	Oil Factory	8.39	8.67	8.58	-0.09 (-1.04%)
	Feed Factory	702	703.98	670.39	-33.59 (-4.77%)
	Tianzhong Administration	11.52	10.48	11.6	1.12 (10.69%)
	Total	3,097.18	3,188.55	4,441.76	1,253.21 (39.30%)
② Indirect greenhouse gas emissions from imported energy	Headquarters	120.99	117.52	109.66	-7.86 (-6.69%)
	Food Factory	5,102.69	5,195.38	5,242.06	46.68 (0.90%)
	Oil Factory	250.98	252.61	291.01	38.4 (15.20%)
	Feed Factory	851.41	889.85	792.31	-97.54 (-10.96%)
	Tianzhong Administration	68.34	63.88	63.55	-0.33 (-0.52%)
	Total	6,394.41	6,519.24	6,498.59	-20.65 (-0.32%)
①+②		9,491.59	9,707.79	10,940.35	1,232.56 (12.70%)
Individual operating revenue (TWD million)		8,623	9,616	9,724	108 (1.12%)
Emission intensity (tCO_2e/TWD million)		1.10	1.01	1.13	0.12 (11.88%)

GAS EMISSION REDUCTION

Industrial production processes generate gaseous pollutants, mainly from combustion and production processes, such as sulfur oxides (SOx) and nitrogen oxides (NOx). Particulate pollutants also occur, mainly from fuel combustion and industrial production processes, such as suspended particulates and smoke.

FACTORY MANAGEMENT STATUS

Taisun regularly conducts gas emission testing, reducing emissions through equipment improvement and process control, seeking alternative energy sources, strengthening fuel quality management and supplier management, improving process efficiency and fuel quality management, and reducing plastic packaging weight to control gas emission reduction and ensure compliance.

PSS INCREASED BY
(Compared to 2022)
11%

SOX INCREASED BY
(Compared to 2022)
39.69%

NOX INCREASED BY
(Compared to 2022)
38.72%

1. FOOD FACTORY

In 2023, the food factory's biomass boiler air pollution emission testing and reporting included suspended particulates, sulfur oxides, nitrogen oxides, and dioxins. The oil-fired boiler testing and reporting for suspended particulates, sulfur oxides, and nitrogen oxides all complied with current environmental regulations. Natural gas boilers are exempt from testing and reporting.

The food factory's air pollution emissions increased in 2023 compared to 2022 due to the increased use of oil-fired boilers during biomass boiler renovations. Plans are in place to replace oil-fired boilers with natural gas boilers in 2024 to reduce emissions.

FOOD FACTORY GAS EMISSION TESTING Unit: kg

EMISSION ITEM	2021	2022	2023	CHANGE IN 2 YEARS
PSS (Suspended Particulates)	322	209	232	23
SOx (Sulfur Oxides)	3,411	640	894	254
NOx (Nitrogen Oxides)	4,724	3,019	4,188	1,169

PSS DECREASED BY
(Compared to 2022)
5.3%

SOX DECREASED BY
(Compared to 2022)
0.19%

NOX DECREASED BY
(Compared to 2022)
12.88%

2. AQUATIC FEED FACTORY

The aquatic feed factory's oil-fired boiler air pollution emission testing and reporting in 2023 for suspended particulates, sulfur oxides, and nitrogen oxides all complied with current environmental regulations. The oil factory does not require air pollution emission testing and reporting as its processes do not use boilers.

AQUATIC FEED FACTORY GAS EMISSION TESTING Unit: kg

EMISSION ITEM	2021	2022	2023	CHANGE IN 2 YEARS
PSS (Suspended Particulates)	41.56	42.08	39.85	-2.23
SOx (Sulfur Oxides)	166.69	109.9	109.69	-0.21
NOx (Nitrogen Oxides)	411.22	253.84	221.15	-32.69

CORPORATE COMMITMENT



PEOPLE-ORIENTED, CREATING HEALTHY LIVING, CO-CREATING A HAPPY FUTURE

2023 is a recovery year after the pandemic. In addition to continuing good prevention measures, Taisun is more committed to providing a safe working environment and giving employees the best protection. In terms of talent cultivation, salary and benefits, and social responsibility, we continuously strive to improve, providing employees with a higher quality and more meaningful workplace environment.

EMPLOYEE OVERVIEW

As of the end of 2023, Taisun Enterprise Group had a total of 672 employees, with no significant fluctuation in numbers, mainly consisting of non-fixed-term contract employees. Based on manufacturing industry characteristics and labor market factors, the company has more male employees than female employees, with the majority being in the 30-50 years old group. In recent years, we have continued to focus on the employment and job security of female employees, with the number of female employees increasing year by year to achieve gender balance among employees.

EMPLOYEE CONTRACT DISTRIBUTION

Unit: person

TYPE OF CONTRACT		2021		2022		2023	
		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Employment Contracts[1]	Non-Fixed-term	374	252	376	267	371	276
	Fixed-term	21	7	26	7	23	2
Employment Types[2]	Full-time	391	257	398	272	390	277
	Part-time	4	2	4	2	4	1
Total Employees[3]		654		676		672	

1) Employment contracts are divided into non-fixed-term contract employees (full-time) and fixed-term contract employees (short-term, seasonal, specific project period, employees on maternity/parental leave).

2) Employment types are divided into full-time employees (weekly working hours reaching the legal maximum) and part-time employees (weekly working hours do not reach the legal maximum, only part-time personnel such as interns, hourly workers).

3) Based on December 31 of the current year.

In 2023, non-employee workers were mainly dispatched and contracted on-site personnel, primarily serving as operators and technical operators. Summer interns insured by the company are not included as non-employee workers.

NON-EMPLOYEE WORK TYPE DISTRIBUTION

Unit: person

TYPE OF WORK	CONTRACT RELATIONSHIP[1]	2022		2023	
		MALE	FEMALE	MALE	FEMALE
Boiler Operation	Indirect	4	0	7	0
Cleaning Staff	Indirect	0	2	0	2
Production Operation	Indirect	7	11	5	13
Total Workers[2]		24		27	

1) Classified by job category and contract relationship, with contract relationships divided into direct employment and indirect employment (dispatch, contracting, etc.).

2) Based on December 31 of the current year.

Employees under 50 years old account for about 70% of the total, indicating that the company is currently led by middle-aged employees, with experienced senior managers leading young teams.

EMPLOYEE DIVERSITY DISTRIBUTION

CATEGORY			2021		2022		2023	
			PERSON	%	PERSON	%	PERSON	%
Direct	Gender	Male	99	56.25%	99	55.31%	106	56.08%
		Female	77	43.75%	80	44.69%	83	43.92%
	Age group	Under age 30[1]	27	15.34%	27	15.08%	23	12.17%
		30-50	99	56.25%	95	53.07%	109	57.67%
		Over age 50	50	28.41%	57	31.84%	57	30.16%
	Education	Graduate	1	0.57%	1	0.56%	1	0.53%
		College	50	28.41%	49	27.37%	50	26.46%
		Others	125	71.02%	129	72.07%	138	73.02%
Indirect	Gender	Male	275	61.11%	277	59.70%	265	57.86%
		Female	175	38.89%	187	40.30%	193	42.14%
	Age group	Under age 30	48	10.67%	45	9.70%	46	10.04%
		30-50	252	56.00%	267	57.54%	268	58.52%
		Over age 50	150	33.33%	152	32.76%	144	31.44%
	Education	Graduate[2]	60	13.33%	63	13.58%	63	13.76%
		College	297	66.00%	308	66.38%	308	67.25%
		Others	93	20.67%	93	20.04%	87	19.00%

1) Percentage of direct employees under 30 years old = (Total number of direct employees under 30 years old at the end of the year / Total number of employees at the end of the year) * 100%

2) Percentage of indirect employees with graduate degrees = (Total number of indirect employees with graduate degrees / Total number of employees at the end of the year) * 100%



OCCUPATIONAL SAFETY HAZARD PREVENTION AND HEALTH PROMOTION

Safety and health are important guarantees for corporate human resources, key to ensuring production and quality, a guarantee of sustainable operations, and a trend of the times. In recent years, international attention to occupational safety and health has increased, making it a necessary requirement for corporate trade and a key to sustainable corporate development. Taisun refers to international trends and is committed to advancing towards the "double zero goal" of zero occupational disease incidence and zero major occupational injuries.

MAJOR RISK CONTROL ITEMS

Taisun has established an Occupational Safety and Health Committee in accordance with the "Occupational Safety and Health Management Act", operating legally and using an occupational safety and health management system to prevent major occupational injuries, identify hazards, assess risks, and investigate accidents. Providing occupational health services and training to promote a healthy work environment.

MANAGEMENT ACTION

OCCUPATIONAL SAFETY & HEALTH COMMITTEE

The committee was convened regularly once per quarter, totaling 4 meetings in the year.

6S CAMPAIGN IN FOOD FACTORY

The results were included in unit performance evaluations. A total of 355 issues were immediately improved, 68 issues were formally documented, all of which have been resolved, resulting in a 100% improvement rate.

SAFETY ADVOCACY

Safety advocacy sessions were conducted 9 times for employees, involving 489 participants, and 6 times for contractors, involving 32 participants.

HAZARD PREVENTION & SAFETY IMPROVEMENT

A total of 9 safety improvements were implemented, including 2 fire safety cases, 1 fall protection case, 2 chemical protection cases, and 4 elevator safety cases.

OCCUPATIONAL SAFETY & HEALTH TRAINING

Training was provided to 112 participants, which included 66 new employees, 19 interns, and 27 contractors, amounting to a total of 168 training hours.



EMERGING HAZARD PREVENTION PLAN

- Under the ergonomic hazard prevention plan, 298 individuals were surveyed, and a list of injuries and illnesses was established. Among them, 20 individuals had a KIM score (Key Indicator Method) of 25 or higher and were included as targets for on-site medical services.
- The abnormal workload induced disease prevention plan identified and screened 14 individuals as medium- to high-risk, who were prioritized for on-site medical services by a physician. These individuals also received health guidance from a nurse, and were encouraged to modify their lifestyle and work habits, with medical assistance provided as necessary. Follow-up is conducted annually.
- Educational sessions were provided to 9 individuals regarding maternal health protection, including prenatal and postnatal health education and guidance. Workplace environments were adjusted to increase comfort during pregnancy. Specific measures included assisting packaging department employees who work with ionizing radiation in applying for dosimetry badges to enhance their protection.

SAFETY DRILL

7 fire safety drills were conducted with a total of 799 participants, and 2 emergency response drills were conducted with 319 participants.



ON-SITE MEDICAL SERVICES

A total of 198 individuals received on-site medical services. These services included health assessments and work suitability evaluations based on annual health check reports and post-injury assessments. Recommendations were made for work adjustments based on the assessment of diseases, work patterns, and working hours. Additional groups included in the service were those requiring maternal health protection and musculoskeletal health care. When necessary, the physician conducted on-site evaluations in production lines to assess work suitability.



EMPLOYEE ANNUAL HEALTH CHECK

- General health checks were conducted for 409 employees
- food handling health checks for 388 employees
- Ionizing radiation health checks for 1 employee
- Dust exposure health checks for 33 employees
- Hearing tests for 228 employees
- Regular follow-up reports for 18 foreign workers.

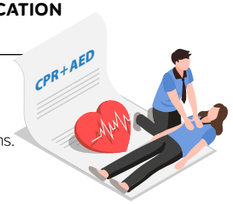


HEALTH MANAGEMENT AND RISK ABNORMALITIES REPORTING AND TRACKING

6 individuals with high-risk abnormalities and 12 individuals with hearing abnormalities were tracked and followed up accordingly.

CPR + AED CERTIFICATION TRAINING

A total of 72 employees completed CPR and AED certification training and received their certifications.



HEALTH PROMOTION ACTIVITIES

Health promotion campaigns covered various topics, including: "What to Do if You Exhibit Symptoms of Thermal Injury,""Influenza and Pneumococcal Vaccination and Health Education," "Mycoplasma Prevalence and Differentiating Between Flu and Flu-like Illnesses," "Understanding Four Major Epidemics: Adenovirus, Mycoplasma, Influenza, and Flu-like Illnesses," "Norovirus Health Education," and "World Diabetes Day: Raising Awareness About Diabetes Prevention."

MASSAGE SERVICE

A total of 701 employees participated actively in the massage service, with a 100% participation rate among those who pre-registered. This service effectively promoted physical and mental health and helped relieve stress. Additionally, the Tianzhong factory has established yoga and running clubs that regularly organize exercise and teaching activities.

WORKPLACE FIRST AID KIT MANAGEMENT

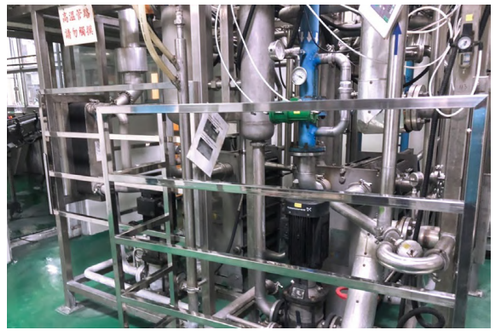
13 first aid kits were set up in 13 different units for emergency use. The factory nurse conducted monthly audits to update and replenish medical supplies, and provided training on the use of medical materials and simple wound care techniques. Additionally, blue bandages with an aluminum layer were used specifically for the food industry to ensure detection by metal detectors, balancing employee safety with food safety.

MANAGEMENT RESULTS

MAJOR OCCUPATIONAL ACCIDENTS

CONTACT THERMAL BURN INJURY IN 2023 1 CASE

In addition to adding protective barriers in the UHT area, warning signs were added to production lines, and occupational accident case studies were promoted in meetings to enhance employees' safety awareness.



OCCUPATIONAL DISEASES IN THE PAST 3 YEARS

0 CASE

EMPLOYEE OCCUPATIONAL INJURIES AND OCCUPATIONAL DISEASES

TYPE		2021	2022	2023	IMPROVEMENT DESCRIPTION
Occupational Injury	Slip and Fall	1	2	2	• Pursue equipment safety improvements, improve unsafe equipment environments. • Implement and enforce safety inspections. • Implement organization and tidiness. • Promote traffic safety.
	Burns and scalds	1	1	1	
	Fainting	1	0	0	
	Crush Injury	1	0	0	
	Traffic Accident	2	0	1	
Occupational Disease	Overwork	0	0	0	

ITEM	2021	2022	2023
Occupational Injury	6	3	4
Total Work Hours	1,286,000	1,400,000	1,344,000
Injury Rate (IR) [1]	0.93	0.43	0.60
Occupational Disease Event Total Hours	0	0	0
Total Work Hours	1,286,000	1,400,000	1,344,000
Occupational Disease Rate (ODR) [2]	0	0	0
Total Absence Days	819	2,038.6	1,206.6
Total Working Days	159,476	174,300	166,656
Absence Rate (AR) [3]	128.39	292.40	181.01
Lost Days	120.2	93.2	125.06
Total Working Days	159,476	174,300	166,656
Lost Day Rate (LDR) [4]	18.84	13.37	18.76
Number of Deaths [5]	0	0	0

1) GRI Injury Rate (IR) = Total work injuries / Total work hours × 200,000
2) GRI Occupational Disease Rate (ODR) = Total occupational disease events / Total work hours × 200,000
3) GRI Absence Rate (AR) = Absence days / Total work days × 25,000
4) GRI Lost Day Rate (LDR) = Lost days / Total work days × 25,000
5) Number of deaths due to work-related injuries

LABOR-MANAGEMENT HARMONY



MATERIALITY	LABOR-MANAGEMENT HARMONY
IMPORTANCE TO THE COMPANY	Ensuring employees' job security, increasing company recognition, reducing turnover rates, stabilizing organizational talent and intellectual capital, and improving productivity to promote sustainable development.
POLICY COMMITMENT	• Providing diverse communication channels, ensuring welfare benefits, and creating a safe and secure working environment. • Conducting employee satisfaction surveys, analyzing areas of dissatisfaction, and implementing responsive strategies.
SHORT-TERM GOALS	No employee complaints were reported.
MID TO LONG-TERM GOALS	Establishing a positive work environment that fosters a sense of belonging to the company.
DEVOTE RESOURCES/ CONCRETE RESULTS	• Average welfare payment of TWD 12,099 per employee. • 100% relative allocation for stock trust. • Allocate retirement funds of sufficient amount. • Recognized as a "Happy Enterprise" by a local bank.
GRIEVANCE MECHANISM	Human Resources Department / Employee Complaint & Ethics Reporting Mailbox: taisunhr1999@taisun.com.tw
EVALUATION MECHANISM	In 2023, employee-employer harmony was maintained, with no reported complaints or labor disputes.

Taisun Enterprise is committed to creating harmonious labor-management relations, providing diverse communication channels, welfare care, and a work environment where employees can work with peace of mind. This increases employees' identification with the company, reduces turnover rates, stabilizes organizational manpower and intellectual capital, and improves productivity to promote operational development.

DIVERSE COMMUNICATION CHANNELS AND HUMAN RIGHTS PROTECTION

MATERIALITY	EMPLOYEE DIVERSITY AND EQUALITY
IMPORTANCE TO THE COMPANY	Employee composition should be diverse, and gender equality should not only comply with legal regulations but also provide balanced development and succession.
POLICY COMMITMENT	Announced the "Taisun Declaration of Human Rights Protection"
SHORT-TERM GOALS	• Promotions are not subject to gender restrictions. • Adequate employment of minority groups and persons with disabilities.
MID TO LONG-TERM GOALS	Establishing harmonious labor relations and fostering a friendly workplace environment.
DEVOTE RESOURCES/ CONCRETE RESULTS	• A total of 70 employees received promotions, with 34% being female and 66% male. • Ensuring no gender pay gap by offering equal pay for equal work. • Employed 7 indigenous individuals and 11 persons with disabilities.
GRIEVANCE MECHANISM	Managed by the Human Resources Department / Employee Complaint & Ethics Reporting Mailbox: taisunhr1999@taisun.com.tw
EVALUATION MECHANISM	In 2023, gender equality and diversity were maintained, with no reported complaints or disputes.

The company has formulated and announced the Taisun Declaration of Human Rights Protection, providing a healthy and safe work environment, eliminating illegal discrimination and ensuring equal job opportunities, prohibiting child labor, forced labor, and illegal infringement, respecting privacy, and constructing harmonious labor-management communication. The company has a stable operating situation, and employees have not signed collective agreements with management. When labor-management issues need to be communicated, positive communication methods are used to achieve a balance of labor-management rights and interests. In 2023, labor-management relations were harmonious, with no discrimination complaints or labor disputes.

MANAGEMENT RESULTS

QUARTERLY LABOR-MANAGEMENT MEETINGS

In 2023, four labor-management meetings were held in March, June, September, and December, with more than half of the representatives from both labor and management attending. The 5th term labor representatives for Taisun were re-elected with 5 representatives confirmed. The list of labor representatives for Taisun and Xiweishi Pension Supervision Committee was approved, and consensus was reached on the 2024 calendar year, as well as the promotion of major policies implemented by the Ministry of Labor from January 2023 (such as adjustments to the basic wage).

EMPLOYEE SATISFACTION SURVEY

This year, 357 valid questionnaires were collected, with an effective recovery rate of 85.6%. The overall average satisfaction rate was 67.31%, a decrease of 6.7% compared to 2022. The main reason was that colleagues' overall satisfaction with compensation was significantly lower than the previous year. We appreciate our colleagues' honest expressions and will continue to improve compensation policies to respond to employees' expectations.

ZERO-FEE POLICY FOR MIGRANT WORKERS

Given the increasing international attention to migrant workers' human rights issues and external auditing bodies focusing on suppliers' corporate social responsibility issues. Taisun will implement a zero-fee policy from 2024. The company will pay the fees incurred due to the establishment of employment relationships for migrant workers, fulfilling corporate social responsibility, protecting migrant workers' rights, further complying with suppliers' ethical requirements, and helping our company to become a supplier for international brands.

REGULAR EMPLOYEE WELFARE COMMITTEE MEETINGS

Discussion topics include holiday gifts, committee changes, cultural and recreational activities, and increasing birthday gift amounts in 2024. All proposal contents were approved and implemented.

DIVERSE EMPLOYEE BENEFITS AND HEALTH PROMOTION

EMPLOYEE WELFARE COMMITTEE

Employee Welfare Committee both Taisun Company and Xiweishi Company provide the same benefits to full-time and part-time employees, including welfare subsidies, three major holiday bonuses, and one Labor Day bonus. After the pandemic, cultural and recreational activities have resumed to promote employee interaction.

AVERAGE WELFARE AMOUNT
12,099 TWD/PERSON

ANNUAL UTILIZATION RATE
94.98%

WELFARE ITEM	CONTENT	TWD	UTILIZATION RATE
Welfare Benefits	Marriage, bereavement, housing assistance, child support, etc.	480,000	5.61%
Education Subsidy	Employee children's education subsidy	779,600	9.11%
Leisure & Recreation	Department activities, cultural and community events	3,652,009	42.66%
Others Benefits	Festivals, gifts, and respect for the elderly	3,219,137	37.60%
Total		8,130,746	94.98%

EMPLOYEE DORMITORIES

Accommodation for employees from other counties and cities is provided. There are 14 rooms in the Tianzhong dormitory and 2 rooms in the Yuanlin dormitory. In 2023, 12 people stayed in the Tianzhong dormitory and 2 in the Yuanlin dormitory. Although there are vacant rooms, those who previously received rental subsidies due to full occupancy continue to receive subsidies to respect individual preferences.

CONTINUOUSLY RECOGNIZED AS A "HAPPY ENTERPRISE" BY JOB BANKS



EMPLOYEE STOCK OWNERSHIP TRUST

RELATIVE CONTRIBUTION IN 2023
100%

The Employee Stock Ownership Trust provides a relative contribution of over 30%, and regular employees with more than 2 years of service can apply to join.

VISUALLY IMPAIRED MASSAGE SERVICE

NORTH & CENTRAL REGIONS
701 PARTICIPANTS

REGULAR HEALTH CHECK-UPS

In response to industry characteristics, colleagues in production areas undergo annual health check-ups, food service inspections, and special inspections for noise, radiation, and dust. Other personnel undergo labor health check-ups every two years, which were not conducted in 2023.

SUBSIDIES FOR EMPLOYEE CLUB ACTIVITIES





SAFE PARENTAL LEAVE AND RETURN TO WORK

Employees are legally entitled to equal gender parental leave, paternity leave, and other leave rights. The company supports and encourages employees to apply for unpaid parental leave when they cannot cope with new family members. Before the leave expires, the company actively contacts the individuals to plan their return. In 2023, 6 people applied for parental leave, and 7 people who took parental leave before 2023 returned to work. 5 employees who returned to work remained employed for one year, indicating that Taisun's workplace environment is relatively friendly to employees' childcare needs.

PARENTAL LEAVE AND EMPLOYEE RETENTION

CATEGORY	GENDER	2021	2022	2023
Number of Employees Eligible for Parental Leave	Male	9	8	9
	Female	8	6	7
Number of Employees Applying for Parental Leave	Male	0	5	3
	Female	3	10	3
Number of Employees Should Return to Work after Parental Leave (A)	Male	0	2	3
	Female	3	10	4
Number of Employees Who Actually Returned to Work after Parental Leave (B) (Including Early Returns)	Male	0	1	3
	Female	2	7	4
Return-to-work Rate (B/A)	Male	0%	50%	100%
	Female	67%	70%	100%
Number of employees still employed 12 months after returning from parental leave in the previous year (C)	Male	0	0	1
	Female	3	0	4
Retention rate (C/previous year's B)	Male	0	0	33%
	Female	150%	0%	100%

RETURN TO WORK RATE
100%

MALE RETENTION RATE
33%

FEMALE RETENTION RATE
100%



BALANCING NEW HIRES & RESIGNATIONS

In response to the company's new production line construction, there was a larger increase in personnel in 2023. Additionally, management trainees were recruited to prepare for the succession of retiring personnel. Local employee recruitment is conducted in different ways according to regional and job requirements, effectively reducing turnover rates. We develop comprehensive pre-employment training plans for new employees, with HR assigning personnel to conduct pre-employment training. Regular care interviews and guidance are conducted to help new employees adapt quickly. Furthermore, exit interviews are arranged for resigning employees to understand the reasons in depth and provide timely feedback to supervisors. Suggestions from departing employees are also incorporated into the overall improvement plan evaluation.

NUMBERS AND PERCENTAGE OF NEW HIRES AND RESIGNATIONS

		2021		2022		2023	
NEW HIRES		Person	New hire rate[1)]	Person	New hire rate	Person	New hire rate
Age group	Under age 30	20	3.06%	38	5.62%	33	4.91%
	30-50	52	7.95%	67	9.91%	74	11.01%
	Over age 50	4	0.61%	8	1.18%	13	1.93%
Gender	Male	49	7.49%	66	9.76%	66	9.82%
	Female	27	4.13%	47	6.95%	54	8.04%
Education	Graduate	8	1.22%	16	2.37%	14	2.08%
	College	45	6.88%	65	9.62%	77	11.46%
	Others	23	3.52%	32	4.73%	29	4.32%
RESIGNATIONS		Person	Turnover rate[2)]	Person	Turnover rate	Person	Turnover rate
Age group	Under age 30	16	2.45%	28	4.14%	20	2.98%
	30-50	29	4.43%	44	6.51%	64	9.52%
	Over age 50	19	2.91%	12	1.78%	35	5.21%
Gender	Male	41	6.27%	54	7.99%	74	11.01%
	Female	23	3.52%	30	4.44%	45	6.70%
Education	Graduate	9	1.38%	6	0.89%	15	2.23%
	College	30	4.59%	52	7.69%	76	11.31%
	Others	25	3.82%	26	3.85%	28	4.17%

1) New hire rate = (Total number of new hires in the specific category for the year / Total number of employees for the year) * 100%
2) Turnover rate = (Total number of resignations in the specific category for the year / Total number of employees for the year) * 100%

REVITALIZING THE RETIREMENT SYSTEM

The company's old pension system, based on Article 56 of the Labor Standards Act, has fully allocated funds. As of the end of 2023, the account balance of TWD 121,206,165 far exceeds the requirements. To protect employees' future retirement rights, 2% of the total salary is still continuously allocated to the retirement preparation fund account at the Bank of Taiwan. Considering that the account has reached an excess reserve, based on revitalizing retirement management and taking into account operational needs, manpower requirements, and succession, employees with more than 30 years of service under the old system are consulted on their willingness to retire and settle their years of service before being re-employed. This allows employees to use their retirement funds in advance, continue working, and enjoy the new labor pension system contributions.

COMPETITIVE MARKET POSITION

Salary levels directly affect individual, organizational, and national economies. Providing wages above the minimum standard benefits the economic welfare of workers in organizational activities. Gender pay equality and the proportion of managerial appointments are indicators of an organization's implementation of equal opportunities in the workplace, helping all employees focus on their work and jointly create better operational performance for the company.

Taisun focuses its management goals on the proportion of local workers, the salaries of full-time non-managerial employees, the overall ratio of female to male employee average compensation, and the proportion of local senior executives. Through local hiring, it promotes Taiwan's social development and the company's long-term stable operations.

MANAGEMENT ACTION FOR BUILDING MARKET POSITION

1. SALARY SYSTEM AND EQUAL PROMOTION

Due to manufacturing industry characteristics and labor market factors, the majority of Taisun's management and technical workforce are male, resulting in slightly higher overall compensation than for females. We are committed to the goal of increasing the compensation for female employees. The compensation system is designed based on the company's operational performance and its relation to employee salaries, with internal balance and industry standards as review criteria. Promotions and salary adjustments are fairly and reasonably reviewed based on performance.

Taisun's promotion system does not use gender as an evaluation criterion; employees enjoy equal promotion opportunities. In 2023, 70 promotions were awarded, with female employees accounting for about 34% and male employees about 66%. Due to the implementation of multi-skilled worker training on production lines and more promotions in the sales system, the overall male ratio is higher. After promotion, different functional needs are addressed with layered, systematic training to enhance managerial knowledge and skills for supervisory personnel, and professional knowledge and abilities for non-supervisory personnel.

The company implements performance evaluations based on fair and just principles, viewing evaluation results as an important starting point for talent development. The achievement of goals is summarized as a basis for year-end bonuses, salary adjustments, job rotations, and training, to motivate all employees to continue their efforts. In 2023, 601 full-time employees were subject to evaluation, with 601 actually participating.

2023 EMPLOYEE ASSESSMENT STATISTICS

CATEGORY*		NUMBER OF EMPLOYEES ASSESSED	NUMBER OF EMPLOYEES	PERCENTAGE
Gender	Male	343	372	92.20%
	Female	258	276	93.48%
Type of Contract	Direct	182	190	95.79%
	Indirect	419	458	91.48%

* Employees who have been employed for less than three months, contract employees, and those not required to undergo performance appraisal are excluded from the employee performance evaluation.

ACTUAL EVALUATION RATE

100%

2. DIVERSE AND EQUAL EMPLOYMENT

We encourage and support appropriate employment for socially disadvantaged groups. In 2023, we employed 7 minority group members (such as Taiwan's indigenous people) and 11 persons with disabilities. Taisun firmly believes in equal opportunity and strives to reduce employment difficulties for disadvantaged groups, eliminating barriers to their entry into the workplace, thereby ensuring their economic livelihood.

There were no related inequality complaints in 2023.

3. LOCAL HIRING

There were no major layoffs due to operational downsizing or dissolution in 2023. We adhere to the principle of prioritizing local labor hiring, only employing foreign workers for a few hard-to-fill positions. Therefore, foreign workers account for only 2.9% of all full-time employees, and 100% of senior executives are local hires.

MARKET POSITION MANAGEMENT RESULTS

Due to manufacturing industry characteristics and work environment, technical and physically demanding positions are often filled by males, so these positions usually have higher salaries than female positions and larger increases during salary adjustments. Through improving systems, enhancing welfare policies, and other multi-faceted efforts, we continue to promote gender equality and fair compensation principles.

FEMALE TO MALE BASIC SALARY PLUS REMUNERATION RATIO

CATEGORY[1]		2021		2022		2023	
		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Direct	Basic Salary[2]	1.04	1	1.04	1	0.99	1
	Remuneration[3]	1.04	1	1.07	1	1.21	1
Indirect	Basic Salary	1.16	1	1.22	1	1.10	1
	Remuneration	1.27	1	1.37	1	1.20	1

1) Based on Taiwan as the primary operating location.

2) Basic salary is the minimum fixed amount paid to employees for performing their duties, excluding any additional compensation.

3) Remuneration is the basic salary plus additional amounts paid to workers: "additional amounts paid to workers" include seniority allowances, bonuses (including cash and equity), benefits, overtime pay, compensatory time off, and any other allowances (such as transportation allowances, living allowances, and childcare allowances).

ENTRY-LEVEL EMPLOYEE[1] STANDARD WAGE TO LOCAL MINIMUM WAGE RATIO



1) Entry-level employees refer to full-time employees in the company's internal human resources system, such as direct personnel, technicians, and operators, excluding interns or dispatched personnel.

2) Standard wage is the monthly wage provided to entry-level full-time personnel (defined as regular wages in the Labor Standards Act).

NON-MANAGEMENT FULL-TIME EMPLOYEE SALARIES

Due to decreased profits in 2023 compared to 2022, both the average and median for non-managerial positions decreased.

	2022	2023	DIFFERENCE
Total Number of Full-time Employees	514	517	+3
Average Salary*	1,049,000	595,000	-454,000
Median Salary*	853,000	547,000	-306,000

* Disclosed in accordance with the "Regulations Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies" issued by the Taiwan Stock Exchange, the information for 2022 and 2023 was audited by KPMG and Ernst & Young, respectively.

TRAINING & RECOGNITION

Employee training and recognition contribute to enhancing employees' identification with the company, ensuring that the right talents are retained and that their professional skills are continuously improved. This also supports the development of their expertise, enabling them to contribute effectively. Especially in alignment with the company's strategic development, it strengthens the organizational culture and highlights the company's functional characteristics, thereby creating a vibrant and dynamic team.

COMPREHENSIVE AND FLEXIBLE EDUCATION TRAINING

Every year, in response to the company's strategies and departmental needs, we conduct surveys and analyses on training needs and allocate budgets accordingly. We offer a comprehensive range of training programs, tailored to different levels, including strategic courses, management competency courses, professional skill courses, general courses, and new employee orientation. As the external environment evolves, nurturing and passing on knowledge and skills equip the company to face challenges more flexibly challenges. A culture of continuous learning helps employees enhance their adaptability and innovative capabilities, enabling them to more effectively respond to market changes.

In the past few years, due to the pandemic, Taisun has actively promoted online courses, enabling employees to learn flexibly without being constrained by time or location, using computers, mobile phones, and other mobile devices. This approach enhances the convenience and accessibility of learning. Through targeted training, the company demonstrates its commitment to the future development of its employees, improving satisfaction and loyalty, and reducing talent turnover.

- In alignment with the company's strategy, we conducted educational and awareness programs on the "Procedures for Integrity Management and Guidelines for Conduct," "Insider Trading Prevention Management Procedures," "Human Rights Protection Declaration," "Sexual Harassment Complaint and Handling Procedures," and the "Prevention Plan for Illegal Harm during Duty Execution." These programs are designed to prevent employees from unintentionally or intentionally violating laws and regulations, which could lead to litigation or damage to the company's reputation.
- To address cross-generational succession and transition, we held "Cross-Generational Management Courses" to help managers understand new-generation talent management thinking and establish effective communication.
- To enhance supervisors' sensitivity to common workplace crises, identify employees requiring high levels of care, detect early signs of potential issues, increase retention rates, and improve supervisors' care techniques and handling abilities, we organized "Employee Care and Problem-Solving Courses."
- To strengthen the management capabilities of junior supervisors, improve problem-solving skills, effectively cultivate leadership in subordinates, promote teamwork and execution, and enhance team performance, we offered "MTP Management Training Courses for Junior Supervisors."
- To enhance employees' office computer skills, improve project quality, and increase work efficiency, we conducted "M365 Basic Courses," "Basic Presentation Layout Skills Courses," and "Essential EXCEL Skills for the Office."
- We implemented health and safety workplace education and training, including occupational safety and health courses for new employees, workplace safety protection education, health lectures, and other general courses, promoting awareness of workplace safety and health knowledge among employees.
- To foster good online learning habits among employees, we continuously provide digital learning resources (CommonWealth Leader Campus) as online learning resources to enhance management competencies, introduce new thinking, cultivate trend insight abilities, and foster the habit of microlearning anytime, anywhere. Additionally, through the "Quarterly Learning Award" and "Annual Learning King" learning reward mechanisms, we significantly enhanced employees' self-directed learning habits, creating a positive environment of competition and model learning, ultimately achieves talent development and promotes a culture of shared learning.





RECOGNITION OF TAISUN STAR

The Taisun Star program, initiated in 2007, aims to recognize employees and teams that show continuous improvement and deliver results. This year marks the 17th edition. Under the mechanism of limited nominations and awards, 12 teams and individual representatives from various departments participated in the selection process in 2023. Nominees presented their key success factors to the evaluation committee, allowing the General Manager and committee members to closely acquaint themselves with all the nominated outstanding employees. Following a fair and transparent selection process, the best practices were shared and recognized publicly, further refining employees' work methods and attitudes.



NUMBER OF AWARDED GROUPS

12 GROUPS

ANNUAL TRAINING COURSE EXECUTION RESULTS

CATEGORY		2021	2022	2023
Gender[1]	Female	16.5	22.2	50.9
	Male	15.1	21.1	27.9
Type of Contract[2]	Direct	11.5	13.2	17.7
	Indirect	17.4	25.2	45.8
Average Training Hours per Employee[3]		15.6	21.6	37.4

1) Average Training Hours per Female/Male Employee: The total training hours for female/male employees during the year divided by the total number of female/male employees at the end of the year.
2) Average Training Hours by Job Category: The total training hours for employees in a specific category during the year divided by the total number of employees in that category at the end of the year.
3) Average Training Hours per Employee: The total training hours for all employees during the year divided by the total number of employees at the end of the year.

INCREASE IN AVERAGE TRAINING HOURS

15.8 HOUR/PERSON

In the era of the knowledge economy, talent development is the foundation for a company's sustainable operation and growth. By organizing in-person courses and introducing online learning platforms, the integration of virtual and physical learning ensures continuous learning for everyone, resulting in a significant increase in the average training hours.

MUTUALISTIC SYMBIOSIS IN ACTION

Taisun has been a long-term supporter of cultural development, including sponsoring concerts, music performances, New Year's Eve events, and providing financial or product support. The company actively supports traditional cultural heritage through events such as the Dajia Mazu International Tourism and Cultural Festival, the Baishatun Mazu Pilgrimage, the Changhua Ershui International Water Running Festival, and the Chinese New Year Calligraphy Event. Additionally, Taisun collaborates with designers on product visual designs, fostering creative cross-industry collaborations between the arts and the food industry. The Taisun Cultural Foundation has also been promoting cultural education for many years, organizing dozens of free lectures on parenting education and life education, and partnering with the Beautiful Life TV station to produce and broadcast programs.

SPORTS SPONSORSHIPS AND LOCAL EVENT SUPPORT

1. SUPPORT FOR LOCAL INTERNATIONAL EVENTS

The "Taiwan Rice Barn Tianzhong Marathon" is the biggest annual event in Tianzhong, known for its local gourmet offerings provided by the enthusiastic community, turning the marathon into a local cultural festival. Taisun has been the main sponsor of the "Taiwan Rice Barn Tianzhong Marathon" for 12 consecutive years and has participated in the "Ershui Water Running Marathon" for 7 consecutive years, providing sponsorships including bottled water, Eight-Treasure Congee, other supplies, and financial support. In 2023, Taisun sponsored a total of 3,499 boxes of products, with over 160 employees and their family members participating in the event.



PRODUCTS SPONSORED
3,499 BOXES

NUMBER OF PARTICIPANTS
(Employees and their families)
160 PERSONS

SPONSORSHIP AMOUNT AND PRODUCTS OVER
TWD 819 MILLION

2. SPORTS SPONSORSHIPS

Taisun actively sponsors products or provides financial support for domestic sports teams and various sporting events. These include the "Care Cup" organized by the Taiwan Baseball Association, the basketball teams of Taisun Elementary/Junior High/High School, the CTFA Chinese Football Association events, the CPBL Chinatrust Brothers team, T1 League events, SBL Changhua Biliv team, Merida Cycling events, and the WayPoint Triathlon Challenge.





PRODUCTS SPONSORED
1,735 BOXES

3. SUPPORT FOR LOCAL FRIENDLY ACTIVITIES

In 2023, Taisun supported various local events, including the Tianzhong New Year's Eve Party and the Xiaotian Daozhan Christmas Thanksgiving Market. In total, Taisun supported 19 local organizations and 27 events.



SPRING COUPLETS GIFTED
330 SETS

4. CHINESE NEW YEAR CALLIGRAPHY AND SPRING COUPLETS

Every year before the Chinese New Year, Taisun invites calligraphy teachers to the Tianzhong plant to write spring couplets, which are then gifted to the local community in Tianzhong.



DEEPENING EDUCATIONAL & CULTURAL ROOTS PROMOTING POSITIVE VALUES

REMOTE COURSES IN RURAL AREAS

19 SESSIONS

410 PARTICIPANTS

IN-PERSON COURSES AT TIANZHONG ELEMENTARY SCHOOL

2 SESSIONS

132 PARTICIPANTS

1. GOOD FOOD KNOWLEDGE+

Taisun, leveraging its expertise in the food industry, is dedicated to promoting food safety education by conveying accurate food information to the public. Continuing from the remote courses in rural areas conducted in 2022, Taisun has persisted in its collaboration with the Digital Humanitarian Association. The partnership aims to disseminate food knowledge to remote tribal areas via digital video conferencing. In 2023, the initiative was further enhanced by converting these digital courses into in-person sessions. The Taisun team visited elementary schools in the Tianzhong region, using engaging and interactive lesson plans to impart food-related knowledge, thereby laying the foundation for food safety education from a young age and fostering healthy eating habits among schoolchildren.



2. TAISUN CULTURAL FOUNDATION

Since its inception, the Taisun Cultural Foundation has been committed to promoting life education and spiritual growth. The Foundation organizes public lectures and courses in the Greater Taipei area and Changhua County, as part of its efforts to give back to society. In recent years, due to the challenges posed by the COVID-19 pandemic, these lectures have transitioned to a hybrid format, combining both online and in-person sessions. This approach has allowed a broader audience to participate in and benefit from personal and spiritual development initiatives.

PSYCHOLOGICAL WELL-BEING LECTURES

24 EVENTS 19,490 PARTICIPANTS

Taisun has been actively involved in organizing lectures such as "Smart Living" and "Book-Loving Changhua," focusing on the holistic well-being of the public, including physical, mental, and spiritual health, as well as fostering a culture of reading. In collaboration with Beautiful Life TV, Taisun produces programs on personal growth and parenting, selecting 15 sessions each year to be broadcast on the Beautiful Life TV channel for nearly three months at the end of the year. These broadcasts reach audiences across five continents and are also made available on the website, YouTube, and other online platforms for on-demand viewing.

PARENT-TEACHER LECTURES & PARENT-CHILD READING SESSIONS

21 EVENTS 7,260 PARTICIPANTS

Taisun also organizes campus parenting lectures such as "True Love Family," "Character and Discipline," and "Career Navigation," along with courses like "Spiritual Garden: Parents' Growth Reading Club." These initiatives are designed to help parents improve themselves through learning, enabling them to become the best role models and sources of encouragement for their children.

LIFE EDUCATION LECTURES & WORKSHOPS

12 EVENTS 3,723 PARTICIPANTS

The "Teacher Life Education Workshop" is aimed at educators, focusing on the transmission of life education and enhancing classroom management skills. These workshops help teachers rediscover their passion and inspiration for teaching. Additionally, the "Life Warriors Tell Their Stories" series invites individuals who have overcome significant life challenges to share their journeys with students, instilling in them the seeds of resilience and perseverance in the face of adversity.

"READING TOGETHER" TREE PLANTING PROJECT

275,053 LAPS

To encourage reading in schools, Taisun has launched an initiative where each lap run by teachers and students around the track is matched by a donation of TWD 1 to the school's library fund. This fund supports the promotion of reading and provides assistance to disadvantaged students, thereby fostering a culture of reading and caring within the school community.

SOCIAL PROSPERITY AND CARING FOR THE DISADVANTAGED

PET BOTTLES RECYCLED

96 KG

DONATION OF EIGHT-TREASURE CONGEE TO TAIWAN FUND FOR CHILDREN & FAMILIES

100 BOXES

DISTRIBUTION OF TAISUN PRODUCTS ALONG THE PILGRIMAGE ROUTE

200 BOXES

DONATION OF EIGHT-TREASURE CONGEE TO DISADVANTAGED GROUPS

73 BOXES

SCHOLARSHIPS FOR UNDERPRIVILEGED STUDENTS

262 CASES

1. RECYCLING PET BOTTLES FOR CHARITY

Since 2022, Taisun has responded to the Tianzhong Marathon's sustainability concept by initiating a campaign to recycle PET bottles for next year's running shirts. Additionally, for every 1 kg of PET bottles recycled, 1 box of Eight-Treasure Congee is donated to the Taiwan Fund for Children and Families, helping disadvantaged families feel the warmth of social support.



2. DAJIA MAZU PILGRIMAGE: 1,752 KM FOR CHARITY

For five consecutive years, Taisun has cooperated with Dajia Zhenlan Temple, setting up stalls along the Dajia Mazu pilgrimage route to serve devotees. They also initiated an employee walking campaign where 1 can of Eight-Treasure Congee is donated for every 1 km walked. A total of 74 participants joined the flash mob stalls and charity walk.





3. LITTLE TAISUN SCHOLARSHIP

The Taisun Foundation has long supported the education of underprivileged students, awarding scholarships to help students from poor families or those facing emergencies overcome difficulties.



APPENDIX



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GRI INDEX

Usage Statement: Our company has reported in accordance with the GRI Standards for the period from January 1, 2023, to December 31, 2023, following the applicable GRI sector standards for the food industry which are not yet published.

▶ Materiality

GRI STANDARD	DISCLOSURE		REFERENCES AND COMMENTS	PAGE
GRI 2: GENERAL DISCLOSURES 2021				
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	2-3	Reporting period, frequency, and contact	Report Boundary and Issuance Information	5
	2-4	Restatements of information	Report Boundary and Issuance Information	5
	2-5	External assurance	Assurance Verification	5
Activities and Workers	2-6	Activities, value chain, and other business relationships	About This Report Maintaining Stability Production and Sales amid Environmental Challenges	4 28
	2-7	Employees	Employee Overview	78-79
	2-8	Workers who are not employees	Employee Overview	78-79
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	2-10	Nomination and selection of the highest governance body	Selection, Structure & Tenure of Board Members	16-18
	2-11	Chair of the highest governance body	Selection, Structure & Tenure of Board Members	16-18
	2-12	Role of the highest governance body in overseeing the management of impacts	Selection, Structure & Tenure of Board Members	16-18
	2-13	Delegation of responsibility for managing impacts	ESG Sustainability Development Committee	6
	2-14	Role of the highest governance body in sustainability reporting	ESG Sustainability Development Committee	6
	2-15	Conflicts of interest	Principle of Director Interest Avoidance	21
	2-16	Communication of critical concerns	Communication of Critical Concerns	21
	2-17	Collective knowledge of the highest governance body	Director Training	21
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	2-19	Remuneration policies	Remuneration Committee	25
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	2-21	Annual total compensation ratio	Data not public for confidentiality reasons	-
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	2-23	Policy commitments	ESG Work Strategy Ethical Management	8 19
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GRI 3: Material Topics 2021	3-3	Management of material topics	Financial Performance	29
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Profit Results and Structure	30-31
	201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Risks and Opportunities	60-65
	201-3	Defined benefit plan obligations and other retirement plans	Diverse Employee Benefits and Health Promotion Revitalizing the Retirement System	85 87
	201-4	Financial assistance received from government	No Relevant Subsidies in 2023	-
MARKET POSITION				
GRI 202: Market Position 2016	202-1	Ratio of standard entry level wage by gender compared to local minimum wage	Salary System and Equal Promotion	88
	202-2	Proportion of senior management hired from the local community	Local Hiring	89
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GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Domestic Procurement Management: Management Results, Local Procurement of Suppliers International Procurement Management: Soybean and Vegetable Oil Raw Material Procurement	52 53
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GRI 3: Material Topics 2021	3-3	Management of material topics	Ethical Management	19
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	Ethical Management	19
	205-2	Communication and training about anti-corruption policies and procedures	Ethical Management	19
	205-3	Confirmed incidents of corruption and actions taken	No Corruption Incidents in 2023	-
ENVIRONMENTAL DIMENSION				
ENERGY				
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Factory Management Status	72-74
	302-2	Energy consumption outside of the organization	To Be Disclosed After Establishing a Complete Management System	-
	302-3	Energy intensity	Factory Management Status	72-74
	302-4	Reduction of energy consumption	Factory Management Status	72-74
	302-5	Reduction in energy requirements of products and services	Factory Management Status	72-74

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GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Water Resources Management and Wastewater Discharge	69-71
	303-2	Management of water discharge-related impacts	Water Resources Management and Wastewater Discharge	69-71
	303-3	Water withdrawal	Water Resources Management and Wastewater Discharge	69-71
	303-4	Water discharge	Water Resources Management and Wastewater Discharge	69-71
	303-5	Water consumption	Water Resources Management and Wastewater Discharge	69-71
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GRI 305: Emissions 2016	305-1	Direct (scope 1) GHG emissions	GHG Emissions Management	74
	305-2	Energy indirect (scope 2) GHG emissions	GHG Emissions Management	74
	305-3	Other indirect (scope 3) GHG emissions	To Be Disclosed After Establishing a Complete Management System	-
	305-4	Ghg emissions intensity	GHG Emissions Management	74
	305-5	Reduction of GHG emissions	GHG Emissions Management	74
	305-6	Emissions of ozone-depleting substances (ODS)	No relevant emissions	-
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Gas Emission Reduction	75
WASTE				
GRI 3: Material Topics 2021	3-3	Management of material topics	Reducing the Environmental Impact of Waste	66
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Reducing the Environmental Impact of Waste	66-68
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	306-3	Waste generated	Reducing the Environmental Impact of Waste	66-68
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GRI 3: Material Topics 2021	3-3	Management of material topics	Sustainable Supplier Management	50
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Domestic Procurement Management	50-52
	308-2	Negative environmental impacts in the supply chain and actions taken	Domestic Procurement Management	50-52
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EMPLOYMENT RELATIONS (LABOR-MANAGEMENT HARMONY)				
GRI 3: Material Topics 2021	3-3	Management of material topics	Labor-Management Harmony	83
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Balancing New Hires & Resignations	87
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Diverse Employee Benefits and Health Promotion Revitalizing the Retirement System	85 87
	401-3	Parental leave	Safe Parental Leave and Return to Work	86

GRI STANDARD	DISCLOSURE		REFERENCES AND COMMENTS	PAGE
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GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	No Relevant Changes and Notices	-
OCCUPATIONAL HEALTH & SAFETY				
GRI 403: Occupational Health and Safety 2018	403-1	Occupational Health and Safety Management System	Major Risk Control Items	80
	403-2	Hazard Identification, Risk Assessment, and Incident Investigation	Management Results	82
	403-3	Occupational Health Services	Management Action	80-81
	403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	Management Results	82
	403-5	Worker Training on Occupational Health and Safety	Management Action	80-81
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	403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	Management Action	80-81
	403-8	Workers Covered by an Occupational Health and Safety Management System	Each Plant Operates According to Safety Codes, Not Entire Company Management System	-
	403-9	Work-related Injuries	Management Results	82
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GRI 404: Training and Education 2016	404-1	Average Hours of Training per Year per Employee	Annual Training Course Execution Results	91
	404-2	Programs for Upgrading Employee Skills and Transition Assistance Programs	Revitalizing the Retirement System Annual Training Course Execution Results	87 91
	404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	Management Action to Build Market Position	88-89
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GRI 3: Material Topics 2021	3-3	Management of Material Topics	Labor-Management Harmony	83
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of Governance Bodies and Employees	Selection, Structure & Tenure of Board Members Employee Overview	16-18 78-79
	405-2	Ratio of Basic Salary and Remuneration of Women to Men	Market Position Management Results	89
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GRI 3: Material Topics 2021	3-3	Management of material topics	Diverse Communication Channels and Human Rights Protection	84
GRI 406: Non-discrimination 2016	406-1	Incidents of Discrimination and Corrective Actions Taken	Diverse Communication Channels and Human Rights Protection Management Action for Building Market Position	84 88-89
CHILD LABOR				
GRI 408: Child Labor 2016	408-1	Operations and Suppliers at Significant Risk for Incidents of Child Labor	Diverse Communication Channels and Human Rights Protection	84
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GRI 411: Indigenous Rights 2016	411-1	Incidents of Violations Involving Rights of Indigenous Peoples	Management Action for Building Market Position: Diverse and Equal Employment	88
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GRI 414: Supplier Social Assessment 2016	414-1	New Suppliers That Were Screened Using Social Criteria	Domestic Procurement Management	50-52
	414-2	Negative Social Impacts in the Supply Chain and Actions Taken	Domestic Procurement Management	50-52
CUSTOMER HEALTH AND SAFETY				
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Ensuring Customer Health & Safety	40
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the Health and Safety Impacts of Product and Service Categories	Acceptance of External Audits and Certificatuons	47
	416-2	Incidents of Non-compliance Concerning the Health and Safety Impacts of Products & Services	Grasping Regulatory Updates and Updating Standards	48-49
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GRI 417: Marketing and labeling 2016	417-1	Requirements for Product and Service Information and Labeling	Product Labeling	46
	417-2	Incidents of Non-compliance Concerning Product and Service Information and Labeling	Product Labeling	46
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GRI 3: Material Topics 2021	3-3	Management of Material Topics	Information Security Management	33
GRI 418: Customer Privacy 2016	418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	Information Security Management	33-34
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GRI 3: Material Topics 2021	3-3	Management of material topics	Regulatory Compliance	35
GRI 2: General Disclosures	2-27	Non-compliance Incidents in the Year	Regulatory Compliance	35-36
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GRI 3: Material Topics 2021	3-3	Management of material topics	Corporate Governance	15
Custom Theme	-	Ranked in the Top Ten of Corporate Governance Evaluations Among Listed Companies in the Industry	Corporate Governance	15-16
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GRI 3: Material Topics 2021	3-3	Management of material topics	Track and Trace	45
Custom Theme	-	Simulated Recycling Tests Completed Within 2 Hours	Track and Trace	45

SASB INDEX

SUSTAINABLE ACCOUNTING STANDARDS FOR PROCESSED FOODS

TOPIC	CODE	ACCOUNTING METRIC	UNIT OF MEASURE	REFERENCES	PAGE
Energy Management	FB-PF-130a · 1	(1) Total Energy Consumed (2) Percentage Grid Electricity (3) Percentage Renewable Energy	Gigajoules (GJ), Percentage (%)	Factory Management Status	72-74
Water Resources Management	FB-PF-140a · 1	(1) Total Water Withdrawn (2) Total Water Consumed; Percentage in Areas of High or Extremely High Water Stress	Cubic Meters (m^3), Percentage (%)	Water Resources Management and Wastewater Discharge	69-71
	FB-PF-140a · 2	Number of Non-compliance Incidents Related to Water Quality and Quantity (e.g., Violations of Regulations, Policies, or Standards)	Number	No violations	-
	FB-PF-140a · 3	Assess the risks involved in the management of water resources (including water intake, usage, and discharge) and explain the strategies and practices to mitigate these risks	N/A	Water Resources Management and Wastewater Discharge	69-71
Food Safety	FB-PF-250a · 1	Non-conformance Rate and Related Corrective Actions of Certifications/Standards Recognized by Audits of Global Food Safety Initiative (GFSI): Disclosure by Severity	Ratio	No violations	-
	FB-PF-250a · 2	Percentage of Cost of Raw Materials from Tier 1 Suppliers Complying with GFSI Recognized Food Safety Certification Standards	Cost Percentage (%)	Domestic Procurement Management: Local Procurement of Suppliers	52
	FB-PF-250a · 3	(1) Number of penalties and violations related to food (2) Percentage of improvements	Number, Percentage (%)	Grasping Regulatory Updates and Updating Standards	48-49
	FB-PF-250a · 4	(1) Number of food recalls and recoveries (2) Total volume of recalled and recovered food	Number, Tons (t)	Grasping Regulatory Updates and Updating Standards	48-49
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	FB-PF-260a · 2	How to identify and manage consumer discussions regarding health and nutrition products and ingredients	N/A	Health-Oriented New Products	41
Product Labeling & Sales	FB-PF-270a · 1	Percentage of Advertising Audience that are Children	Percentage (%)	No Related Promotion Marketing	-
	FB-PF-270a · 2	Revenue from (1) GMO and (2) Non-GMO Products	Reporting Currency	Product Labeling	46
	FB-PF-270a · 3	Number of violations of industry standards or regulations related to product labeling or sales	Number	Product Labeling	46
	FB-PF-270a · 4	Amount of financial loss due to legal actions related to product labeling or sales	Reporting Currency	Product Labeling	46

TOPIC	CODE	ACCOUNTING METRIC	UNIT OF MEASURE	REFERENCES	PAGE
Packaging Life Cycle Management	FB-PF-410a · 1	(1) Total Weight of Packaging/Packaging Materials Purchased (2) Percentage Made from Recycled or Renewable Materials (3) Percentage Recyclable, Reusable, or Compostable	Tons (t), Percentage (%)	Domestic Procurement Management: Raw Material Acceptance Status	52
	FB-PF-410a · 2	Explanation of how to reduce the environmental impact of packaging throughout its life cycle	N/A	No relevant report for 2023	-
Supply Chain Environmental and Social Impact	FB-PF-430a · 1	Percentage of Raw Materials from Tier 1 Suppliers Verified by Third-Party Environmental or Social Standards	Cost Percentage (%)	Domestic Procurement Management: Local Procurement by Suppliers	52
	FB-PF-430a · 2	Supplier social and environmental responsibility audit results based on external standards or codes of conduct: (1) Non-compliance rate (2) Corrective action rates for major and minor non-compliances	Percentage	No relevant report	-
Material Procurement	FB-PF-440a · 1	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	Cost Percentage (%)	Domestic Procurement management: 4. Management Results	52
	FB-PF-440a · 2	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	N/A	Sustainable Supplier Management	50
Operational Indicators	FB-PF-000 · A	Weight of Products Sold	Tons (t)	Maintaining Stability Production and Sales amid Environmental Challenges	28
	FB-PF-000 · B	Number of manufacturing plants	Number	Maintaining Stability Production and Sales amid Environmental Challenges	28

SDGS INDEX

SDGS	TAISUN'S WORK CONTENT AND DIRECTION	REFERENCES	PAGE
	Taisun is committed to developing products that are both healthy and nutritious, continuously moving towards reduced sugar and fewer additives, using simple and healthy ingredients to meet consumer demands.	Health-Oriented New Products	41
	We aim to leverage the power of the food industry to supplement the nutritional needs of disadvantaged groups, thereby realizing the social value of our products.	Mutualistic Symbiosis in Action	92-95
	In 2023, due to the addition of new production lines at our manufacturing plant, the number of personnel increased significantly. Additionally, we recruited reserve managers to ensure the transfer and cultivation of knowledge as senior staff approach retirement. Please refer to: The Numbers and Percentage of New Hires and Resignations.	Balancing New Hires & Resignations	87
	In 2023, the total water intake was 744.76 tons, total wastewater discharge was 397.88 tons, and total water consumption was 346.88 tons. Compared to the previous year, the water intake decreased by 17.44 tons, and wastewater discharge decreased by 72.77 tons.	Water Resources Management and Wastewater Discharge	69-71
	In 2023, Taisun employed 7 individuals from minority groups (such as Taiwan's indigenous people) and 11 individuals with disabilities. We firmly believe that everyone should have equal opportunities and are committed to reducing employment barriers for disadvantaged groups, thereby ensuring that their economic livelihoods are secured.	Management Action for Building Market Position 2.Diverse and Equal Employment	88
	Taisun has established and published the "Taisun Declaration of Human Rights Protection" which ensures a healthy and safe working environment, prohibits unlawful discrimination, ensures equal employment opportunities, prohibits the use of child labor, bans forced labor, prohibits illegal infringement, respects privacy, and fosters harmonious labor-management communication.	Multiple Communication Channels and Human Rights Protection	84
	Taisun operates in compliance with the law and utilizes an occupational safety and health management system to prevent major occupational injuries, identify hazards, assess risks, and investigate accidents. Providing occupational health services and training to promote a healthy working environment.	Occupational Safety Hazard Prevention and Health Promotion	80-82
	Taisun actively implements three main goals for waste management: Minimize waste production, maximize resource recycling, and optimize vendor management.	Reducing the Environmental Impact of Waste	66-68
	Taisun identifies the operational risks posed by climate change and discloses climate-related risks and opportunities in accordance with the TCFD (Task Force on Climate-related Financial Disclosures). We assess the impacts and take adaptive measures to mitigate these risks.	Climate Change Risks and Opportunities	60-65

SUSTAINABILITY DISCLOSURE INDICATORS

FOOD INDUSTRY AND FOOD SERVICE REVENUE AS A PERCENTAGE OF TOTAL OPERATING REVENUE EXCEEDING 50%

DISCLOSURE	UNIT OF MEASURE	DETAILS	REFERENCES	PAGE
An assessment and improvement of food hygiene, safety, and quality, focusing on personnel, workplace operations, facility hygiene management, and quality assurance systems. This includes the major products and service categories affected and the corresponding percentages.	Quantitative/ Qualitative Ratio (%)	Taisun's quality assurance team comprises 35 members, 86% of whom have food science backgrounds, influencing 100% of production lines.	Laboratory Management: 3. Talent Training	43
		Total external professional training hours: 242 hours. Internal food safety training hours: 1,620 hours, affecting 100% of all food production lines.	Laboratory Management: 3. Talent Training	43
		2023 External Training Courses Related to Product Assurance	Laboratory Management: 3. Talent Training	43
		Before slaughtered pigs are sent to the meat market, veterinarians from the Central Livestock Association inspect the slaughter hygiene, ensuring it meets standards before being sold to consumers. Beidou Ranch was recognized with an excellence award among 611 hog farms in Changhua County for its meticulous management of the pigsty environment, hog health, and enhancement of staff skills. This comprehensive management approach impacts 100% of the pork product categories sold.	Third-Party Recognition of Management Performance	56-57
Number and Categories of Violations Involving Product and Service Health and Safety Regulations, Non-compliance with Product and Service Information and Labeling Regulations, Product Recalls, and Total Weight of Recalled Products	Quantitative (tons, quantity)	A total of 310 items were reviewed, including 14 snack and canned products, 143 beverage products (comprising 58 ambient beverages, 65 refrigerated beverages including PE and refrigerated snacks, and 20 carbonated drinks), 38 oil products, 103 water series products, 6 ambient products for business use, and 6 others (concentrates). There was one labeling violation: in July 2023, the competent authority penalized Taisun for the front packaging label on Taisun Rice Bran Oil, which stated "for use in lunch programs for small and medium-sized schools in Japan," which was deemed a regulatory violation. The company was fined TWD 40,000 and has since completed the necessary label modifications to comply with regulations.	Product Labeling	46
		In 2023, Taisun had no reports, violations, fines, recalls, or product withdrawals under the Food Safety and Sanitation Management Act, the Standards for the Scope and Limits of Food Additives, the Methods of Microbial Examination of Foods, Product Liability Insurance for Food Businesses, Good Hygiene Practices (GHP), the Standards for Food Utensils, Containers, and Packaging Sanitation, the Maximum Residue Limits of Pesticides, the Sanitation Standards for Contaminants and Toxins, or the Microbiological Standards for Food.	Grasping Regulatory Updates and Updating Standards	48-49
Percentage of Procurement Meeting Internationally Recognized Product Responsibility Standards, Categorized by Standard Percentage of total procurement that complies with internationally recognized product responsibility standards.	Quantitative Ratio (%)	The United States, Brazil, and Argentina are the world's main producers and exporters of soybeans. Taisun continues to purchase soybeans certified by the United States Soy Export Sustainability LLC. In 2023, the total import value of soybeans was TWD 4.584 billion, with TWD 1.375 billion (29.99%) coming from soybeans certified for sustainable production in the U.S. The estimated proportion of these certified soybeans in the total import quantity is 30.94%.Percentage of total procurement that complies with internationally recognized product responsibility standards. In 2023, Taisun purchased US$1.375 billion worth of soybeans certified by the US Soy Export Sustainability Company, accounting for 29.99% of the total procurement amount.	International Procurement Management 1. Soybean and Vegetable Oil Raw Material Procurement	53
Percentage of Products Manufactured in Plants Verified by Independent Third-Parties to Comply with Internationally Certified Food Safety Management System Standards	Quantitative Ratio (%)	Taisun's 2023 Product Food Safety Certifications Obtained Category: The percentage of each product category certified under SQF, FSSC 22000, TQF, and HALAL.	Acceptance of External Audits and Certifications	47
Number and percentage of suppliers audited, audit items, and results.	Quantitative/ Qualitative Ratio (%)	Supplier Selection for Raw Materials: Taisun conducts rigorous reviews during the raw material procurement process, involving departments such as R&D and Quality Assurance. Preference is given to suppliers with relevant food certifications to enhance quality management standards. Taisun also actively promotes the signing of the "Integrity and Sustainability Development Commitment" with suppliers. In 2023, all 14 new raw material suppliers with transaction amounts exceeding TWD 100,000 signed the commitment letter, achieving a 100% signing rate.	Domestic Procurement Management 1. Supplier Management Strategy	50
		Supplier Evaluation Process: Plan Formulation → Review & Approval Process → On-site Evaluation → Deficiency Improvement Tracking → Evaluation Grade Management. Evaluation items include: 30% for Process Control, 25% for Operational Management, 25% for Incoming Quality Control, 20% for Finished Product Quality Control.	Domestic Procurement Management 2. Supplier Evaluation	51
		In 2023, Taisun conducted on-site evaluations of 59 suppliers, representing 29.6% of the total suppliers for the year, with 96.61% achieving grades A and B. Supplier Evaluation Grades: A-9 suppliers, B-48 suppliers, C-2 suppliers.	Domestic Procurement Management 4. Management Results ② Evaluation Results	52
		In 2023, 90% of the 10 contracted manufacturing plants achieved HACCP certification, 90% achieved ISO 22000 certification, and 30% achieved FSSC 22000 certification. 2023 On-site Evaluation of Contracted Manufacturing Plants: Planned for 7 plants, with 6 completed (1 rescheduled for 2024 due to scheduling conflicts), covering 66% of all contracted plants. All 6 evaluated plants were rated as B-grade.	OEM Management	55

DISCLOSURE	UNIT OF MEASURE	DETAILS	REFERENCES	PAGE
Food Safety Laboratory Setup as Required by Regulations or Voluntarily, Testing Items, Results, and Related Expenditures as a Percentage of Net Operating Income	Quantitative/ Qualitative Ratio (%)	The acceptance rate for raw materials entering the plant was 99.3%, and the usage acceptance rate was 99.9%.	Domestic Procurement Management 4. Management Results ③ Raw Material Acceptance Status	52
		Taisun has 3 laboratories: a food laboratory, a microbiology laboratory, and a cooking oil products laboratory. The current laboratory equipment configuration complies with the "Food Factory Building and Equipment Factory Standards" announced by the Ministry of Health and Welfare. Equipment is sent to impartial units for annual calibration. Laboratories have significant influence in R&D and quality assurance stages. To enhance product quality control capabilities, Taisun improves equipment, talent, and experimental expertise. The laboratories are established based on ISO/IEC 17025, building a certified laboratory quality management system to serve as professional food and oil product testing laboratories, safeguarding food hygiene and safety quality.	Laboratory Management	42–44
		Food and Microbiology Laboratory Testing Items List Cooking Oil Products Laboratory Testing Items List	Laboratory Management 2. Laboratory Testing Capability Compliance	42
		Since obtaining TAF (Taiwan Accreditation Foundation) certification in 2021, Taisun has continuously maintained the validity of the certification, passing the TAF annual supervision evaluation on March 10, 2023.	Laboratory Management 4. TAF Laboratory ISO/IEC 17025 Certification Maintenance	44
		In 2023, Taisun invested TWD 32.666 million in food safety laboratories, accounting for 0.86% of operating income.	Laboratory Management 5. Laboratory Testing Related Expenses	44
		A total of 1,155 tests were conducted, including 18 water quality tests, 365 food safety and hygiene tests for raw materials, and 71 tests for packaging materials. All test results were compliant. Oil Testing: 283 tests Refrigerated Beverages: 56 tests Ambient Beverages: 31 tests Canned Products: 281 tests Bottled Drinking Water: 19 tests Snacks: 31 tests Overall Pass Rate: 100% 2023 Mandatory Audits: Taisun underwent 4 mandatory audits conducted by local government and government-appointed entities, all of which met the required standards. Additionally, 8 third-party certification focused on food safety and quality were conducted, with immediate corrections made for any deficiencies, leading to successful audit approvals.	Acceptance of External Audits and Certifications	47
Compliance with Regulatory Requirements or Voluntary Product Traceability and Tracking Management and the Percentage of Affected Products	Quantitative/ Qualitative Ratio (%)	A total of 16 simulated recall tests were conducted in 2023, covering all product types (including products manufactured under client contracts). The tests demonstrated a 100% recovery rate, with data collection completed within 2 hours, ensuring the production history of products can be accurately tracked and traced. In 2023, Taisun uploaded 251 manufacturing products and 23 imported products to the "Food Traceability Administration System" electronic platform under the Taiwan Food and Drug Administration, achieving a 100% completion rate.	Track and Trace	45
Total Energy Consumption, Percentage of Purchased Electricity, and Renewable Energy Usage Rate	Quantitative/ Billion Joules (GJ), Percentage (%)	Taisun's total energy consumption for 2023 was 206,969.45 GJ, with 17.65% sourced from purchased electricity. The use of biomass boilers accounted for 60.34% of total energy consumption as renewable energy.	Energy Conservation & Carbon Management: Factory Management Status	72–74
Total Water Intake and Total Water Consumption	Quantitative/ Thousand Cubic Meters (km^3)	The total water withdrawal was 744.76 tons, total water discharge was 397.88 tons, and total water consumption was 346.88 tons. The water withdrawal decreased by 17.44 tons, and the water discharge decreased by 72.77 tons.	Water Resources Management and Wastewater Discharge	69
Weight of Sold Products and Number of Production Facilities	Quantitative/ Metric Tons (t), Quantity	In 2023, Taisun's consumer food products were produced by 2 factories (Taisun Food Factory, Taisun Oil Factory) and 10 OEM factories. The total sales volume of various products, including OEM and distribution, was 421,354,772 tons. Besides consumer goods, Taisun's Aquatic Feed Factory and Beidou Ranch hog farming business also faced international raw material price surges, causing feed and farming cost increases that squeezed profits. However, livestock-related businesses have limited input in Taisun's operations, with minimal impact on overall operations. In 2023, all Taisun livestock-related products were self-produced and sold by Taisun Aquatic Feed Factory and Beidou Ranch, with total sales of aquatic feed sale hogs reaching 13,489 tons.	Maintaining Stability Production and Sales Amid Environmental Challenges	28

TCFD INDEX

CLIMATE-RELATED INFORMATION AND SUSTAINABILITY DISCLOSURE INDICATORS FOR LISTED COMPANIES

DISCLOSURE	IMPLEMENTATION STATUS
Description of Board and Management Oversight and Governance of Climate-related Risks and Opportunities	For detailed information, please refer to the "Climate Change Risks and Opportunities" chapter of the report.
Explanation of How Identified Climate Risks and Opportunities Impact the Company's Business, Strategy, and Financials (Short-term, Mid to Long-term)	
Description of the Financial Impact of Extreme Weather Events and Transition Actions	
Explanation of How the Process for Identifying, Assessing, and Managing Climate Risks is Integrated into the Overall Risk Management System	
If Scenario Analysis is Used to Assess Resilience to Climate Change Risks, Provide Details on the Scenarios, Parameters, Assumptions, Analytical Factors, and Key Financial Impacts	
If There is a Transition Plan to Manage Climate-related Risks, Provide Details on the Plan's Content, and the Indicators and Targets Used to Identify and Manage Physical Risks and Transition Risks	
If Internal Carbon Pricing is Used as a Planning Tool, Explain the Basis for Pricing	The Company has not yet implemented an internal carbon pricing policy.
If Climate-related Targets are Set, Provide Details on the Activities Covered, Scope of Greenhouse Gas Emissions, Planning Timeline, and Annual Progress. If Carbon Offsets or Renewable Energy Certificates (RECs) are Used to Achieve Related Targets, Explain the Source and Quantity of Offsets or RECs Used	To reduce the impact of operations on the surrounding environment, the Company has invested significant resources in environmental indicators, requiring suppliers to cooperate with energy-saving and carbon-reduction practices. In accordance with ISO 14064-1:2018, the Company conducts an annual internal greenhouse gas emission inventory, with third-party verification scheduled for 2026. The scope of coverage includes all areas under operational control, and reduction targets and timelines are planned based on the inventory results to align with the vision of sustainable development.
Greenhouse Gas Inventory and Assurance, Reduction Targets, Strategies, and Specific Action Plans	

RECENT TWO-YEAR GREENHOUSE GAS INVENTORY AND ASSURANCE AT TAISUN ENTERPRISE

GREENHOUSE GAS INVENTORY DATA

Explanation of Greenhouse Gas Emissions (in metric tons CO_2e), carbon intensity (in metric tons CO_2e per million TWD), and data coverage for the most recent two years, refer to the "GHG Emission Management" chapter*

* Data Coverage: parent company and subsidiaries in consolidated financial reports

GREENHOUSE GAS ASSURANCE DATA

Explanation of the assurance status for the most recent two years as of the annual report print date, including assurance scope, assurance body, assurance standards, and assurance opinion. The Company has not yet met the timeline required for conducting a greenhouse gas inventory and assurance, so there is no related information on assurance scope, assurance body, assurance standards, or assurance opinion available.

GREENHOUSE GAS REDUCTION TARGETS, STRATEGIES, AND SPECIFIC ACTION PLANS

Explanation of the Baseline Year for Greenhouse Gas Reduction, Related Data, Reduction Targets, Strategies, and Specific Action Plans, and the Status of Achieving Reduction Targets.

The Company has not yet met the timeline required for conducting a greenhouse gas inventory and assurance. In accordance with ISO 14064-1:2018, the Company conducts an annual internal greenhouse gas emission inventory, with third-party verification scheduled for 2026. Currently, there is no data available on reduction targets, strategies, specific action plans, or the status of achieving reduction targets.

THIRD-PARTY VERIFICATION

LIMITED ASSURANCE REPORT AND ASSURANCE INFORMATION SUMMARY

EY 安永 Building a better working world

English Translation of a Report Originally Issued in Chinese

Assurance Report of Independent Auditors

To Taisun Enterprise Co., Ltd.

1. Scope

We have been engaged by Taisun Enterprise Co., Ltd. (Hereinafter referred to as Taisun) to perform a limited assurance engagement in relation to and report on selected sustainability performance indicators included in Taisun 2023 Sustainability Report.

Regarding the sustainability performance indicators selected by Taisun and their applicable criteria, please refer to appendix A.

Management responsibility

Taisun is responsible for the preparation of 2023 Sustainability Report in accordance with adequate criteria, including referencing to Global Reporting Initiatives ("GRI") GRI Standards, and for the design, execution and maintenance of internal controls in regard with report preparation to support the collection and presentation of the Report.

Independent Auditor's Responsibility

Our responsibility is to plan and perform limited assurance engagement in accordance with the TWSAE3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by Taiwan Accounting Research and Development Foundation.

2. Assurance

The procedures performed in limited assurance engagement vary in nature and timing, and are less in extent than for a reasonable assurance engagement so that the level of assurance is substantially lower than reasonable assurance engagement. While we considered the effectiveness of Taisun internal controls when determining the nature and extent of procedures, our review was not designed to provide assurance on internal controls.

To conclude for limited assurance, our procedures performed included:

- Reading the Sustainability Report of Taisun.
- Interviewing with Taisun management and personnel to understand the Taisun implementation of overall sustainability and reporting process;
- Performing analytical procedures on selected sustainability performance indicators, gathering and checking other supporting documentation and management information obtained, testing on sample basis if necessary;

3. Limitations

Non-financial information contained within sustainability reports are subject to measurement uncertainties. The selection of different measurement techniques can result in materially different measurement. Also assurance engagements are based on selective testing of information being examined, and it is not possible to detect all of the existing material misstatements whether resulting from fraud or error.

4. Quality and Independence

We are in conformity with TWSQC1 "Quality Control for Public Accounting Firms" to establish and maintain a sound system of quality control, including code of professional ethics, professional standards and those written policies and procedures in applicable regulations. We are also in conformity with related independence and other ethics requirements in Taiwan's Norm of Professional Ethics, which basic principles are integrity, objectivity, professional competence and due care and professional behavior.

5. Conclusion

Based on our procedures and obtained evidence, nothing has come to our attention that causes us to believe that any material modifications or adjustments should be made to the selected sustainability indicators in accordance with applicable criteria.

Lu, Chian Uen
Ernst & Young
June 7th , 2024
Taipei, Taiwan, Republic of China

Notice to Readers
The reader is advised that the sustainability report has been prepared originally in Chinese. In the event of a conflict between the assurance report and the original Chinese version or difference in interpretation between the two versions, the Chinese language assurance report shall prevail.

Appendix A

<table>
<tr><th>No.</th><th>Article Title</th><th>Subject matter information</th><th>Benchmarking Description</th><th>Applicable Benchmarking</th></tr>
<tr><td>1</td><td>Ensuring Customer Health & Safety</td><td>Taisun’s quality assurance team has 35 members responsible for quality assurance system control. About 86% of QA personnel have food science-related educational backgrounds, impacting 100% of all products on various production lines. To ensure food safety and quality, we continuously arrange for different personnel to participate in external training courses to improve professional competencies and obtain professional certifications.
<table>
<tr><th>Training Courses Related to Product Assurance</th><th>Number of Participants</th><th>Hours</th></tr>
<tr><td>Complete Management of Hermetic Sealing</td><td>1</td><td>6</td></tr>
<tr><td>Training for Crimping Hermetic Seals</td><td>2</td><td>38</td></tr>
<tr><td>International Seminar on Food Safety Risk Factors and Mitigation Strategies</td><td>3</td><td>15</td></tr>
<tr><td>Internal Auditing and Verification for Food Safety Management Systems</td><td>1</td><td>6</td></tr>
<tr><td>HACCP Continuous Education</td><td>4</td><td>28</td></tr>
<tr><td>SPC Statistical Process Control Training</td><td>2</td><td>12</td></tr>
<tr><td>FSSC/ISO 22000 Internal Auditor Training for Food Safety Management Systems</td><td>2</td><td>12</td></tr>
<tr><td>Advanced Microbiology Testing Course (Pathogen Testing)</td><td>1</td><td>17</td></tr>
<tr><td>External Training for the Latest Requirements of FSSC 22000 (Version 6)</td><td>3</td><td>18</td></tr>
<tr><td>Laboratory Certification Training for ISO/IEC 17025</td><td>3</td><td>54</td></tr>
<tr><td>Seminar on Measurement Uncertainty</td><td>1</td><td>12</td></tr>
<tr><td>Seminar on Corrective Action Implementation</td><td>2</td><td>12</td></tr>
<tr><td>Internal Review Seminar for the Laboratory Department</td><td>1</td><td>12</td></tr>
<tr><td colspan="2">Total</td><td>242</td></tr>
</table></td><td>To enhance food hygiene, safety, and quality, assessments and improvements are conducted on aspects including personnel, operational premises, facility hygiene management, and quality assurance systems. This affects the primary product and service categories, along with the corresponding percentages.</td><td>In accordance with Article 4, Appendix 1-1 of the 'Operating Guidelines for Preparation and Disclosure of Sustainability Reports by Listed Companies,' Performance Indicator One requires enhanced disclosure of performance indicators.</td></tr>
<tr><td>2</td><td>Ensuring Customer Health & Safety</td><td>In 2023, there were 310 product packaging label reviews, including 14 for canned snack products, 143 for beverage products (including 58 room temperature beverages, 65 refrigerated beverages including PE and refrigerated snacks, 20 carbonated beverages), 38 for oil products, 103 for water series products, 6 for commercial room temperature products, and 6 for others (concentrated liquid). There was 1 case of product label violation: In July 2023, Taisun received a notice from the competent authority that the phrase “Oil supplied to Japanese elementary and middle school lunch catering” on the front packaging of Taisun Rice Bran oil violated regulations, resulting in a fine of TWD 40,000. Immediate corrections were made to the relevant labels to comply with regulatory requirements.</td><td>The categories and frequency of incidents involving violations of health and safety regulations related to products and services, as well as instances of non-compliance with regulations regarding information and labeling of products and services. Additionally, the number of product recalls and the total weight of recalled products.</td><td>In accordance with Article 4, Appendix 1-1 of the 'Operating Guidelines for Preparation and Disclosure of Sustainability Reports by Listed Companies,' Performance Indicator Two requires enhanced disclosure of performance indicators.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Article Title</th><th>Subject matter information</th><th>Benchmarking Description</th><th>Applicable Benchmarking</th></tr>
<tr><td>3</td><td>Sustainable Supplier Management</td><td>Taisun continues to purchase soybeans certified by the United States Soy Export Sustainability LLC. In 2023, the total import value of soybeans was TWD 4.584 billion, with TWD 1.375 billion (29.99%) coming from soybeans certified for sustainable production in the U.S. The estimated proportion of these certified soybeans in the total import quantity is 30.94%.</td><td>Percentage of procurement meeting internationally recognized product responsibility standards, categorized by standard percentage of total procurement that complies with internationally recognized product responsibility standards.</td><td>In accordance with Article 4, Appendix 1-1 of the 'Operating Guidelines for Preparation and Disclosure of Sustainability Reports by Listed Companies,' Performance Indicator Three requires enhanced disclosure of performance indicators.</td></tr>
<tr><td>4</td><td>Ensuring Customer Health & Safety</td><td>Taisun’s product food safety certifications obtained in 2023<table><tr><th rowspan="2">Item</th><th colspan="2">International Certification</th><th>National Certification</th><th>HALAL Certification</th></tr><tr><th>SQF</th><th>FSSC</th><th>TQF</th></tr><tr><td>Canned Snacks</td><td>100%</td><td>100%</td><td>79.54%</td><td>82.36%</td></tr><tr><td>FRESCO Snacks & Beverages</td><td>100%</td><td>100%</td><td>59.33%</td><td>58.89%</td></tr><tr><td>PET Bottle Beverages</td><td>21.82%</td><td>52.76%</td><td>53.66%</td><td>21.82%</td></tr><tr><td>Tetra Pak Beverages</td><td></td><td>100%</td><td>92.17%</td><td></td></tr><tr><td>Packaged Drinking Water</td><td></td><td>29.82%</td><td>100%</td><td></td></tr><tr><td>Cooking Oil Products</td><td>73.79%</td><td>100%</td><td>54.77%</td><td>73.55%</td></tr><tr><td>Carbonated Beverages</td><td>12.84%</td><td>12.84%</td><td>83.01%</td><td></td></tr></table></td><td>The percentage of products manufactured in facilities that have been independently verified to comply with internationally recognized food safety management system standards.</td><td>In accordance with Article 4, Appendix 1-1 of the 'Operating Guidelines for Preparation and Disclosure of Sustainability Reports by Listed Companies,' Performance Indicator Four requires enhanced disclosure of performance indicators.</td></tr>
<tr><td>5</td><td>Sustainable Supplier Management</td><td>According to Taisun’s “Cooperative Supplier Management Review Scoring Form,” supplier comparisons are conducted. Risk scoring items are divided into four major aspects: stability, importance, quality, and delivery time. When the risk score reaches 75 or above, or there are other consideration factors, on-site evaluations are required. In 2023, on-site evaluations were conducted for 59 suppliers, accounting for 29.6% of this year’s total number of suppliers. The results of the on-site evaluations are shown as below, with Grades A and B combined accounting for 96.61%.<table><tr><th>Grade</th><th>Score Range</th><th>Management Approach</th><th>Number of Suppliers</th></tr><tr><td>A</td><td>90-100</td><td>Priority consultation and purchase quotation</td><td>9</td></tr><tr><td>B</td><td>80-89</td><td>Consultation and purchase quotation</td><td>48</td></tr><tr><td>C</td><td>70-79</td><td>Encourage suppliers to improve quality standards</td><td>2</td></tr><tr><td>D</td><td>60-69</td><td>Reduce purchase quotation, quality guidance based on needs</td><td>0</td></tr><tr><td>E</td><td><60</td><td>Eliminate supplier</td><td>0</td></tr><tr><td colspan="3">Total</td><td>59</td></tr></table></td><td>The number and percentage of supplier audits conducted, along with audit items and outcomes.</td><td>In accordance with Article 4, Appendix 1-1 of the 'Operating Guidelines for Preparation and Disclosure of Sustainability Reports by Listed Companies,' Performance Indicator Five requires enhanced disclosure of performance indicators.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Article Title</th><th>Subject matter information</th><th>Benchmarking Description</th><th>Applicable Benchmarking</th></tr>
<tr><td>6</td><td>Ensuring Customer Health & Safety</td><td>• A total of 16 simulated recall tests were conducted in 2023, covering all product types (including products manufactured under client contracts). The tests demonstrated a 100% recovery rate, with data collection completed within 2 hours, ensuring the production history of products can be accurately tracked and traced.
• In 2023, Taisun uploaded 251 manufacturing products and 23 imported products to the “Food Traceability Administration System” electronic platform under the Food and Drug Administration, achieving a 100% completion rate.</td><td>The situation of mandatory or voluntary product traceability and tracking management in accordance with regulations, along with the percentage of related products among the total products.</td><td>In accordance with Article 4, Appendix 1-1 of the 'Operating Guidelines for Preparation and Disclosure of Sustainability Reports by Listed Companies,' Performance Indicator Six requires enhanced disclosure of performance indicators.</td></tr>
<tr><td>7</td><td>Sustainable Supplier Management</td><td>• Total investment in food safety laboratory in 2023
▸ Total investment in food safety laboratory（TWD Thousand）: 32,666
▸ Ratio of total investment in food safety laboratory to revenue：0.861%
*Note：Ratio of total investment in food safety laboratory to revenue = (Identification cost + Prevention cost + Fixed testing expenses) / Tianzhong Production Department revenue * 100%
• Self-Inspection Pass Rate<table><tr><th rowspan="2">Pass Rate</th><th colspan="2">Canned snack products (Eight Treasure and Grass Jelly lines)</th><th colspan="2">Fresh house snack beverage products (IP line)</th><th colspan="2">PET bottle tea beverage products</th><th colspan="2">Cooking Oil products</th></tr><tr><th>Product heat preservation test</th><th>CCP&CQP monitoring pass rate</th><th>Product heat preservation test</th><th>CCP&CQP monitoring pass rate</th><th>CCP&CQP monitoring pass rate</th></tr><tr><td>2023</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td></tr></table>• Raw material acceptance status<table><tr><th>Item</th><th>Agricultural Products</th><th>Oils and Fats</th><th>Paperboard</th><th>Packaging Containers</th><th>Concentrated Juices</th><th>Others</th><th>Overall Average</th></tr><tr><td>Factory Acceptance Rate</td><td>99.4%</td><td>99.9%</td><td>99.8%</td><td>98.9%</td><td>100%</td><td>99.5%</td><td>99.3%</td></tr><tr><td>Usage Acceptance Rate</td><td>99.7%</td><td>100%</td><td>100%</td><td>99.9%</td><td>100%</td><td>99.7%</td><td>99.9%</td></tr></table></td><td>The situation of mandatory or voluntary establishment of food safety laboratories in accordance with regulations, testing items, test results, related expenditures, and the percentage of such expenditures to net operating revenue.</td><td>In accordance with Article 4, Appendix 1-1 of the 'Operating Guidelines for Preparation and Disclosure of Sustainability Reports by Listed Companies,' Performance Indicator Seven requires enhanced disclosure of performance indicators.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Article Title</th><th>Subject matter information</th><th>Benchmarking Description</th><th>Applicable Benchmarking</th></tr>
<tr><td>8</td><td>Energy Conservation and Carbon Management</td><td>
<table>
<tr><th colspan="2" rowspan="2">Item</th><th>Food Factory</th></tr>
<tr><th>2023</th></tr>
<tr><td rowspan="6">Non-renewable Energy Sources</td><td>Purchased Electricity</td><td>36,531.94</td></tr>
<tr><td>Boiler Oil</td><td>43,014.00</td></tr>
<tr><td>Natural Gas</td><td>1,649.93</td></tr>
<tr><td>Liquefied Petroleum Gas</td><td>868.03</td></tr>
<tr><td>Diesel [2]</td><td>11.5</td></tr>
<tr><td>Subtotal</td><td>82,075.40</td></tr>
<tr><td>Renewable Energy Sources</td><td>Biomass Energy - Purchased Steam [3]</td><td>124,894.05</td></tr>
<tr><td colspan="2">Total Energy Consumption</td><td>206,969.45</td></tr>
<tr><td colspan="2">Percentage of Purchased Electricity</td><td>17.65%</td></tr>
<tr><td colspan="2">Percentage of Renewable Energy Use</td><td>60.34%</td></tr>
</table>
Note:
1. The coefficients used, except for biomass energy which references external test reports, are based on the heat values from the Environmental Protection Administration’s Greenhouse Gas Emission Factor Management Table version 6.0.4: Electricity: 1 kWh = 3,600 KJ, Boiler oil: 1 L = 9,600 kcal, Natural gas: 1 M^3 = 8,000 kcal, Liquefied petroleum gas: 1 L = 6,635 kcal, Diesel: 1 L = 8,400 kcal, Biomass energy: 1 kg = 4,475 kcal.
2. The diesel usage for generators is calculated based on the model and frequency of use; forklift procurement volume is calculated using the average diesel price for 2023 from the Bureau of Energy’s Oil Price Information Management and Analysis System.
3. According to the Kyoto Protocol regulations, wood pellet fuel is classified as biomass fuel, which is an emerging renewable energy source. Therefore, the use of wood pellets as fuel is considered renewable, and the suppliers are approved by the Environmental Department to obtain reuse permits.</td><td>Total energy consumption, percentage of purchased electricity, and renewable energy utilization rate.</td><td>In accordance with Article 4, Appendix 1-1 of the 'Operating Guidelines for Preparation and Disclosure of Sustainability Reports by Listed Companies,' Performance Indicator Eight requires enhanced disclosure of performance indicators.</td></tr>
<tr><td>9</td><td>Water Resources Management and Wastewater Discharge</td><td>
<table>
<tr><th rowspan="2">Item</th><th colspan="3">2023</th></tr>
<tr><th>Food Factory</th><th>Other Areas</th><th>Total</th></tr>
<tr><td>Water withdrawal</td><td>693.49</td><td>51.27</td><td>744.76</td></tr>
<tr><td>Water discharge</td><td>384.86</td><td>13.02</td><td>397.88</td></tr>
<tr><td>Water consumption</td><td>308.63</td><td>38.25</td><td>346.88</td></tr>
</table>
</td><td>Total water withdrawal and total water consumption.</td><td>In accordance with Article 4, Appendix 1-1 of the 'Operating Guidelines for Preparation and Disclosure of Sustainability Reports by Listed Companies,' Performance Indicator Nine requires enhanced disclosure of performance indicators.</td></tr>
<tr><td>10</td><td>Business Operations and Key Reviews of Taisun</td><td>• In 2023, Taisun’s consumer food products were produced by 2 factories (Taisun Food Factory, Taisun Oil Factory) and 10 OEM factories. The total sales volume of various products, including OEM and distribution, was 421,354,772 tons.
• In 2023, all Taisun livestock-related products were self-produced and sold by Taisun Aquatic Feed Factory and Beidou Ranch, with total sales of aquatic feed sale hogs reaching 13,489 tons.</td><td>Sold product weight and number of production facility locations.</td><td>In accordance with Article 4, Appendix 1-1 of the 'Operating Guidelines for Preparation and Disclosure of Sustainability Reports by Listed Companies,' Performance Indicator Ten requires enhanced disclosure of performance indicators.</td></tr>
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Taisun Enterprise Co., Ltd.